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NSW Creative Industries Taskforce
NSW Trade and Investment
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Submission in response to the Draft Industry Action Plan for NSW Creative Industries

Thank you for the opportunity to comment on the NSW Creative Industries Draft Industry Action Plan. Regional Development Australia (RDA) Hunter recognises the importance of a vibrant and diversified economic base to support the State and National economies. Our research for this submission included hosting two strategic conversations with several Creative Industry stakeholders from the Hunter.

On behalf of our Chair, Ms Gaye Hart AM, and the RDA Hunter Committee, I submit the following for consideration by the Taskforce as the Industry Action Plan is finalised.

Introducing RDA Hunter

Established in 2009, RDA Hunter is the peak regional development consultative organisation for the Hunter Region. Funded by the Australian and NSW Governments, its activities are also supported through project grants and financial contributions from regional partners. Activities focus on collaboratively linking regional community members and businesses to government to address challenges and create opportunities for long-term and sustainable prosperity.

RDA Hunter's vision is for the growth of a vibrant and sustainable Hunter economy in a carbon constrained future. RDA Hunter takes a leading role in actively promoting the Hunter's potential to ensure the region remains an attractive place to invest, live and work.

The Hunter - A Region of Opportunity

The Hunter is the seventh largest urban area in Australia and the State's major region for economic activity. The Hunter Region, which encompasses 11 local government areas:

- contributed \$36.9 billion in 2011-12 to make it Australia's largest regional economy;
- contributed more than 8% of Gross State Product and 2.6% of GDP; and
- produces at least 60% of the State's electricity.

A new Deloitte Access Economics report* *Prospects and challenges for the Hunter Region – a strategic economic study (March 2013)* estimates growth of almost 75% to the Hunter Region's economy by 2036, delivering a Gross Regional Product of \$64.8 billion.

* Deloitte Access Economics report available on RDA Hunter website: www.rdahunter.org.au

Why did RDA Hunter arrange and host strategic conversations with leaders from Creative Industries?

RDA Hunter's track record of delivering on Infrastructure, Integrated Planning for Urban Areas, Clean Tech and Innovation is underscored by the recognition that thriving Creative Industries are vital for the future of the Region. The Hunter's Creative Industries are important contributors to vibrant communities, the expression of Hunter values and essential for sustainable economic diversification.

Over the next decade, and beyond, Creative Industries will drive economic growth, exports, productivity, innovation and competitiveness for the Nation, the State of NSW and the Hunter region.

The strategic conversations were the cornerstones of RDA Hunter's consultation and engagement process to identify and present a regional view to the Creative Industries Taskforce. These also provided the opportunity to identify where we can collaborate and what we can do to make a difference.

Opportunities and challenges for the Hunter's Creative Industries

Participants were invited to share their views on ways in which industry and government could grow the economic and cultural value of Creative Industries, focussing on the ten key opportunities and challenges presented in background papers by the Taskforce:

1. Growing demand for digital content and delivery
2. Changing Demographics
3. Leveraging growth in the Visitor Economy
4. Export opportunities
5. Regional Opportunities
6. Marketing the economic and social value of creative content
7. Education, Skills and Training
8. Developing Creative Careers
9. Leadership with long term focus
10. Role of Government (including assistance, grants, and procurement)

At each of the strategic conversations, participants were asked to respond to:

- Does this list accurately capture the key challenges and opportunities for Creative Industries to 2020?
- Are there other emerging opportunities?
- What do you see as the key challenges, barriers or risks for your industry sector? (e.g. in the areas of finance, skills, regulation, technology, systems, markets and brand over 2, 5 and 10-years)
- What needs to happen to enhance the development and growth of the Hunter's Creative Industries?

The following notes bring together comments, feedback and observations from the Hunter's Creative Industries representatives on several of the ten talking points, which RDA Hunter believes will be of interest to the Taskforce.

Digital content and delivery

- High speed broadband is a catalyst for change.
- A great deal of interest in the digital space as an opportunity for cross-industry collaborations.
- The digital economy is recognised as a driver of economic transformation.
- Radio in the Hunter sees itself as an early adopter of high speed broadband and new technologies.
- Social media is now a natural part of what is carried out in a normal working day.
- There is now an expectation that organisations will use social media as a part of their business.
- High speed internet will help connect people, but will also create fierce competition on a global scale for jobs.

Changing demographics

- Traditional 'Art's' are seen to be in crisis and unsupported
- Hand tailoring and bespoke work are becoming lost arts. To bring these skills back a certain level of intimacy and direct engagement with a Master is needed, but becoming less and less available.

Regional Opportunities

Here we can provide some thoughts beyond a series of dot-points.

The Draft Industry Action Plan recognises the contributions of Renew Newcastle. The Dungog Film Festival is mentioned, although this Hunter event may have already been held for the last time. Newcastle and the Northern Rivers are characterised as "creative industry 'hot spots'". This is final comment is encouraging, however it barely touches the surface if an Industry Action Plan (IAP) is to be developed for the entire State of NSW.

There is an extensive amount of activity in the Creative Industries across the Hunter (and other Regions of NSW) that should be acknowledged more strongly in the final IAP.

For example,

- Arts Upper Hunter;
- the overview of organisations, centres and spaces identified in the NSW Trade & Investment email "Hunter Snapshot" to Zahra Anvers dated 20/03/2013 and
- ABC Open runs 2-3 workshops per month in areas they identify as Upper Hunter 'hot spots' which are Scone and Murrurundi.

The Hunter's Creative Industries practitioners want to celebrate what is 'particular' about our Region, which means the practice and products are authentic and organic. The discussion groups advocated a new brand for the Hunter; a brand that is authentic and organic. Suggested for Newcastle is 'Authenticity' which is not about pushing the brand outside of the Hunter but to create a 'pull' effect, drawing people towards the city and consequently to the Hunter Region.

Further, the **co-operative model** of a manufacturing hub that is expressed through HunterNet is seen as a positive source of lessons for other areas, including the Creative Industries. This type of model enables industry sectors to group together, which helps them, and the Hunter Region, win larger projects. As an example 'Starhouse' – Newcastle Digital Workspace <http://starhouse.com.au/> - was raised during the conversations.

Marketing the value of economic content

- We need a paradigm shift to recognise the importance of the Creative Industries' contributions to the economy.
- Creative Industries not only directly contribute to the economy but also compliment other major industries such as health, education and manufacturing.
- The Creative Industries needs to educate the wider community on the effects of Arts initiatives relating to cities and the subsequent economic growth. Task: gather case studies from the wider international sphere of urban development based on the support of arts, design and other sub-sectors of the Creative Industries.
- Small creative industry businesses in the Hunter identify the biggest issue they face is that their work is undervalued. Generally 80% of a job needs to be completed before the project is 'won' and any payment is made. Is this the only Industry like this?

Education Skills and Training

- University of Newcastle is working on a proposal for a creative arts centre.
- \$8M has been donated by Angel investors to develop and facilitate creative industry flagship projects.
- The University is now collaborating within and between faculties to support growth in the number of areas recognising and taking advantage of creativity.
- Hunter TAFE and University of Newcastle collaboration or 'cross pollination' is happening with University graduates entering the TAFE system to undertake complementary training after completing their degrees.
- TAFE funding cuts have provided some challenges and opportunities, for instance there is an opportunity for TAFE to position itself more flexibly.
- Industry experience is that training in Hunter educational institutions trails behind technology advancements and are more cautious in advancements than the 'digi-tech' world.
- In response, Hunter TAFE has increased the number of Digital Media course offered to nine. Delivery articulates into university courses, developing a higher level of skills for the future.
- Teaching students about collaboration as the number one skill, with insights and experiences of the implications and advantages.
- The 'ABC Open Program' partners with regional organisations to teach them how to tell their story via the internet <https://open.abc.net.au/about>
- It is challenging to get people in micro businesses and small home businesses away from their business for skills development.
- An alternative model needs to be developed to teach business management skills to micro businesses.

Developing creative careers

- Finding the right balance of information sharing within the Creative Industries, a term (not encountered previously by RDA Hunter) was used: 'Co-oper-tition'. A blend of co-operation without losing the edge of competition to gainfully attract and retain paying customers or clients.
- Cluster incubators that create opportunities for 3 or 4 specialisations to link in with a business manager effectively creating a 'small business' out of these micro businesses.
- Importance of co-locating space will become increasingly important
- Local ABC Radio in Newcastle has an office with 2/3^{rds} of its staff are graduates from the University of Newcastle.
- ABC Open has facilitated regional entrants into the 'Heywire' film competition with 3 finalists coming out of the University of Newcastle <http://www.abc.net.au/heywire/>
- Local multi-media production house is finding it hard to locally fill roles for specialised digital jobs, including digital web development.
- Partnerships and collaboration 'work integrated learning' internships delivering hands on experience for high school students are to be encouraged.
- Infrastructure to support the industry is important including hotels and convention centres.

Long term focus

- New business within the Creative Industries looks feasible as collaborations on outputs for smartphones, computers and other digital technologies through a shared working space, rather than shopfront (seen as an extension of the Renew Newcastle model).
- Proof of concept: IDC-Hunter is currently trying to identify small clusters of business to work together on larger projects, such as gathering digital media experts, writers and illustrators together to form a demonstration project. Industry Development Center, IDC, is an independent, not-for-profit organisation established in 1992 by the Australian Federal Government. See www.idchunter.org.au/programs
- Establish a new, major project with support from public and private stakeholders to motivate people within the creative industries to work together.

Role of Government

- NSW Trade & Investment (T&I) input into Industry Action Plans centres on Business attraction and jobs
- T&I are working to bring organisations such as Enterprise Connect, together with Creative Industry businesses helping to link them to grants and funding opportunities
- Addressing challenges for the Creative Industries:
 - Competitiveness between small and micro businesses
 - Small business connect program; and
 - Intellectual Property issues
- Work with the creative industries when considering infrastructure and planning projects.

- Listen to practitioners to find out what the current needs are and provide resources to fill the gaps.

Participants at the strategic conversations were asked, “If you had government funding, where would you spend it?” These are the responses:

- Bricks and mortar i.e. Newcastle Region Art Gallery (\$7M committed, \$14M more required)
- Civic Theatre and Playhouse
- Heritage buildings like Newcastle Post Office
- Maintain cultural venues – this needs ongoing government funding
- Permanently funded theatre company
- 300-400 seat performing arts centre
- Dedicated convention centre
- Training and education institution, and in particular funding contract staff/teachers

On behalf of RDA Hunter, the opportunity to comment on the Draft Industry Action Plan is appreciated and we wish the Taskforce well in the next phase of your important work on the future for NSW’s Creative Industries. We look forward to the release of the NSW Creative Industries Industry Action Plan.

If you have any questions or would like further information, please call **0418 115 577**.

Yours faithfully

Todd Williams
CEO RDA Hunter

*RDA Hunter proudly co-sponsored
2013 Creating Spaces: a community renewal conference
Newcastle, 12 - 14 March 2013.*