Developing the Creative Economy

The creative economy is one of the fastest growing sectors worldwide. It is estimated to comprise as much as seven percent of the global economy, employing 144 million people. The wider arts sector obviously enriches our cultural and social lives, but there is growing recognition globally that it can play a vital role in economic development. So the arts should not be seen as a luxury or add-on in a society only available to those who can afford them. Film, music, literature and the visual arts are completely woven into the fabric of Irish life. Policymakers have to increasingly examine how best to harness the potential of the diverse sectors of the creative economy, both from the point of few of growing indigenous Small and Medium Enterprises (SMEs) and attracting inward Foreign Direct Investment (FDI).

With this in mind, the Oireachtas Joint Committee on Jobs, Enterprise and Innovation – which I have the privilege of chairing – embarked on a detailed examination of how the creative sectors can contribute to jobs, innovation and balanced economic development earlier this year.

In shadowing the Department of Jobs, Enterprise and Innovation, one of our main tasks is to listen to people and communicate these views in a coherent fashion to shape policy at departmental and ministerial level. In that spirit, we met with a wide range of stakeholders last April, before publishing a report with 23 practical, actionable recommendations in July 2015.

It is a timely report, coinciding with Irish Design 2015 (ID2015) which has raised awareness of the vital role that design plays in our daily lives and its economic potential to contribute to the sustainability of communities in every corner of the country.

These meetings have brought home to us that design is an important part of the jigsaw in the development of a creative mind-set. As outlined in a recent Sunday Business Post feature (23 August), the work of Irish designers is centred on innovation and not styling.

Fostering innovation needs to go beyond, for instance, improving the competencies in areas such as science, technology, engineering and maths (STEM). The mantra mentioned in the newspaper feature of ‘less hand weaving, more medical devices’, chimed with the Committee’s investigation of the intrinsic role that design has to play in our knowledge economy.

And on behalf of the Committee, I wish to welcome the Iterations initiative and compliment the editorial board for spearheading a journal that sets out to provide a focal point in Irish design research and knowledge sharing.

As well as design, our Report takes the creative economy to encompass interlinked sectors such as art, literature, technology, new media, and the performing arts.

The Committee undertook this work, with the knowledge that Ireland is home to a large number of highly talented creative professionals and specialists, many of whom have been negatively affected by the economic downturn. As the country continues on the path to recovery, the Committee recognises the imperative that the creative arts industry be adequately supported in its work.

And there are sound economic reasons to back up this approach, not least the fact that European research indicates that every one euro invested in design generates over €20 in additional revenue.

Over the course of two meetings in Leinster House, the Committee met with a wide range of stakeholders, from academic, business, media and public sectors as well as design and craft industry representatives to flesh out how these government priorities - to establish
sectoral and regional design networks and create a start-up investment platform for creative industry entrepreneurs - might be achieved in practice.

These representatives were speaking for artists, musicians, writers, performers, tech specialists and creative arts students, including Ireland’s thriving animation base. These meetings provided a valuable insight into the extraordinary opportunities available for Ireland to further grasp – if we get policy right.

Ireland’s position as a leading centre for animation and gaming globally was presented to us by prominent voices in that sector. We are keen that policymakers seize the opportunity to maintain and enhance our status at the top of the international pecking order in these fields.

A common theme emerging in the discussions was the lack of joined-up thinking between state agencies and government departments. So underpinning all our recommendations to Government is the desire to bring greater coherence to policy in the sector.

A principal recommendation of ours is the development of a coordinated, cross-agency creative industry strategy and website. Doing so would address the lack of coordination between agencies and respective government departments with responsibilities in the creative economy and would include a dedicated, long-term, multiannual strategy for the creative economy.

This more joined-up approach applies to funding too, and the importance of coherence in ensuring there is a ‘one-stop-shop’ for creative entrepreneurs and businesses to access supports. Similarly, we advocate a more proactive approach – involving engagement with estate agents and NAMA - when it comes to providing physical infrastructure to the sectors, including the provision of a publicly available database identifying vacant and suitable spaces in each county.

Appropriate financing of course is also key to securing the long term growth of the sector, and consideration should be given to regulating the crowd-funding sector in order to afford better protection to both lenders and businesses and set the conditions for SMEs in the creative economy to thrive. The Committee also sees merit in examining how existing incentives for film production and artists might be expanded to take account of a greater cohort of participants in the creative sectors.

On education and training, the Report points to the importance of matching skills with demand for specific sectors. A shortage of talent is a threat to our enviable position in sectors such as animation and games development so we see scope for a distinct model of training to be developed, specific to the creative economy. Rather than generalist degrees, structured specialist training initiatives should be on offer, with courses that incorporate key elements of business and entrepreneurship. Links between universities and colleges and the industry must be better fostered.

With the extraordinarily rewarding careers on offer, the Committee also take on board the need to generate greater awareness of the career path in the emerging sectors in the economy.

We don’t need to reinvent the wheel. The ‘Create UK’ and International Strategy of the UK Department of Trade and Investment are models developed across the water strongly supported by a number of prominent stakeholders and merits consideration.

We heard of examples too, in Ireland, of existing good practice, using creative projects to foster regional development and rural sustainability. For example, the cross-border three year Harnessing Creativity project has supported and developed entrepreneurship through training and mentoring to develop a business which can then be considered for other entrepreneurial funding programmes. For instance, there is obvious merit in county-specific plans with agreed, measurable growth and development targets in the creative sector.

We suggest that focused centres of excellence for certain sectors such as fashion, textiles, ceramics and digital content need to be developed. These centres would incorporate shared co-working spaces and contribute to a streamlined, sustainable national approach which benefits the regions. The Committee also recommends that one city outside of Dublin be designated a creative hub in order to best serve the country.

The Committee believes that this greater coherence should be driven by an online resource portal providing information – particularly on funding opportunities - for businesses active in all the creative sectors should be considered, potentially modelled on the UK example for the creative economy.

Our cross party Committee also believes that a dedicated, national Creative Industries Council – to include representation from government departments and stakeholders from the creative sectors - would add to policy coordination in the sector. Such an organisation would support and monitor the implementation of a national strategy for the creative industries rather than necessarily establish a dedicated agency.

Our recommendations, if implemented, will tap into the potential of cultural and creative industries throughout Ireland and offer unique possibilities to ensure that economic development is spread regionally throughout the country. But too often in the past, reports brimming with practical policy recommendations have not been implemented as quickly as we would like.

That is why as a Committee we have committed to ensuring follow up on these recommendations with the Minister for Jobs, Enterprise and Innovation Richard Bruton TD and senior officials at his Department – as well as with other relevant departments and agencies with a role in policy development in the creative economy.

This expanding industry must not be neglected in our national economic recovery. It can provide exciting opportunities for employment at both a regional and national level, if it is sufficiently nurtured.

Ireland has a proud history of cultural and creative prowess. This Report sets out how the creative sectors can thrive, complementing the wider economy and society and contribute even further to economic growth in both urban and rural areas to benefit the citizens we serve.