



Victoria's first creative industries strategy

Swinburne's contribution to the discussion

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Developing Victoria's first creative industries strategy

Introduction

Swinburne University of Technology ("Swinburne") is pleased to make this submission to the Creative Industries Taskforce.

Victoria is fortunate to have internationally-acclaimed industries in creative, visual and performing arts, design, animation, games, media, film and fashion. As the discussion paper details, the creative industries is a broad and interconnected field that makes important cultural, social and economic contributions to Victoria.

In 2014, Melbourne was named the world's most liveable city for the fourth year running, with a perfect score in the healthcare, education, infrastructure and sport categories. The then Premier, Dr. Napthine, attributed the result to the "musical, art exhibitions and sports events that add to the quality of life in Melbourne". Our creative industries have provided us with much to be proud of, and positioned Melbourne and Victoria as an international draw card.

Swinburne, and other design focused educational institutions, play a significant role in the development of creative expertise and capability, and the new knowledge and research vital to Victorian industries. We have high aspirations for graduates of our creative vocational, higher education, postgraduate and research programs to contribute to the global economy; directly through innovative ideas and indirectly through output used upstream, across a myriad of hard and soft industries.

1. How Swinburne contributes to Victoria's creative economy

Between 2007 and 2013, Swinburne's Institute for Social Research was a research partner in the ARC Centre of Excellence for Creative Industries ("CCi"), managing a number of its research projects and PhD candidates. Australia has learned much through the CCi but importantly, we have an improved understanding and recognition of the nature and extent of our creative industries and the creative economy. A significant project within CCi and managed by Swinburne Institute of Social Research, was Youthworx Media, which developed a successful model of how creativity can respond to youth marginalisation and social exclusion. The project was a partnership between Swinburne, The Salvation Army, and SYN Media. Over a seven year time frame, Swinburne researchers conducted in-depth ethnographic and longitudinal research on the social benefits of the creative enterprise. The research confirmed that "creative media training is effective in engaging and equipping highly disadvantaged youth with skills that are interconnected, cumulative and transferable into the broader society and economy, including individual, social and vocational competences". We attach the Youthworx Media report and the CCi annual report 2013, for further information.

Swinburne's School of Design was recently ranked within the top 100 Art and Design schools in the world. The School was also recognised in the Federal Government's 'Creative Australia' policy document, as a centre for excellence in design thinking and design education. Swinburne hosts the only Design Factory in Australia – part of the Design Factory Global Network. Design Factories are a platform for design-led innovation, enabling students and academics from engineering, ICT, business and design to collaborate with industry on real global challenges. The network fosters international collaboration with leading universities and organisations, on projects of international significance. One of Swinburne Design Factory's current collaborations is with CERN laboratories in Switzerland, with the goal that our students bring fresh approaches to their science communications.

Swinburne's Film and Television students and recent graduates win more international and domestic film awards than any other film school in the southern hemisphere. It is one of four film schools in Australia admitted as a member to the Centre International de Liaison des Ecoles de Cinéma et de Télévision (CILECT).

Swinburne is an equally strong contributor to Victoria's digital games and digital media research, output and expertise. Over the past decade, digital games have emerged as a major cultural platform, with a unique language that integrates aspects of many creative industries. Architecture, music, creative writing, theatre, visual art and design have broadened the discipline's expressive potential and communications effectiveness, alongside more widely recognised connections such as film and animation. Our student profile is in what is known as the "AA space" in game development – original titles produced by small and medium sized teams or businesses and released to a global market. We are preparing students for the Australian games industry – particularly the large Melbourne based sector – which sees the AA space as the long term prospect for the discipline. In 2010, one of Swinburne's Digital Media Design student productions, 'Whizkid Games', won the Premier's Design Award, beating commercial projects worth over \$1million. In collaboration with Swinburne's National eTherapy Centre, Whizkid games taught autistic children life skills and since 2010, it has been downloaded 1.2 million times.

Swinburne also houses the National Institute for Circus Arts ("NICA"), a national not-for-profit arts training organisation, registered as a cultural organisation and primarily funded by the Australian

Government, through the Ministry for the Arts. Swinburne sees NICA as an important national resource that has the potential to give Melbourne (and Victoria) the international profile that Cirque de Soleil has given Montreal (Quebec, Canada).

2. Growing the creative and cultural industries for greater impact

Swinburne supports the principle of a more cohesive Creative Industries strategy. Creativity and inter-disciplinary collaboration are essential ingredients for Australia's future competitiveness. Creative industries are intensive users of technology and are often the source of technology innovation. Creativity is often used to develop break-through products, new production processes, or develop new markets – it can drive economic growth¹. It is important to encourage collaboration within the creative industries, as well as develop incentive programs that encourage non-creative industries to collaborate and invest in creative programs.

Educating industry about the role that the creative industries play in business and social innovation is critical to the prosperity of Victoria, and our future creative graduates. A successful example of such education is Swinburne Design Factory's monthly 'breakfast think tanks', at which we host local businesses. The exposure has resulted in projects with Metro Trains, Cisco Systems and The Alfred Hospital. The government can increase business and industry exposure to design thinking through the support of more student-industry placements, which achieves both enhanced understanding and accelerated innovation.

An important stream of CCI research looked at how sectors that originally identified as belonging to the creative industries, have all essentially aligned new technologies with new ways of living. Such contributions are 'germinal' to economic growth; connecting fast-paced information and communications technology to cultural identities, through novelty and innovation. The creative industries thus play an important role in the innovation system that cannot be understood purely by calculating the size of the sector in economic or workforce terms. It is important to recognise and promote the fact that creativity is not confined to the creative industries. Other nations and governments that have well-established policies to support creativity often prefer to use the term 'creative economy', as defined by NESTA² in the United Kingdom.

Swinburne notes that the CCI Youthworx Media project is highly portable and it could be replicated with marginalised youth populations throughout Victoria. It is likely to be an interesting and successful approach to take with Aboriginal youth.

The diversity of the creative industries should be recognised and celebrated however the danger with such breadth and diversity is that individual sectors are muted. The design industries are a vital link between research and industry in the innovation eco-system³ but have arguably not been given the same support as the arts more generally. There is no central government-supported body at an Australian federal or state level with the aim of promoting design. Countries like Singapore, Denmark, the UK, and South Korea all have government supported design organisations, which drive public policy and promote the design industries. Design is often the link between end-user/market research and engineering, or the technical fields more generally. Designers translate human need into tangible

¹ United Nations Conference on Trade and Development (2010) Creative Economy Report

² Manifesto for the Creative Economy, <http://www.nesta.org.uk/publications/manifesto-creative-economy>

³ Danish Design Centre (2014) New Innovation Actors – design and technology in the interest of society, http://ddc.dk/wp-content/uploads/2014/09/New_Innovation_actors_gb-DDC-2014.pdf

and virtual products and services. A number of studies have highlighted the long-term impact of good design and how it is able to value-add to industries like manufacturing⁴. It is critical for Victoria's economy that the manufacturing sector invests in design-led innovation and understands the value that creativity can bring to business. The creative industries, and particularly design, play a key role in linking academia and business for industrial innovation. However, there needs to be better mechanisms and incentives for industry to engage with design focused organisations and universities like Swinburne. Australia ranks 29 out of 30 OECD countries when it comes to businesses collaborating with universities and research organisations⁵. To date, Australia has not been able to capitalise on its design talent because there is a distinct lack of government-funded design research, development or policy. Nations that are serious about design have developed coherent policy and financial incentives for organisations to invest in design. Good design has also been shown to have significant beneficial impact on health systems and patient experiences, as outlined by the world leading Mayo Clinic in the USA⁶.

Swinburne, through the creation of its new Advanced Manufacturing and Design Centre ("AMDC"), aims to provide industry with an understanding about the important role in Australia's future competitiveness, and knowledge about applying, design-led innovation and research. The managing committee of our AMDC includes two design researchers, to ensure we continuously support the integration of design into our industry collaborations. The AMDC also houses Swinburne's ARC Training Centre in Biodevices, which has significant potential to add to Victoria's industrial development and further integrate creative industries into mainstream manufacturing. In this centre, nine Victoria based SME's work with nine PhD and two postdoctoral students, to develop new biodevice products, which are prototyped in the AMDC's Factory of the Future, and destined to be manufactured in Victoria. The Deputy Director of the centre is a designer, to ensure that design is at the forefront of all the proposed new biodevices.

As the role of games in culture and society expands, Swinburne believes it is important to nurture a pluralistic approach to trans-disciplinary collaboration and crossover in the creative industries. With that in mind, the value of cultural R&D should be recognised. While technology-based R&D is needed to provide new platforms and open up new possibilities, equally important is the application of these technologies and the crafting of new hybrid solutions. For example, combinations of unexpected disciplines in cultural R&D projects; applying game design to new areas; supporting original games that tell stories in new ways; and, supporting projects that are not outcome-orientated but pioneer and explore new facets of the creative industries, are equally important to Victoria's creative output.

Swinburne sees the area of 'serious games' development as a niche market that Victoria could, if it moves quickly, emerge as a major player. Swinburne sees key components of this market being in the world 'healthcare' arena, for example, developing games-based health education products for both patient and health care professional education. Another, would be the 'offender' arena, for example Swinburne's work with corrections organisations to develop games-based products to address the more serious problems that new prisoners face when incarcerated; with the intent of reducing violence and enhancing the rehabilitation process.

⁴ UK Design Council (2015) Leading Business by Design: High Value Manufacturing, <http://www.designcouncil.org.uk/knowledge-resources/report/leading-business-design-high-value-manufacturing>

⁵ OECD, Science, Technology and Innovation Scoreboard, 2013

⁶ Design Thinking at the Mayo Clinic, <http://www.mayo.edu/center-for-innovation/what-we-do/design-thinking>

Another area where Government has an important role to play is in procurement policies and practices, specifically the commissioning of buildings, furniture, equipment, and in the development of new systems and services. Governments can utilise the creative industries to bring innovation and change across sectors. Policies in the management of healthcare, in the management of our schools and in the management of public services, can all be framed to enhance and support our creative industries. Good design has been recognised as having an increased effect on public policy and greater civil engagement⁷. Design and the arts more generally, play an important role in reframing problems and provide processes for meaningful public sector reform.

2.1 Recommendation 1

Ensure that design industries are given similar support and representations within Creative Victoria, as other sectors in the Arts.

2.2 Recommendation 2

Government to lead by example in developing public policy for the procurement and commissioning of Victorian design and creative services for urban planning, health, education and social policies.

2.3 Recommendation 3

The resources of NICA could be leveraged to create the type of international profile that Cirque de Soleil has by Victoria supporting, for a time limited period, an international performing company comprised of Australian performers trained at NICA, or other Australian programs.

2.4 Recommendation 4

The Victorian government could better promote an understanding of, and educate businesses and industry about the immense social, cultural and economic benefits of creative activity, and its export potential.

3. Increase government support for creative education

Swinburne plays a critical role in the education and training of our future creative professionals. Both creative education and the potential future careers of our graduates need to be cultivated and supported. The recent Federal Government proposal to reduce higher education government contributions payments will hit the creative arts hard. The proposal will see a 25% reduction in government contributions from \$12,053 to \$9,033. This is likely to have a negative impact on students making a choice about a career in the creative industries.

For the past ten years, national higher education student demand for Creative Arts and Architecture has been in a slow decline⁸, which is outlined in the following table.

Broad field of education	Total Preferences 2006/07	Total Preferences 2012/13
Creative Arts	10959	9867
Architecture	3071	2523
TOTAL	14,030	12,390

⁷ Bason, Christian. (2014). Design for Policy, Ashgate, UK.

⁸ Graduate Careers Australian, <http://www.graduatecareers.com.au/>

In Victoria, the successful completion of VCE Year 12 subjects (unit 4) in creative arts disciplines has also been in decline for the past five years⁹. In particular, the 2014 Product Design and Technology and Visual Communication Design courses have had 1388 less subject completions than 2009, with direct implications for the creation of new industries, or expansion of existing ones in Victoria. The only growth area over this time has been in Media, as highlighted in the following table.

VCE subject (unit 4)	Successful completions 2009 (unit 4)	Successful completions 2014 (unit 4)	Growth/decline
Art	1959	1890	-69
Dance	551	461	-90
Drama	1394	1366	-28
Media	3071	4460	+1389
Product Design & Technology	3503	2861	-642
Studio Arts	5665	5151	-514
Visual Communication Design	5889	5143	-746
TOTAL	22,032	21,332	- 700

The choices students make to go on to further study are complex but students considering the creative industries are also likely to be discouraged from undertaking further study by the mean salary of higher education graduates in these fields, and the employment rates compared to other fields. Upon completion of a higher education qualification, graduates in the fields of Creative Arts find it harder to find jobs than other fields. The table below shows the percentage of 2014 graduates in employment, four months after graduating, alongside their mean salary¹⁰:

2014 graduates by field of education	Employed Full time	Employed part-time	Unemployed	Mean salary
Architecture and Building	68.59%	19.66%	11.75%	\$51,000
Visual and Performing Arts	44.73%	35.2%	19.76%	\$42,000
Communication and Media	55.08%	30.06%	14.86%	\$45,000
All Higher Education students	66.3%	20.7%	16.0%	\$52,500

It is important to note that graduates need to not only be masters of their creative discipline but also understand the business end of the industry, such as how to take advantage of distribution channels and bring their material to market, using trans-media and other strategies that cross over multiple creative disciplines. Mentorships and internships are increasingly important in developing this knowledge and these could also blend and crossover between disciplines. This support needs to extend to emerging designers and creative, who need support and development in business development, entrepreneurship and management.

⁹ Victorian Curriculum and Assessment Authority, <http://www.vcaa.vic.edu.au/Pages/index.aspx>

¹⁰ Graduate Careers Australian, <http://www.graduatecareers.com.au/wheregradsgo>

The fragmented nature of the creative industries and the fact that 98% of these businesses have less than twenty employees¹¹ means that the opportunities for mentorships, internships and graduates are limited. There would seem to be some structural problems in the creative industry sectors that limit companies' growth. A large number of creative companies have less than five employees and sub-contract work with freelance talent, as and when required. Without future opportunities for growth, much of the talent graduating from Victorian universities will be lost overseas and leave Victoria without the crucial skills it needs for industrial innovation.

3.1 Recommendation 5

Consider a strategy to cluster creative activity and businesses - particularly entrepreneurial and start-up businesses – in shared spaces. These activities could be extensions, or creative incubation centres, connected to universities like Swinburne.

3.2 Recommendation 6

Provide targeted business funding support for emerging creative agencies, to enable strategic growth and exploit export opportunities. Swinburne suggests a five year demonstration program of targeted support for emerging creative SMEs, so that they have the ability to stabilise at a level of sustainability (for example >20 employees).

3.3 Recommendation 7

Consider structural changes and/or incentives to encourage more high school students to study creative subjects at Year 12.

3.4 Recommendation 8

Extend the educational partnerships of schools with arts and cultural organisations, to specifically add design and media partnerships and with the aim of broadening the awareness among teachers and school students of design thinking, design and media.

3.5 Recommendation 9

Provide targeted business support and incentives for businesses to accept student placements and internships in order to increase exposure to creative and design thinking and ultimately, business innovation.

4. Working together to support our creative industries

Swinburne believes Victoria has a major role to play in the national conversation about Australia's culture, creativity and innovation. Through its creative industries, Victoria can drive communications, industrial and technological innovation.

As outlined in our recommendations above, the government can be both an advocate and facilitator for the growth of the creative industries, which in turn, will increase job opportunities for our creative talent and keep them in Victoria.

¹¹ Creative Industries Innovation Centre, (2013). Valuing Australia's Creative Industries, <http://www.sgsep.com.au/news/valuing-australias-creative-industries-report-released/>

Swinburne looks to the government to promote the many economic benefits to be gained by embedding creative thinking and skills within industry, and support those communications through strong creative industry policies. We likewise look to government to acknowledge and promote the value of a creative education. In particular, by providing funding support that encourages industry to engage with students on projects and industry-based placements.

The CCI brought much knowledge to Victoria, particularly around the ways that creative industries can drive social innovation. Further funding for key research in this field will be important as our businesses and economy undergo a transformative process.

5. Swinburne's commitment to Victoria and the creative industries

Swinburne thanks Creative Victoria for the opportunity to contribute to the development of Victoria's first creative industries strategy. We welcome the opportunity to contribute further and partner with the Victorian government and industry to enrich Victoria's economic, social and creative capital.

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