

**Ben Blackburn Racing submission
on the Australian Government's
Cultural and Creative Activity
Satellite Accounts Methodology
Refresh Consultation Paper**



Wednesday, 5th April 2023

Submission on the Cultural and Creative Activity Satellite Accounts Methodology Refresh consultation paper

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To whom it may concern,

PUBLIC SUBMISSION

I am extremely pleased to provide this public submission in response to the Australian Government's release of its *Cultural and Creative Activity Satellite Accounts Methodology Refresh* consultation paper. Feedback on this paper is sought by Friday 26th May 2023.

The Australian Government has announced that an updated methodology is proposed for estimating cultural and creative activity on an annual basis arguing that refreshing the methodological framework will for these satellite accounts will help to better capture the contribution of the cultural and creative sectors and understand how this activity is changing and growing.

There is considerable variation in the estimates provided by these reports although they draw on the same ABS data sets, the National Accounts and industry and employment statistics.

Further there is a lack of comparability between the reports and this poses challenges in replicating the studies in future years.

The National Accounts on which the reports are based do not always provide sufficient robust data about the states and territories, limiting reliability in estimating economic value at the sub-national jurisdiction level.

The ABS framework for defining the cultural sector's industry and occupation classifications was developed well before the emergence of the concept of the creative industries.

The creative industries are therefore not recognised by the ABS in the same way that the cultural sector is and their component parts are located across a number of ABS classified industries.

A large part of the creative industries is located within the traditional cultural classifications with the balance outside the cultural sector.

The words 'cultural' and 'creative' are incorrectly used interchangeably; the cultural industries are not identical to the creative industries. As the parameters of the creative industries have been identified there has not been uniform or consistent agreement on the components or boundaries or the degree of cross over with the cultural industries.

In Australia, an inherent factor as to why views vary on what to include and what to exclude in defining the industries is that governments at the Federal, State and Territory levels do not organise Ministerial portfolios, legislation, agencies and agency responsibilities and policy responsibilities in a uniform or template fashion.

Perspectives and priorities also change as government's change, new Ministers enter the fold, old portfolios and legislative responsibilities are reshuffled and agencies are renamed, rebranded, restructured and re-clustered.

ABS Satellite Accounts

Commissioned by the **Statistics Working Group**, in 2014 the ABS investigated the feasibility of measuring the economic value of the cultural and creative industries at a State and Territory level.

This investigation explored business revenue and industry survey data and concluded the data was not yet able to support state splits of the national Satellite Accounts.

The major issue in being able to determine the economic impact at a State and Territory level arises from the basis on which input/output figures are produced in the national accounts.

Sales or exports of goods and services are registered at the point of sale or export and not at the point of production. Many outputs accordingly cannot be clearly identified to their point of origin.

Responding in recognition of the work done to establish the scope and importance of creative industries, the Federal Government established a Creative Industries Innovation Centre which supported more than 1,500 creative businesses between 2009 and 2015.

In 2014, the Australian Bureau of Statistics (ABS) used QUT's new methodology to produce the first Cultural and Creative Activity Satellite Account, an authoritative record of economic activity in the sector.

A second ABS Satellite Account published in 2018 revealed that the value of creative occupations rose by 30 per cent over the eight years to 2016–2017.

It also found that the bulk of creative occupations are in creative services (such as design, digital content, and social media marketing), rather than in cultural production (such as filmmaking) or other industries. Creative services experienced high jobs and

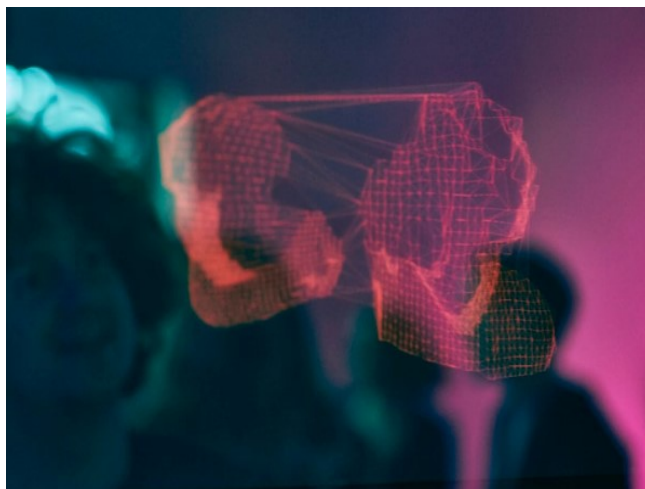
income growth over the period, substantially boosting the number of people with the skills required for the economy of the future.

The Creative Trident approach has had significant international impact, being adopted by China, and also by Britain, which came up with the idea of the creative economy in the late 1990s.

Establishing a new Creative Industries Working Group

Ben Blackburn Racing believes that the Australian Government should also establish a new **Creative Industries Working Group** within the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, to work with the Australian Bureau of Statistics (ABS) and the Bureau of Communications, Arts and Regional Research (BCARR) to further investigate:

- Data gaps and quality issues for a range of industry sectors, identified by the ABS in the '2013 Satellite Account Discussion Paper' and its 2022 'Help Shape the Future of Classification on Industries in Australia', detailing and pursuing potential remedies and new reforms;
- ANZSIC codes determined to be "partially in scope" in the Satellite Accounts for future updates; and
- Refining the scope and definitions used in the Satellite Accounts for future updates including an examination of additional creative industry sectors identified in accordance with the creative intensity analysis.



Jurisdictions use *gross value add* and *number of persons employed* as the minimum standard measure.

For a more detailed jurisdictional picture, indirect and wider economic value be included where possible and resources permitting, noting that differing methodologies would likely mean that the results would not be readily comparable across jurisdictions.

Updating ANZSCO

The Australian Bureau of Statistics (ABS) is undertaking a comprehensive review of the classification to reflect the contemporary labour market and better meet stakeholders needs. The updated classification will be released in December 2024, in time for use by Census 2026.

While ANZSCO has previously had some minor updates, it largely describes the original 2006 version, which was based on the 2001 labour market. Updates to the classification will be reflected progressively in official labour market statistics from August 2026,

including Labour Force time series to improve visibility of new and emerging occupations.

A whole-of-government occupation coding capability will be delivered and made available to industry and the private sector to enable data producers to apply ANZSCO consistently and increase comparability and coherence of labour market data and advice.

Ben Blackburn Racing also believes that:

- A special unit and a **new Statistics Working Group** should be re-established to work with the ABS and BCARR to explore a robust methodology to allocate national economic data relating to the cultural and creative industries across all States and Territories in Australia.
- The Australian Government should provide additional funding to the Australian Bureau of Statistics and BCARR to produce the Cultural and Creative Satellite Accounts annually, gather and publish data on levels and type of employment, trends, revenue, geographic trends across the creative and cultural industries.
- Establish a new mandatory requirement for the Minister for the Arts to report annually to the Federal Parliament outlining the published data and what is being done as part of the new Creative Industries Working Group and the National Cultural Policy – *‘Revive: a place for every story, a story for every place’* released on 30th January 2023 and its five-year plan to revive the arts sector in Australia.

Thank you very much for the opportunity to make a contribution through this public submission to the Australian Government’s *Cultural and Creative Activity Satellite Accounts Methodology Refresh* consultation paper.

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