

# INVESTING IN CREATIVITY



## A TASMANIAN GREENS POLICY INITIATIVE

Launched by Nick McKim MP  
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TASMANIA.  
CREATE OUR  
OWN FUTURE



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# Investing in Creativity

## Bringing the World 40 Degrees South

*The Tasmanian Greens will invest over \$12 million in incentives and infrastructure to grow the state's creative sector to a \$1 billion per year industry by 2019.*

Tasmania's creative industries are one of the most dynamic and innovative sectors of the state's economy. The digital economy complements and enhances the scope and potential of the creative industry sector.

Harnessing the potential of the Creative Industries and leveraging the opportunities presented by the digital economy, will boost Tasmania's economy and grow local jobs and businesses.

The Greens will invest **\$12, 714, 000** to grow our creative industry sector to a *\$1 billion* per year industry within 5 years.

### > THE ISSUE

- A recent national report, *Valuing Australia's Creative Industries*, shows the creative industries made a direct contribution to Australia's GDP of \$32.8 billion in 2011/12, more than the contribution made by many traditional industries.
- In 2011 there were over 600,000 people 'creating' for a living in sectors such as: film; television and radio; advertising and marketing; design and visual arts; and architecture. Nationally this sees about 123,000 businesses operating in the creative industries.
- Nationally these creative industries contribute more than \$90 billion in annual economic turnover.
- The creative industry sector contributes more than \$45 billion to the nation's GDP, and generates annual exports of \$3.2 billion.
- In Tasmania, the creative sector contributed \$630m to the Tasmanian economy in 2011.
- The Greens will set a target of the sector contributing \$1 billion to the Tasmanian economy by 2019.
- Tasmania's cultural and creative industry sectors include advertising, architecture, visual art, crafts, design, clothes fashion, film, video and photography, music and performing arts, festivals, museums and galleries, writing and publishing,

software and electronic publishing, digital and entertainment media, TV and radio.

- The diversity of the sector has contributed to its ability continue to grow despite the difficulties experienced by the more traditional resource extraction sectors.

### > OUR PLAN

'The Greens will invest **\$12, 714, 000** to grow the State's Creative Industry sector.

Our *Investing in Creativity* plan includes:

- **Promote Hobart as the site for the first southern hemisphere Guggenheim:** Setting a goal of Hobart being the first southern hemisphere location for a Guggenheim museum as a sister museum to MONA.
  - **\$100, 000** for the initial engagement process.
  - **\$5 million** for a stage 2 global architectural design competition.
- **\$5 million over the forward estimates** to establish the Greens' innovative "**Bringing the World 40 Degrees South Incentive Program**" which comprises two separate Funds for competitive grants programs.
- **\$250, 000 for the Housing the Creative Hub(s) program:** this will comprise an audit conducted of government buildings which may be appropriate, or can be readily modified to become fit-for-purpose, to facilitate the negotiation of a peppercorn sale to Creative Hub collectives.
- **\$750, 000 over the forward estimates** for extra funding for new festivals to showcase creative sectors in Tasmania, with a specific focus on regional Tasmania.
- **\$508, 000 over three years** to provide payroll tax relief for Tasmanian-based creative industry businesses.
- Negotiate a **\$1, 106, 000 million** three-year contractual Agreement with the TCIC for initial funding to underpin this emerging industry Peak Body becoming self-sufficient.



## > DELIVERING OUR POLICY

Tasmania is positioned to become a national leader in areas of creative industry and digital media employment.

The Greens will work collaboratively with the creative industry sector to invest strategically in boosting these dynamic industries which provide such strong cultural, social, environmental and economic benefits for Tasmania.

## > Guggenheim for Hobart

The Greens have a vision for the Hobart Macquarie Point railyards to be the first southern hemisphere location for a Guggenheim. There are already Guggenheim museums built or being built in Bilbao, Venice, New York and Abu Dhabi. The Greens will propose a multi-stage plan.

- We will initially invest **\$100 000** into bringing together Tasmanian and Australian creative leaders like David Walsh, Hobart City Council, TMAG and the state and Commonwealth governments in a high level mission to visit Guggenheim to establish a formal relationship.
- Earmark the key Macquarie Point site as the potential location. A Guggenheim on Macquarie Point would complement the Greens' plan for part or all of the University of Tasmania to be relocated to the railyards site.
- MONA has put Hobart and Tasmania on the international arts map, providing momentum to support the Greens' proposed engagement with Guggenheim.
- A Guggenheim would be a sister museum to MONA, and make Hobart one of the must-visit cultural destinations on the planet.
- The Greens would seek public, private and philanthropic funding to build the museum if agreement can be reached with Guggenheim.
- The Greens would also set aside a **\$5 million** contingency for a global architecture prize to design the museum if agreement could be reached with Guggenheim.

## > Bringing the World 40 Degrees South Incentive Program

This **\$5 million over the forward estimates** innovative program consists of two separate competitive grants Funds programs

- **40 Degrees South Production Incentive Fund**  
The new **\$3 million** 40 Degrees South Production Incentive Fund is designed to attract interstate or offshore productions to film or post produce feature films, television series, mini-series, telemovies, television and online advertisements, animation series, video games development and documentaries in Tasmania.
- **Regional Production Incentive Fund**  
This second **\$2 million** fund is designed to encourage off-shore productions to use locations outside metropolitan centres in Tasmania. The Regional Production Incentive Fund assists projects by offsetting some of the additional costs incurred when filming, designing, producing or performing in regional areas such as accommodation, living overheads and travel.

## > Contractual Agreement with the TCIC

This **\$1, 106, 000 million** three year funding arrangement would consist of:

- **\$100, 000** grant to the TCIC to assess and quantify the economic value of the state's creative industries to the Tasmanian economy, and report back to the Minister.
- **\$250, 000** to develop a creative sector strategic plan to grow the sector to a \$1 billion industry by 2019:
  - ✓ Fostering incubator space and clusters to facilitate an environment for creative businesses to share, innovate, inspire and learn from each other.
  - ✓ The development of investment, research and design partnerships between all tiers of government, education and the private sector.
- **\$100, 000** to develop the TCIC business case to demonstrate it will be self-sustaining at the completion of the 3 year-funding Arrangement.
- **\$ 656, 000 over three years** to provide administrative support over the life of the contractual agreement between the TCIC and government. This funding will provide for one FTE administrative assistant, and one FTE Senior Executive position.



## > The *Creative Catalyst Project* – Macquarie House

In 2013 the Australian Greens threw their support behind an ICT project in collaboration with business and the ICT community to help establish a commercially orientated technology centre of excellence in Launceston; the Catalyst Project. This project is designed to stimulate entrepreneurial activity across the sector, and if successful should provide a model which can be rolled out throughout the state.

As part of establishing the *Catalyst Project*, the Greens drove the establishment of a collaborative digital content and technology centre of excellence in Launceston’s Macquarie House. The provision of Macquarie House as an ‘innovation hub’ required collaboration between local and federal governments. There is a role for the state to now leverage this successful model.

*“The United Nations Conference on Trade and Development (UNCTAD) now recognises creative industries as a new dynamic sector in world trade. While creative industries are often micro businesses or small to medium sized enterprises that focus on local markets, they can develop into powerful economic clusters, helping to drive economic growth.”*

**Creative Industries, Final Report** . Creative Industries Innovation Centre, December 2013

## > References

- *Creative Industries, Final Report*, Creative Industries Innovation Centre; December 2013
- Cultural and Creative Industries, Tasmanian Sector Summary, February 2014.
- *Tasmania 2030: A Vision for a Green, Dynamic & Prosperous Tasmanian Economy*, the Australian Greens, July 2013

> **TABLE 1: Investing in Creativity Investment**

	2013-14 Budget	2014-15 Forward Estimate	2015-16 Forward Estimate	2016-17 Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Guggenheim for Hobart	-	100	-	5 000
Bringing the World 40 Degrees South Incentive Program	-	2 000	2 000	1 000
Housing the Creative Hub Program	-	125	125	-
Regional Creative Tasmania Festivals program	-	250	250	250
Payroll Tax Relief ( <i>inc CPI @ 2.5% pa</i> )	-	165	169, 125	173, 354
TCIC Transition Funding Agreement Package:				
<i>Quantify Creative Industry value grant</i>	-	100	-	-
<i>Creative industry sector Strategic Plan</i>	-	125	125	-
<i>TCIC Peak Industry Body business case</i>	50	50	-	-
<i>TCIC Transition Agreement Administrative support:</i>				
<i>Administrative Officer (FTE)</i>	-	75 000	76, 875	78, 797
<i>Executive Officer (FTE)</i>	-	138, 000	141, 450	144, 987