

**PRESS RELEASE**  
**Monday January 23, 2017**



**THE FEDERATION WELCOMES THE CREATIVE INDUSTRIES  
AS A KEY GOVERNMENT SECTOR**

We warmly welcome the inclusion of the creative industries as one of the five key sectors recognised in the government's industrial strategy consultation announced today. This is a radical departure, secured only in the last few months, and is potentially the sign of a new bold and imaginative understanding of business in the 21st century.

The Creative Industries Federation was formed two years ago in order to put the creative industries at the heart of the government's agenda. Through our intensive work across Whitehall, we have contended that the UK could be transformed by an industrial strategy with the creative industries as a strategic priority.

Today's announcement by Prime Minister Theresa May is a major step forward for a sector which has never been formally recognised in an industrial strategy before. Only six years ago at the start of the coalition government, the creative industries were not formally acknowledged when it announced nine sectors of industrial engagement.

Greg Clark, Secretary of State for Business, Energy and Industrial Strategy, gave the clearest public indication of the shift in thinking in a speech at the Federation's second anniversary celebration in London earlier this month (January 9) when he promised the creative industries would be "absolutely central" to the new industrial strategy.

John Kampfner, chief executive of the Creative Industries Federation, said: "When we first began talking about the creative industries being a crucial part of any future industrial strategy, no such strategy was on the table and many people believed such a move unlikely. But the strength of argument has won the day. We have come a long way in a short time."

Sir John Sorrell, Federation founder and chair, said: "I founded the Creative Industries Federation because for decades the sector had been under-represented in government. Recognition of the economic contribution and the potential for growth across the whole of the country is exactly what we wanted to achieve. But this is just the start and the Federation will continue to lead the way, not just across the UK, but internationally."

There is no greater example of a world-leading sector than the UK's creative industries and the government has recognised this. We deliver jobs and growth in fast-growing, exciting areas such as video games, animation and visual effects as well as those where we have a long history of brilliance, from television to performance and publishing to architecture. But there is even more potential with the joined-up approach the new strategy offers.

We are also a sector that is able to deliver across the whole of the country. The Northern Powerhouse, the cultural regeneration of towns and cities from Liverpool and Glasgow to Margate, and development of creative clusters in places from Shoreditch, London, to Brighton and Bristol, has already highlighted the way creative industries can transform local economies.

The industrial strategy should build on this considerable record of success as well as insulate the sector from some of the immediate challenges of Brexit. Support for skills, infrastructure, funding, small businesses and expanding international trade could further accelerate growth in what is already the fastest-growing sector of the UK economy.

Developing skills - and encouraging the right mix of skills - is critical. We understand the government's focus on STEM (science, technology, engineering, maths) but highlight that creative skills and the creative spark are needed not just by the creative industries but in everything from car manufacturing to engineering.

There are existing skills shortages in jobs such as visual effects and animation - that is, jobs that young people would want to do, if they were qualified. Identifying new technical pathways into these positions could go some way to tackle skills shortages, but the creative industries will not benefit fully so long as children continue to be denied a broader creative education in schools. Improving the skills pipeline also offers huge potential to encourage social mobility and recruitment from a wider range of young people from different backgrounds.

We highlight that innovation is not the sole preserve of science and tech and many new businesses are being established by science and technology coming together with the creative industries.

The proposed investment in both digital and physical infrastructure must consider and reflect the needs of the creative sector in every region of the UK, from superfast broadband and good transport links to affordable workspaces.

The mixed economy model, including public support for the arts alongside interventions such as the tax credits which have driven expansion in recent years, has been the bedrock of Britain's creative success.

It is vital that local authorities understand how public investment in culture can foster an environment where small and medium-sized creative businesses - which are the staple of the sector - can establish themselves and thrive. But the creative industries have been often overlooked by traditional investors so we trust the measures announced today will stimulate interest in the sector.

New thinking on trade should include helping small and medium-sized businesses access international markets and showcasing them in trade missions. The long-term diplomatic aim should be to improve the protection of intellectual property rights in new territories even as we make short-term deals.

We are delighted that the five leading figures working on early sector deals for government include Sir Peter Bazalgette, outgoing chairman of Arts Council England, chairman of ITV and one of the founders of the Federation. We look forward to working with him on how the UK's creative industries can help underpin future prosperity.

The Creative Industries Federation will shortly be announcing a series of meetings around the UK, echoing the work we carried out for our Brexit Report in the autumn, to prepare a full, UK-wide response to the Green Paper. Federation members will receive an analysis of the government plans tomorrow.

Last Friday, the Federation announced our first international conference will take place on July 12. This is part of our ongoing work highlighting what is happening in the creative industries worldwide and identifying and sharing areas of best practice and innovation.

#### **NOTES TO EDITORS:**

What Business Secretary Greg Clark and Culture Secretary Karen Bradley said about the industrial strategy and the creative industries at the Federation's Second Anniversary Celebration at the Design Museum, London, on January 9:

<http://www.creativeindustriesfederation.com/news/speeches-at-the-feds-second-anniversary-celebration->

The Federation's submission to the BEIS select committee in October 2016 on why the creative industries should be in the industrial strategy:

<http://www.creativeindustriesfederation.com/assets/userfiles/files/Industrial%20Strategy.pdf>

Our last education paper, Social Mobility and the Skills Gap, from October 2016, which highlighted skills shortages and the threat to the skills pipeline of marginalising creative subjects in schools:

<http://www.creativeindustriesfederation.com/assets/userfiles/files/Education%20Report%20web.pdf>

The government's Tier 2 Shortage Occupation List lists jobs where the skills shortages are so acute that it will allow work permits:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/308513/shortageoccupationlistapril14.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/308513/shortageoccupationlistapril14.pdf)

Federation chief executive John Kampfner wrote about the importance of creative industries to the UK economy for The Observer on January 1 2017:

<https://www.theguardian.com/commentisfree/2017/jan/01/creative-industries-key-to-uk-economy>

The creative industries are worth £87.4bn GVA to the UK economy. They account for 6 per cent of jobs and the numbers have grown by 20 per cent since 2011.

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