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The **International Forum** on the **Creative Economy**

March 17–18 • Hilton Lac-Leamy • Gatineau

In collaboration with:  Canadian Heritage / Patrimoine canadien

WORKSHOP PRESENTATIONS

MARCH 17–18, 2008

HILTON LAC-LEAMY • GATINEAU, QUEBEC

10:45 A.M. – 12:15 P.M.

Monday, March 17, 2008**1A A Cross-Sector Comparative Socio-Economic Description and Analysis of the Cultural Industries***Jean Matuszewski, President, E&B DATA*

This paper will explore the economic impact of cultural industries in Canada, compared with other industries, particularly other knowledge-based industries. It attempts to compare the form and level of government support for these industries. It will examine commonalities with other “non-culture” industries as well as intrinsic differences. Further, it will focus on tangible economic as well as social impacts, whether these have been quantified, so far or not.

1B Promoting Quebec's Cultural System Through Statistics*Dominique Jutras, Director, Observatoire de la culture et des communications du Québec*

The Observatoire de la culture et des communications du Québec (OCCQ) was created during an intense period of joint action between public institutions and cultural communities. Today, the OCCQ is recognized as being a part of Quebec's cultural system. Our presentation will seek to demonstrate the effects that the OCCQ's mechanism and results have on public and private decision-makers, especially with respect to the production of reliable, impartial and progressive statistical profiles of the cultural industries. We will also examine how its efforts serve to inform citizens and decision-makers impartially and objectively, and how the OCCQ promotes research.

1C Embedded Creatives—The Extent and Contribution of Creative Professionals Working throughout the Economy*Peter Higgs, Senior Research Fellow and Professor, ARC Centre of Excellence for Creative Industries and Innovation, Queensland University of Technology (QUT)**Stuart Cunningham, Director, ARC Centre of Excellence for Creative Industries and Innovation, Queensland University of Technology (QUT)*

Efforts to reliably measure the extent of creative professionals working in other industries started with the release of the DCMS Economic Estimates in 2003, however, little was known about how the level of employment may vary between the industry sectors of the economy. QUT has applied a new methodology to workforce data from the UK, Australia and New Zealand and has shown that the creative economy can legitimately be regarded as composed of:

- Specialist occupations within creative industries (Specialist)
- Support occupations within creative industries (Support)
- Specialist occupations outside the creative industries (Embedded)

* All workshop presenters will be sharing results and findings from their research papers.

While our studies of the UK, Australia and NZ have provided more reliable estimates of their size, average income and economic contribution of the creative workforce, the exciting outcome has been the ability to consistently measure the patterns of distribution of the embedded Creatives across the sectors of the economy—such as the proportion that industrial and graphic designers hold of the total employment within the manufacturing sector, or the proportion that web developers and software designers have of financial services sector employment.

For policy makers and industry analysts, the ability to better understand, measure and track embeddedness is critical in making the transition from programs that support just the creative industries to those that encourage and promote the Creative Economy as a whole.

1D A “Creativity”-Based Cultural Policy: Objectives, Conditions and Statistical Paradoxes

Philippe Chantepie, Head of the department of studies, future planning and statistics in the French ministry of culture, member of the national council of statistical information; associate professor at Université Paris 8, senior lecturer on the non-material economy at Institut d'études politiques de Paris, lecturer on the cultural-industries economy at Université Paris I and École nationale supérieure des télécommunications

A number of states plan to develop 'creativity'-based policies for growth and employment purposes, in particular from within the cultural sector.

Establishing and testing such a perspective first requires a precise, economically-based definition of creativity, which can be determined by means of a definition of the relevant cultural-activities field – this definition being based on homogeneous and stable criteria or a combination of these criteria.

Only then is it possible to measure the supposed impact of the field's creativity considered with respect to the overall economy, first through a statistical analysis of the non-material assets within the given field of cultural activities compared with the rest of the economy. Only then, with results that might be paradoxical, will it be possible to conduct a macro-economic measurement of the effect of culture on the economy.

1E The Creative Suburb?

Christopher Gibbon, Research Consultant, BOP Consulting

Recent research by BOP (e.g. in the South West and the East Midlands of England) suggests that in the last few years most of the growth in the creative industries (CI) in Britain has taken place in suburban or accessible rural areas, not in city centres (although absolute levels of CI employment are still highest there). This trend is driven by a number of factors including cheaper business premises, broadband access etc.

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The mix of CIs in suburbs and rural areas also seems to differ from that found in the city. Why might this be, and what are its implications for policy?

The paper will begin by discussing our research before going on to examine some of the questions. These include:

- Is a CI strategy just as relevant to suburban/rural areas as it is to urban ones?
- Can suburbs be seen in isolation from their urban core or is there a case for higher-level 'city-region' planning?
- Is the notion of the creative cluster oversold? Can CIs outside city centres find ways of compensating for the absence of proximity? Or do the different industrial profiles suggest only some types of CI need clusters anyway?
- As CI workers grow older, do they move out to suburbs and take their businesses with them?

1F Socio-Economic Growth in Montreal: A Creative City and an Artistic Career as an Incentive?

Diane-Gabrielle Tremblay, Télé-université, UQAM

Thomas Pilati, Télé-université, UQAM

The knowledge economy has changed its vision of economic growth for cities and regions. "Knowledge" has replaced natural resources and physical labour as the driving force of economic activity, and major urban centres are seeking a way to attract this knowledge as well as the men and women who possess it. Some writers, such as Richard Florida (2002), state that cities are competing against each other for talent and that creative cities are the only way of the future.

In a similar vein, our abstract is based on the concept that in various areas of the economy, competitiveness resides in intangible assets. Overall, we tend to acknowledge that know-how and innovation are major conditions for the growth of any society and that they are crucial resources for any local economy. And, as such, the countries that possess the most important human resources would enjoy a super standard of living (Romer, 1989).

The argument we put forth in our document is inspired by the writings of Mr. Florida (2002) and Mr. Romer (1989). Our aim was to test the hypotheses which claimed that a city, in order to attract new artistic talent and maintain a solid level of know-how, would necessarily be in a position to offer a good standard of living for its new, creative residents, people of decent quality and with a career in artistic circles. We were also interested in careers in the arts because some works have led us to believe that artistic careers could be the precursors to other, future jobs, since the arts are a somewhat nomadic and uncertain pursuit, one of those that appear to be fundamental for development in other sectors (Menger, 2002).

The hypothesis postulated by Florida is, in sum, that creative workers (artists, but also professionals and other creative people) tend

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to be attracted to, and remain in, so-called “cool” areas of industry where the people are open to multi-cultural currents and tolerant of gays and lesbians (Florida, 2002). Next, research shows, the success garnered in an urban centre can generate and sustain a creative activity, depending on the quality of the city itself and the factors that foster good relations and social unity within the community.

We have elsewhere talked about the details of criticism of Florida's theses, which are numerous: we will not address them here, but we did want to test the empirical theory without claiming it to be a definitive study, which would be beyond our scope. Still, we do think that if Florida's theory has often been criticized on a theoretical level (see Shearmur, 2006; Naud and Tremblay, 2006 or Tremblay and Pilati, 2007), its testing has been limited and it deserves a real test in the field because of its wide dissemination and the fairly limited empirical tests it has generated, according to several authors, such as Shearmur (2006) and Kotkin (2000), to name but two. Accordingly, Kotkin and Siegel (1999) state that artists (the authors reject Florida's notion of a creative class) are concerned first and foremost with the cost of city living, commute times between home and the workplace, and the variety of family leisure activities offered by the city, and that Florida's thesis does not hold up. It is therefore interesting to establish the determining factors for artists first and other groups later.

In our presentation, we will briefly cover the thesis that inspired our research, then a presentation of Montreal and the situations of artists in Montreal and Quebec, followed by our methodology and findings. We talked to some 15 artists and persons running artists' centres or other artistic organizations, using a grid of career and incentive factors. We will identify the factors that appeal to artists and the problems that may be present in Montreal on the creative scene and in terms of attracting creative resources.

1G Economic Restructuring through Culture in Small Towns and Rural Areas: Building Creative Rural Economies

Dan Taylor, Economic Development Officer, Prince Edward County

Greg Baeker, Senior Consultant, Authenticity

This paper will describe the experience of Prince Edward County “Canada's First Creative Rural Economy”, a rural municipality in Ontario that has gained a national reputation for its success in modeling new economic development strategies built on creativity, culture and quality of place. This case study will be analyzed in the context of larger creative economy policy frameworks and assumptions.

Small towns and rural areas face enormous challenges related to economic restructuring. Traditional dependencies on agriculture and a relatively small number of industries leave rural areas vulnerable especially in the context of a declining industrial base. Many face real questions of viability in the face of a reduced tax base and the capacity to pay for basic services and infrastructure.

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To date ideas related to creative economies and new sources of wealth creation brought to prominence by people like Richard Florida have been focused on larger urban centres. However, this paper will explore the relevance and potential of these same ideas in smaller communities and rural areas.

1H Enabling Collaboration in the Cultural and Creative Sector

Reid Henry, Director of Research and Consulting, Artscape

Extensive international interest in the emerging creative economy highlights the vital role that 'place' can play in nurturing the collaborations and collisions that drive innovation. Micro-enterprises in the cultural and creative sector tend to cluster in areas of the city that demonstrate a distinctive 'milieu' or 'creative field' – places where density, diversity, authenticity and connectivity converge to generate both the raw material and the product of creative communities.

Throughout Toronto, certain ecologies of infrastructure become 'sticky' to the flows of talent, capital and ideas that propel the creative economy. They generate critical mass, concentrate creative capacity and accumulate capital as entrepreneurial networks form, communities of interest develop, and relationships become more interconnected - they emerge as more than, and different from, the sum of their parts.

The Creative Convergence Project research has focused on uncovering the location dynamics of creative micro-enterprises and understanding the 'habitats' that underpin their success. Utilizing GIS technology, Artscape has mapped the spatial patterns of over 10,000 enterprises in the Core Arts, Cultural Industries and Creative Services. City-wide surveys and 'world café' events in key creative districts have engaged over 400 entrepreneurs, providing a more sophisticated insight into the place-based conditions required to nurture, develop and sustain networks of creative capability. The conclusions derived from the research suggest a more strategic infrastructure approach to supporting the cultural and creative sector in Toronto that maximizes the integration of economic, cultural and urban development policy.

1I Examples of Economic Conditions likely to foster Theatrical Production within the French Canadian Minority Community

Mariette Théberge, Associate professor, Faculty of Education, University of Ottawa

This paper will illustrate the dynamics underlying theatrical production within the French Canadian minority community. To do so, I will examine the prevailing economic conditions in two cultural infrastructures – that of Alberta and that of Acadia – and the theatrical troupes in both places. In this case study, the systemic perspective of the study of creativity (Csikzentmihalyi, 2006) will serve as a framework for reflection to explain how these infrastructures can be "a model for

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the accompaniment and support available to professional artists as well as for the creation, production, promotion, dissemination, conservation and documentation of theatrical works" (Guide to New Brunswick, 2007). Faced with the issue of an artistic exodus (Association des Théâtres Francophones du Canada, 2006), troupes in minority communities are realizing that artistic production is not only closely tied to cultural life but also to economic growth. As such, attempts are being made to convince other artists to stay. Existing conditions, however, play a large part in their long-term appeal. When artists meet, they conclude that they are able to share artistic know-how that not only contributes to community quality of life but also improves it by fostering a sense of belonging – particularly among their younger peers. For this reason, it is important to explore exemplary practices.

1J The Impact of Digital Technology on Cultural Productions—A Case Study of A Taiwanese Puppet Show

Chun-Liang Chen, Ph.D. Candidate, Graduate Institute of International Business, National Taiwan University

Yi-Long Jaw, Professor, Graduate Institute of International Business, National Taiwan University

Hui-Min Pan, Director of Visual Arts Center, Chinese Cultural University

Wiboon Kittilakswanawong, PhD candidate, Chinese Cultural University

Digitization has enabled new ways for firms to deliver their products and the opportunity to work interactively with their consumers. This paper will identify dynamic capabilities of cultural business and to explore an analytical framework of cultural production business model. We will also address how digital technology can be used to create value and obtain a firm specific advantage.

We investigate two excellent performer and outstanding innovative firms in Taiwan's cultural industries, i.e., the hand puppetry industry, PiLi International Multimedia Corporate and the Taiyuan Puppet Theatre Company. From our exploratory study, we identify four dimensions and six dynamic capabilities for cultural production that are three technology-related, i.e. applying enabling technologies creatively, assessing customer value and utilizing absorptive capacity. Using two case studies and the analytic induction approach to data analysis, we explored an exploratory business models for cultural production. Cultural organizations must not only be able to find how to make use of digital technology, but also enable those digital technologies into their business model, if the organization is going to deliver an integrated customer value and make the most of synergies between innovation.

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2:00 P.M. – 3:30 P.M.

Monday, March 17, 2008**2A The New Artistic Labour Force – Artists and the Creative Economy***Kelly Wilhelm, Coordinator, Partnership and Networks, Canada Council for the Arts**Claude Schryer, Coordinator, Inter-Arts Office, Canada Council for the Arts*

In October 2007, its 50th anniversary year, the Canada Council for the Arts published "Moving Forward – Strategic Plan 2008-11: Values and Directions". The release of the plan followed an extensive, national consultation with the Council's stakeholders – artists, arts organizations, arts supporters, funders, and the public. The consultation yielded 1400 responses to an online survey and feedback from 300 individuals through a series of stakeholder discussions. These discussions included a series of nine dialogues with artists and arts administrators aged 18-30 in which approximately 200 individual participated.

The strategic plan was also informed by recent studies completed by the Council that examine emerging and new artistic practices influenced by technology, urban arts, multidisciplinary and cross-sectoral approaches to artistic creation and dissemination.

This multi-media co-presentation by the co-chairs of the Council's strategic plan consultations will provide a portrait of the emerging artistic labour force, its characteristics and needs, and the breadth and diversity of work that it is producing. It will be grounded in the recognition that artists, and the arts ecosystem that they support, are the primary content providers and, ultimately, the drivers of the creative economy.

2B Sustainable Livelihood Systems: A Framework for Understanding the Economic Role of Artists in the Creative Economy*Judi Pigott, Independent Scholar, BC Cultural Sector Development Council*

This paper will present a systems approach to mapping and understanding the creative economy at the level of its individual creative assets, the artists and cultural workers (the knowledge economy's new capitalists, according to Drucker). Despite an increase in data profiling the sector's economic impact and potential, much of the information about how individual artists generate income and sustain themselves is not effectively captured in these studies. In order to rethink the starving artist stereotype and put the creative worker at the centre of the creative economy, it is important to have an understanding of their livelihood systems, and provide a framework within which this information can be described and used.

Although livelihood systems models are most identified with international development work, primarily in poverty work with rural

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populations, it is certainly not limited to that use. It is an ideal approach for addressing groups, clusters and individuals. With a sectoral focus on artists and cultural workers, this framework can inform research and policy development, program design and, more importantly, give us a more holistic and effective way of including the individual creative worker as asset and economic contributor within the economic models being developed.

2C Bench Marking and Understanding London's Creative Industries

Alan Freeman, Visiting Fellow, Greenwich University and Supervisory Economist, Greater London Authority Economics (GLA Economics)

Over the last four years, the Greater London Authority has produced three reports benchmarking the city's creative industries, beginning with *Creativity: London's Core Business* (2002), which reported employment and output for the industries defined in the standard classification provided by the UK Department of Culture, Media and Sport (DCMS). In 2003 this was underpinned with a local area dataset based on a full company sample covering 70 per cent or more of London creative businesses. The most recent (2007) update additionally investigated linkages between creative industries, using data from UK input-output tables.

Early in 2008 it is planned to produce the city's first 'cultural audit', which aims to provide the first quantified inventory of London's cultural offer, covering infrastructure, provision, use, and spending. This will be benchmarked, subject to data availability, against four other world cities: New York, Tokyo, Paris and Shanghai.

In developing an internationally and regionally comparable dataset for the measurement of the cultural and creative activity of modern cities, GLA Economics confronted a variety of issues of measurement, standardization and interpretation, and liaised with national and international agencies, with the aim of solving these problems in such a way as to promote the international comparison of cultural and creative indicators.

This paper will present an overview of the methods and challenges involved in international benchmarking comparisons, based on the London experience.

2D Innovating in the Creative and Knowledge Industries – Not an Open or Closed Case

Leslie Chan, Program Supervisor for the Joint Program in New Media Studies and the International Studies Program, University of Toronto at Scarborough

Gale Moore, Department of Sociology and Director of the Knowledge Media Design Institute, University of Toronto

The proliferation and circulation of digital information goods, or

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digital content in the age of the global Internet is seen by many as fostering creativity and stimulating innovation in ways not possible in the industrial era. For the traditional distributors of content – the media and entertainment industry, book, journal and newspaper publishers, however, this potential for mass participation and the ability to find or receive information, to interact, to contribute, or to participate without need for the traditional mediators marks an end to business as usual. But, we argue this does not mark an end to business. Openness to collaboration and sharing, and access to all manner of digital content, challenge deeply held beliefs about the nature of property and social relations of production. At the same time, they present an opportunity to innovate business processes and to create new services and models for the production, distribution and consumption of knowledge and other creative artifacts.

The authors will present a number of emerging business models and processes, drawing on examples from the creative and publishing industries in particular. A key question is how changing ideas about intellectual property and copyright can both increase open access and create new business opportunities. Openness, we argue, is a broad strategic framework that fosters new possibilities for economic sustainability, cross-media development, public funding and above all, innovation in this dynamic and growing sector of the global economy.

2E “Seeding the Lead”: A New Model for Innovation, Commercialization, and Technology Transfer within the Arts

Ken Coates, Dean of Arts, University of Waterloo

David Goodwin, Director, Digital Arts Communication, University of Waterloo

Jill Tomasson Goodwin, Canadian Centre of Arts and Technology, University of Waterloo

We’re repeatedly told that Canada will face increasing competitive pressures from emerging economies such as those of China and India. The way to create a sustainable competitive advantage, we’re also told, is not to work harder but smarter: namely, to use innovative technologies to move quickly into low-volume-but-high-margin enterprises, and therefore to compete on the value (rather than the price) of our goods and services.

Although the arts and cultural sectors are known to generate, multiply, and accelerate the adoption of innovative technologies, the technology and business sectors tend to view culture and the arts more as a recipient of subsidies than as a key innovation and commercialization partner. The Canadian Centre of Arts and Technology (University of Waterloo) recently partnered with a private sector company, Christie Digital Systems, Canada, in an effort to reverse these perceptions, and more importantly, to find new ways to “seed” the live-theatre industry with Christie Digital’s pre-market

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technology. By “seeding” we mean “introducing a new technology into a promising receptor community in order to find out if the knowledge transfer can take hold, meet the business needs of both parties, and spread out to include other, networked parties.”

This paper will discuss our “seeding the lead” model, focusing on:

- what we’re learning about the process of transferring an emerging technology to, and commercializing it within, an established cultural industry;
- what kinds of funding and research partnerships we’re assembling to extend the impact and scope of our project (including commercialization to international markets); and
- what new opportunities are emerging within Canada to “seed” cultural and arts industries with innovative technologies.

2F Cross-Platform Convergence in the Screen-Based Industries: The Impact on the Creative Economy in Canada and the UK

Peter Lyman, Nordicity

Terri Wills, Nordicity

Stuart Jack, Nordicity

Nordicity is a creative industries consultancy based in Toronto, Canada and London, U.K. Building on its involvement on projects with clients such as Film Ontario, Interactive Ontario, the CONCERT Consortium on R&D, the Cultural and Human Resources Council, and the Scottish Commission on Broadcasting, Nordicity will outline the impact of how changes in technology are driving increasing 360 - or full cross-platform -convergence within the screen-based industries.

While convergence is an old word, recent developments in the last five years have finally begun to demonstrate real change: the needed skill-sets, the financing requirements, and partnerships to succeed in a cross-platform world are in transformation. This shift will impact how policy makers must interact with the creative industries. Corporate funding is needed in order to drive slate development – either by redirected government project financing, or via public private venture capital funds such as those seen in Scotland. The government’s definition of R&D must change to incorporate innovation in order to enable creative industries to gain access to R&D incentives. And employees need to be increasingly interdisciplinary – technologists must have creative skills, and vice versa; all must have better business skills. Finally, Nordicity will outline what policymakers and business leaders can do to ensure we become international leaders in cross-platform or 360 content.

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10:30 A.M. – 12:30 P.M.

Tuesday, March 18, 2008**3A The Good, the Bad, and the Ugly—How have Policymakers Dealt with the Growing Complexity of the Intellectual Property Debate and the Issue of On-Line Piracy?***Meir Pugatch, Director of Research, Stockholm Network, and Senior Lecturer, School of Public Health, University of Haifa**David Torstensson, DPhil, University of Oxford and Research Fellow, Stockholm Network*

Intellectual Property debates have generally focused on how to best balance the rights of content creators to their work with the interests of the wider public who make actual use of this work. But the growth of the internet and widespread use of digital technology has ushered in a new era – and scale of things – which risks changing the very basis for this debate.

Policymakers around the world are now faced with a situation in which the illegal and unregulated downloading of music, films and computer software is rife. For many of the creative industries the results have been chilling. During a period that saw online illegal downloading explode – peaking with an estimated 20 billion illegal songs downloaded in 2005 alone – the music industry has dropped from being a \$45 billion business a year in 1995 to a \$25 billion business in 2005.

What kind of risks do such dramatic changes to content creators' businesses and the behaviour of consumers pose to long-term innovation and creativity? And what can be done about this?

Across the world stakeholders have adopted various techniques and policies to tackle these issues. Responses have varied from the judicial (see *A&M Records v Napster* in 2001, *MGM Studios Inc v Grokster* in 2005, and most recently the pending case of *Viacom et al v YouTube*) to the political and legislative (see the recent Oliviennes proposals in France) to the technological (such as YouTube's launch of an online filtering technique).

This paper will analyze these responses, re-ask some fundamental questions about the IP debate in a digital age, and, based on a comparison of best practices, suggest a road map for where future solutions to this problem might lie.

3B Creative Content and the Illusive Copyright Balance*Giuseppina D'Agostino, Assistant Professor, Osgoode Hall Law School, York University*

In Canada and across industrialized economies, mainstream publishers of newspapers and magazines exploit creative content not only in print but now do so through various media (e.g. CD-Rom, databases, websites). The proliferation of digital technologies expands the publisher's exploitation powers and puts copyright law's objectives

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under strain. The vast majority of writers are freelance authors.

Studies indicate an escalating use of freelance labour due to a "partial renaissance" in self-employment enabled by changes in industrial organization, technology and efforts to avoid regulation. Unfortunately, this partial renaissance does not translate into a better livelihood for freelancers, or in a greater diversity of works for public use. Users and authors of creative content face cultural filtering. Freelancers face unsavoury conditions vis-à-vis globalized and technologically-sophisticated publishers. This relationship of subjugation is fortified by the laissez-faire copyright system, purportedly in place to protect creators (and dubiously established to protect users). Freelancers receive little, if any additional revenue; do not consent to these new means of exploitation. Meanwhile publishers justify the need to own future copyrights through unilateral non-negotiable standard terms and court action. Canada's recent Supreme Court *Robertson v Thomson Corp* decision exemplifies this ongoing struggle. There have been a series of cases litigated across North America and continental Europe on the question of who owns and controls future uses of creative content. Copyright legislation especially in common law countries is ill-equipped to address such critical public policy issues. Solutions will be suggested, mindful of the careful balancing between various stakeholder interests.

3C Bridging the Innovation Gap: Promoting and Protecting Intellectual Property Rights

Graham Henderson, President, Canadian Recording Industry Association

Aaron Sawchuk, Director of Enforcement and Regulatory Affairs, Canadian Recording Industry Association

Within the G-7, Canada has consistently scored poorly in the innovation category. In examining the gap between Canada and leading innovative jurisdictions, the paper will focus on a key building block of the knowledge-based economy – the promotion and protection of intellectual property rights.

In doing so, the paper will consist of three parts. First, it will survey recent economic literature that analyzes the link between a strong IP system and an innovative economy. This section will focus on how IP protection has a positive correlation with key elements of economic growth, including: foreign direct investment, technology transfer, and the domestic exploitation of conceptual products. Second, the paper will examine international best practices to elucidate the specific components necessary to build a comprehensive, integrated and vibrant IP system. The components that will be examined include: an IP coordination council, an IP crime task force, IP incubation centers, technology transfer offices, and a modern legislative framework.

The final part will then explore Canada's poor innovative performance in light of the deficiencies in our IP system. It will be

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prescriptive in nature, not only highlighting the shortcomings in the current Canadian IP system, but also proposing concrete recommendations to raise Canada's innovative performance in light of international best practices.

3D Pop and Policy: Music Fast Forward

Tina Piper, Assistant Professor, Faculty of Law, McGill University and Member of the Centre for Intellectual Property Policy

This paper will explore the intellectual property law implications of new models of digital media (primarily music) distribution in Canada. It will consider the problem from two distinct angles drawing on legal and interdisciplinary insights: first, the impact of open access, user generated content (including mashed and sampled content) and new technological forms of music distribution on intellectual property law.

Second, the paper presentation will consider whether the law (in legislative, regulatory and common-law form) both impedes and encourages the development of new business models to facilitate music distribution. The research derives results from a two year teaching collaboration between McGill's Schulich School of Music and Centre for Intellectual Property Policy which brought policy, legal, academic and artistic leaders together to discuss and brainstorm new models of music distribution from which students developed legally plausible business models.

It will also draw on two policy summits discussing music policy given new technology from the artist's perspective hosted at McGill, a report and research prepared for Industry Canada and the author's observations as co-Project Lead of Creative Commons Canada.

3E Strong Attractors and Lily Pads: How Putting Numbers to the Drift of Creative Talent in the Creative Economy through the Concentration Effect Can Reveal the Impact of Local Factors

Peter Higgs, Senior Research Fellow, ARC Centre of Excellence for Creative Industries and Innovation, Queensland University of Technology

Sam Hagaman, VRE Researcher Creative Industries Faculty, Queensland University of Technology

Researchers in the field of Creative and Cultural Industries and more recently the Creative Class, have raised the issue of the disproportionate concentration of creative talent and creative activity in a limited number of larger cities. While various explanations have been offered to explain why this occurs, there has not yet been a comparative quantitative analysis of how the concentration effect works.

Richard Florida researched the correlation between concentrations of creative populations and the location of high tech industries in the United States, and then has drawn inferences about why this should be so. However, he did not foray into the seemingly evident path of trying to quantify this degree of attraction.

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Using the most recent Australian Census data the research has identified the strength of the concentration factors that seem to apply from the smallest towns right up to the largest cities and how some creative segments, such as Film and Design, have a stronger concentration factor than others, for example Music and Performance Art.

Knowing these concentration factors, as well as a city's population or workforce size, allows researchers to predict the normal density of creative employment and creative enterprises for each of the segments and for the total creative economy. At least for Australia, correlating the actual performance of a city or town against its predicted "base" density aids in determining that other factors may be at work in affecting the creative employment density, such as geographical, educational, historical or policy factors.

3F Creative Economies and Diverse Places: An Analysis of Creative Hubs in Canada

Gregory M. Spencer, PhD, Department of Geography and Planning, University of Toronto

Statistical analysis of the relationship between local diversity and economic performance has typically produced inconsistent findings. Despite the lack of empirical clarity the theoretical connection between diversity and economic performance remains alluring. The basic equation is that the presence of diversity has a positive effect on the generation of novel ideas which in turn produces economic growth. The common approach to testing this theory is to look for a correlation between local diversity and economic growth. The drawback of this method however is that it tends to skip the intermediate theoretical step in that it assumes creativity has occurred. This paper proposes that the typical research approach that examines the impact of local diversity be refined. Specifically, it demonstrates that the presence of local diversity is a much better predictor of the local concentration of creative and cultural industries rather than overall economic performance. The analysis examines the levels of local diversity in 140 Canadian city-regions in relation to their industrial structures and economic performance. The key theoretical contribution of this finding is that the presence of local diversity has a more significant impact on certain types of economic activity rather than the economy in general.

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3C Mapping Creative Industries in South Africa: Regional Results, Experiences and Expectations

Avril Joffe, Director, CAJ-Culture, Arts and Jobs

Monica Newton, Lecturer, University of the Witwatersrand

Creative industry mapping projects are a well-known methodology for establishing an economic baseline and tracking trends in the creative economy. In 2007, South Africa initiated its first mapping study, based regionally in two of its nine provinces. With the assistance of the British Council, these projects have utilized existing best practice from the United Kingdom and Columbia to design and implement methodologies for horizontal mapping. Initiated as a partnership between national, provincial and local government, each study has had a unique development trajectory that influences its process and its scope.

This paper will explore the experiences of mapping in the Gauteng and Western Cape provinces, highlighting key methodological issues and challenges that the research faced along the way. Key findings will be discussed in the context of international mapping studies. A future methodological approach will also be touched on.

Finally, the paper will examine the expectations from the government partners of the research and will highlight how these have impacted on the development of the methodology, the positioning of the creative industries and the research outputs. These three aspects will have a critical impact on the future of mapping studies in the country, not to mention longer-term implications for the inclusion of the sector into broader industrial strategies.

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1:30 P.M. – 3:00 P.M.

Tuesday, March 18, 2008**4A Understanding the Consumership of Culture in Canada***Jacques Ewoudou, Research Economist, Statistics Canada Culture, Tourism and Education*

The personal profiles of the persons involved in various cultural activities can provide relevant details to the various concerned parties. This information will allow organizations commissioning or delivering cultural projects or programs to better understand the individuals most likely to attend their events: groups that are under-represented and can probably be identified by potential sources of market growth and cultural services.

In this paper, we have used a typical regression model as well as data from a general social survey conducted by Statistics Canada in 2005 to examine the socio-economic and demographic attributes of consumers of cultural goods in Canada. Our findings differ in two ways from the norm. First of all, our analysis covers a broader range of cultural activities, allowing us to take into consideration the activities most enjoyed by Canadians of all age and income groups. Second, instead of focusing on the idea that someone has taken part in a cultural activity or not (as was the case with previous studies), we based our analysis on the number of times a respondent attended a specific cultural activity. In using the participation indicator, we do not minimize the importance of any particular demographic group to a particular cultural activity when that group has attended an event an inordinate number of times; nor do we over-emphasize the impact of a demographic group if the attendance is exceptionally low.

Our multi-branch analysis, which is in keeping with past empirical research, demonstrates that household income, personal spending, and education are all linked to greater participation in cultural activities. Furthermore, our findings indicate that the differences observed in the consumption of cultural goods and services might be linked to family inheritance – e.g. father's and mother's education, level of education of spouse). The impact of the latter, however, is more significant than the former with regard to almost all cultural activities.

* All workshop presenters will be sharing results and findings from their research papers.

4B Cultural Consumption and the Broadband Revolution: Canada and Australia

Fred Fletcher, Professor Emeritus, Communication Studies, York University

Charles Zamaria, Professor, Radio and Television Arts, Ryerson University and Director of the Canadian Internet Project

Julian Thomas, Professor and Director, Institute for Social Research, Swinburne University of Technology, Melbourne

Scott Ewing, Senior Research Fellow, Institute for Social Research, Swinburne University of Technology, Melbourne and the ARC Centre for Creative Industries and Innovation

According to Jeffrey Cole, Director of the USC Annenberg Centre for the Digital Future, the spread of high-speed broadband is a major factor in revolutionary changes in cultural consumption (of products, such as movies, television/ video, books, magazines, music, art and museum exhibits). Technologically, this revolution is driven not only by the new services enabled by greater bandwidth but also by the always-on nature of high-speed connectivity. The revolution involves a shift in consumer perceptions of the Internet from an instrument of communication and information to a medium of entertainment, culture and self-expression.

This paper will draw on comprehensive national surveys of Internet use in Canada and Australia. The two countries are similar in culture but are at different stages of Broadband adoption, making the comparisons particularly apt. Within Canada, we are able to compare responses to Canadian Internet Project surveys in 2004 and 2007.

The analysis will focus on the following variables:

- Cultural consumption activities, such as downloading of videos and music
- Shifts from traditional to new media as sources of entertainment
- Willingness to pay for / subscribe to Internet services
- Incidence and frequency of online content production
- Participation in online social networks

We will compare the reported behaviour of Internet users and non-users, those with or without home broadband access, experience with and intensity of Internet use, age and life stage, as well as other demographic differences, to help build a profile of different types of cultural consumer.

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4C How Advertising and Peer-to-Peer are Transforming Digital Media and Copyright

Michael A. Einhorn, Academic Advisor to the Copyright Alliance, Economic Expert, Media, Technology, and Copyright

“Content owners have come to deploy many of the same peer-to-peer technologies that once were used to enable file-sharing. In so doing, they have embraced new business models involving the use of advertising to monetize investments in legitimate content. The paper reviews the recent applications of advertising-supported content, social networking, recommendation technologies, casual games, peer-to-peer, and data-swarmling.

As the system builds out, the market for legitimate digital content will include widening user networks and more diverse interactions among buyers, content producers, equipment manufacturers, and advertisers. The new engagements will produce virtuous cycles of buyer use, equipment purchase, and producer investment. The expansion of the Internet in the next generation will increasingly resemble the birth of early television, where advertising provided the economic basis for free content and users and producers invested accordingly.”

As advertising will be useful to build out the networks, users will be able to access materials without paying subscriber fees or user charges. However, this must not be taken as a call to eliminate either licensing fees or digital rights management. Licensing fees will be necessary in order to compensate rights owners for uses of their material in advertised and general content, and digital rights management will be necessary to preserve the security of the system. DRM also enables content owners and distributors to offer more diverse types of business models.

4D Labour Tax Credits, Regional Competition and Independent Film and Television Production: Implications for Cultural Workers and Organized Labour

Amanda Coles, PhD, Department of Political Science, McMaster University

Labour tax credits are key instruments in the development and sustainability of both domestic and foreign service independent film and television production sectors in Canada. The value of this policy instrument in attracting film and television production and sustaining regional labour markets is demonstrated by the increasing use of such cultural policies in a global context. Through an analysis of federal and provincial labour tax credit programs over the last decade, my research will examine how the current labour tax credit regime shapes regionalization and competition in the Canadian independent film and television production sector. I will argue that regionalization and competition, as constructed through national and provincial labour tax credit programs, has mixed effects on employment levels and working

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conditions for unionized industry workers. The current structure promotes regional production across the country, positively impacting a broad range of localized economies and fostering creative expression from across Canada. However, it also destabilizes worker ties to specific labour markets and creates need for worker mobility in following the flow of employment; fractures union solidarity between locals within national organizations by positioning labour markets and workers in direct competition with each other for work; intensifies pressure from producers and other labour organizations on individual unions within a market to grant variances on collective agreements and demonstrate there is both labour harmony and a competitive business environment; lowers real wages of high skill, high wage work; and intensifies reliance on the state for sectoral success.

4E Between a Rock and a Hard Place: Making Fiscal Film Policy in Britain

Maggie Magor, Research Fellow at the Centre for Cultural Policy Research, University of Glasgow

This paper will examine recent changes to the fiscal structure for film production in the UK. Due to the global domination of Hollywood, similar to countries around the world, British governments throughout history have supported indigenous film production through state aid schemes. In more recent years, this aid has come via the fiscal system in the form of tax incentives. These incentives are now regarded as fundamental to correct 'market failure' and benefit indigenous filmmaking. Additionally, tax incentives attract US inward investment, which is important for maintaining the skills base of a film industry. Securing the continuity of the UK skills base is at the heart of the British Government's drive to make the "creative economy" better fitted for global competition.

Since 2000, the fiscal system in Britain had been under review due to perpetual abuse. The new Film Tax Credit was finally introduced in 2006 replacing the dual-clause tax structure formerly in place. However, the review and implementation of the new tax incentive was not straightforward. This paper will illustrate how the policy was pursued within a field of competing interests. Most particularly, the unique position of Britain in the global film market is demonstrated, due to its shared language and culture with the US and its longstanding need to provide a system attractive for the US majors to make big budget films in the UK. However, this need is constrained by the requirements of the European Commission for which indigenous (European) production and cultural objectives remain a policy priority.

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4F “Runaway Production” in Canada: The Good, the Bad and the Ugly of Foreign Location Shooting

Charles H. Davis, School of Radio and Television Arts and Ted Rogers School of Management, Ryerson University

Janice Kaye, Post-Doctoral Researcher, Rogers Communications Centre, Ryerson University

The term “runaway production” has been used since the 1940s to refer to movie and television productions from Hollywood that are shot in another city, state or country.

Eighty to ninety percent of U.S. runaway film and television productions are currently shot in Canada, with a production value of \$1.7B. Critical attention is shifting from the not inconsiderable economic benefits of runaway production in the host country to the key issue of the structural effects of production services outsourcing on indigenous industrial capability. Is foreign location shooting an increasingly expensive race to the bottom with tax incentives and specialized infrastructure, a dead end in the search for a competitive Canadian film and television industry, as some observers claim? Or does it contribute to the development of a viable Canadian screen-based media industry? If the latter, what are the spillover mechanisms and learning pathways?

We have chosen the title of the most successful “spaghetti western,” itself shot in other countries and successful for Hollywood, to characterize the multiple, ambiguous and contradictory effects of runaway production on Canada. In this paper we will review the effects – good, bad and ugly – attributed by producers, policymakers, and researchers to runaway production in this country, and we assess the advantages and disadvantages of film and television production services outsourcing as an enabler of domestic screen-based media capabilities.

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