

SECTOR PROFILE – CREATIVE INDUSTRIES

Background to the industry

The creative industries are those industries that are based on individual creativity, skill and talent. They also include industries that have the potential to create wealth and jobs through developing intellectual property. The industry covers a wide range of occupations in the cultural arts e.g. operation of art facilities and artistic and literary creation; fashion and textiles; audio visual industries e.g. motion picture, radio and television activities.

The Government Economic Strategy identifies the creative industries sector in Scotland as one with particular strengths where areas of comparative advantage can be exploited to increase growth and productivity.

The Minister for Enterprise, Energy and Tourism recently held discussions on the issues facing part of the sector - the mind map attached at the end of this profile summarises the main points.

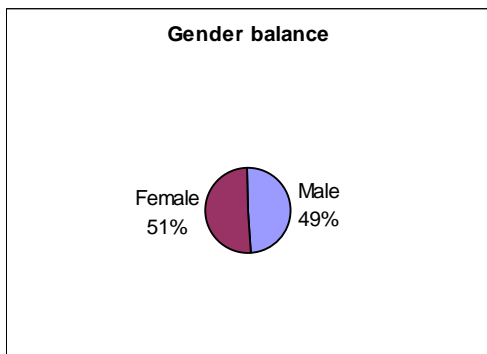
Sector performance

Turnover in the industry increased from £2.6bn in 1998 to over £5.1 billion in 2006.

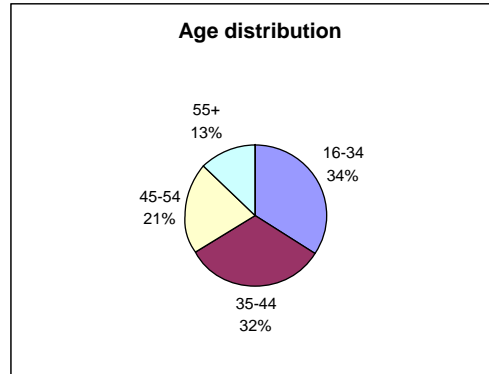
Workforce

There are approximately 5,000 companies in the sector, employing approximately 70,000 people.

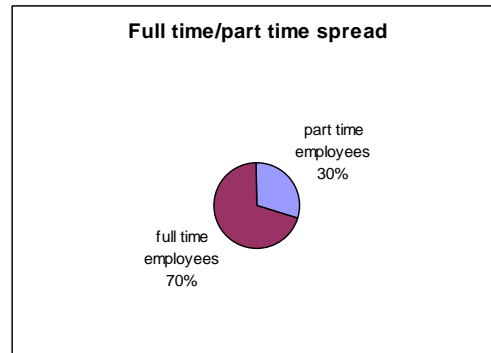
Gender balance



Age distribution



Full time/part time spread



Main challenges identified by the sector

- Cash flow
- Increasing competition from outside Scotland
- Increasing competition from within Scotland
- Cost of expansion
- Attracting appropriately trained staff
- Attracting new customers
- Diversifying business
- Staff training/retention
- Changes in technology
- Business regulations
- Changes in market structure

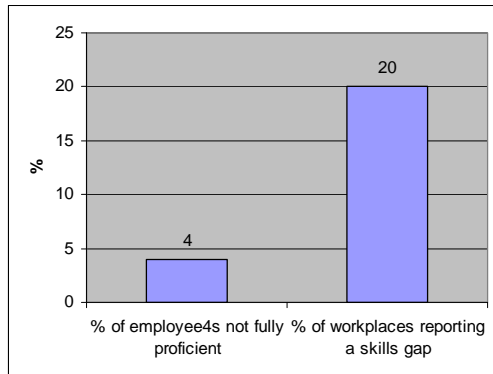
Skills shortages and gaps

Skills shortage

A skills shortage exists where an employer faces difficulties with recruiting individuals with the required skills and can lead to hard to fill vacancies. **6% of employers in the sector reported a skills shortage.**

Skills gaps

Skills gaps exist where an employer thinks that a worker does not have the skills to perform their job to full proficiency.



Employers in the sector report that skills gaps causes them difficulties in a number of areas, including-

- Increased running costs
- Meeting customer objectives
- Delays in developing new products and services
- Introducing new working practices.
- Loss of business
- Meeting quality standards

Technical Theatre Skills Academy for Scotland

Creative and Cultural Skills launched its National Skills Academy for England earlier this year and, with the support of John Stalker (Chief Executive, Festival Theatres City Trust), it has developed a proposal for a Technical Theatre Skills Academy for Scotland with its hub at the King's Theatre in Edinburgh. A Technical Theatre Skills Development Consortium, comprising leading technical theatre training providers, relevant sector skills councils and employer representatives, will be formed to develop this proposal further.

Screen Academies

The Screen Academy Scotland is a partnership between Napier University and Edinburgh College of Art and is accredited by Skillset. It was officially launched in August 2005 and its state-of-the-art film and video production centre was opened in August 2006. The Academy aims to provide: professionally oriented, project-

based and practice-led film education and training delivered in partnership with the screen industry and which is accessible, flexible and promotes diversity.

Sector Skills Councils

Sector skills councils (SSCs) are UK wide employer led organisations which cover sectors of economic or strategic significance. Their main task is to identify and articulate skills needs and issues in their sector and work with key skills bodies and delivery organisations to address these. The SSCs which cover the creative industries are Creative and Cultural skills (creative and cultural industries) Skillfast-UK (textiles and fashion) and Skillset (audio visual industries).

Issues for debate

The creative SSCs believe that the main skills issues which the sector face are-

- Sustainable, long-term funding from the Scottish Funding Council to support the delivery of the added value education and training available via our network of Skillset Screen and Media Academies.
- Agreement with Skills Development Scotland to help Skillset follow through on the challenge laid down by the Broadcast Commission to increase the levels of funding for the wider development of Continuous Professional Development in Scotland.
- Leadership development and an understanding of business growth strategy for creative companies.
- Business skills embedded into undergraduate and FE courses where self employment and running a business is the likely exit route, including the ability to market themselves and their businesses.

Sources

Skillset, Skillfast and Creative & Cultural Skills' Scottish Sector Profiles 2007, Futureskills Scotland (2007)

**Internal Scottish Government briefing,
2008**

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Textiles

