

Cultural/creative infrastructure, innovation and urban competitiveness – the case of Toronto

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how does the urban cultural economy drive Toronto's economic development?

Presently there is much uncertainty as to how to think about cultural industries' contribution to economic growth.

Culture, creative industries, creative cities, and the creative class are concepts that refer to rather different theoretical frameworks, but they often appear in the vernacular as mash-ups

Four principal kinds of relationships between the cultural/creative industries and economic growth are postulated in the literature

(Potts & Cunningham, 2008)

- The welfare model
 - creative industries are a net drain on the economy but they may have non-economic value
- The competition model
 - creative industries are just another industry with structurally neutral effects on the whole economy

Four principal kinds of relationships between the cultural/creative industries and economic growth are postulated in the literature

(Potts & Cunningham, 2008)

■ The growth model

- creative industries are, or can be for particular places, a growth driver like agriculture, manufacturing, or ICTs in their respective times

■ The innovation model

- creative industries are not a separate industry but rather a key component of the larger innovation system

Toronto region

- 4th largest urban region in North America
- GDP of \$327B bigger than Ireland, Finland, Hong Kong, Switzerland, or Singapore
- Best educated workforce of G8 – 64% holds post-secondary degree
- Attracts 45% of recent immigrants to Canada
- Strengths in ICT, financial services, health, food, manufacturing, educational services
- Third or fourth largest film & television city in North America
- Toronto's Culture sector employs ~ 130K people and accounts for around \$9B (2008)

A mix of models and rationales in Toronto's cultural strategy

- Culture Plan for the Creative City (2003)
 - cultural renaissance
 - integrating diversity
 - Attracting youth
 - Public art
 - Museums
 - Heritage
 - Community arts

A mix of models in Toronto's cultural strategy

- Culture Plan for the Creative City (2003)
 - cultural renaissance: nearly \$1B in infrastructure
 - emphasized renovation of major cultural facilities, often via signature architecture, and relying on major federal and provincial investments:
 - Canadian Opera Company, National Ballet School, Royal Ontario Museum, Art Gallery of Ontario, Roy Thomson Hall, Royal Conservatory of Music, Gardiner Museum of Ceramic Art
 - Also mentions the forthcoming new home for TIFF (now known as Bell Lightbox)
 - Avenue of the Arts, Year of Creativity

A mix of models in Toronto's culture plan

- Culture Plan for the Creative City – updates in 2005 and 2008
 - Funding the majors (this group now includes Caribana and Pride Toronto)
 - Increase funding to the Toronto Arts Council (currently around \$9.7M)
 - Live with Culture campaign 2006
 - Inspired new arts festivals: Scotiabank Nuit Blanche, Luminato

Toronto culture plan indicators

1. per capita investment in culture, comparing Toronto with selected other cities;
2. funds leveraged by increased City investment in arts and culture grants;
3. the number of culture sector jobs in Toronto;
4. the impact of the culture sector in Toronto on GDP;
5. Toronto's ranking on the Creativity Index developed by Richard Florida, as compared with other major North American cities;
6. the number of and attendance at City-funded culture events;
7. the number of and attendance at City-funded cultural programs for youth;
8. the number of new arts organizations funded;
9. the number of location permits issued for film and television productions;
and,
10. the number of visitors to Toronto.

Three shortcomings of the Toronto culture plan (1)

- The city has unusually low spending capability (about \$13M/year on cultural activities in 2007). This means that senior governments and the private sector are significantly involved in funding cultural organizations and activities – inevitably affecting the mix and orientation of the activities.

Three shortcomings of the Toronto culture plan (2)

- The arts and the built environment define the scope of “culture.” In its relative lack of concern for content or carriage issues, the City’s culture plan does not speak the same language as “cultural policy” as defined by senior levels of government (except, perhaps, regarding multiculturalism).

Three shortcomings of the Toronto culture plan (3)

- Although the Culture Plan aspires to promote economic development, it does not have much to say about creative industries – even when the City has economic planning capabilities in an industry and the Province is sympathetic (examples: tourism, food, screen-based media, entertainment).

Innovation infrastructure for creative/cultural industries

- In innovation studies, “infrastructure” refers not just to buildings or other physical components, but to all generic innovation support, including policies and provision of “upstream” knowledge and commercialization processes:

“Among other things, the common innovation infrastructure includes a country’s overall science and technology policy environment, the mechanisms in place for supporting basic research and higher education, and the cumulative “stock” of technological knowledge upon which new ideas are developed and commercialized.” (Furman & Porter, 2001)

- What are the key elements of innovation infrastructure in the creative industries within Toronto’s cultural economy?

Ontario media industries

Segment	Revenues
Book Publishing	\$1.4 billion*
Magazine Publishing	\$ 1.2 billion**
Film and Television Production	\$ 2 billion***
Sound Recording and Music Publishing	\$ 498 million****
Interactive Digital Media	Unavailable

*2006 data. See Statistics Canada "The Daily", July 10 2008

** Statistics Canada 2006 Periodical Publishing Survey Cited from "The Daily", March 19, 2008

***1 David Coish (2004). Census Metropolitan Areas as Culture Clusters. Ottawa: Statistics Canada. Catalogue no. 89-613-MIE, No. 004.

**** Figure from the OMDC funded "Strategic Study of the Magazine Industry". Cited from Statistics Canada, "Sound Recording and Music Publishing: Data Tables 2006," March 2008.

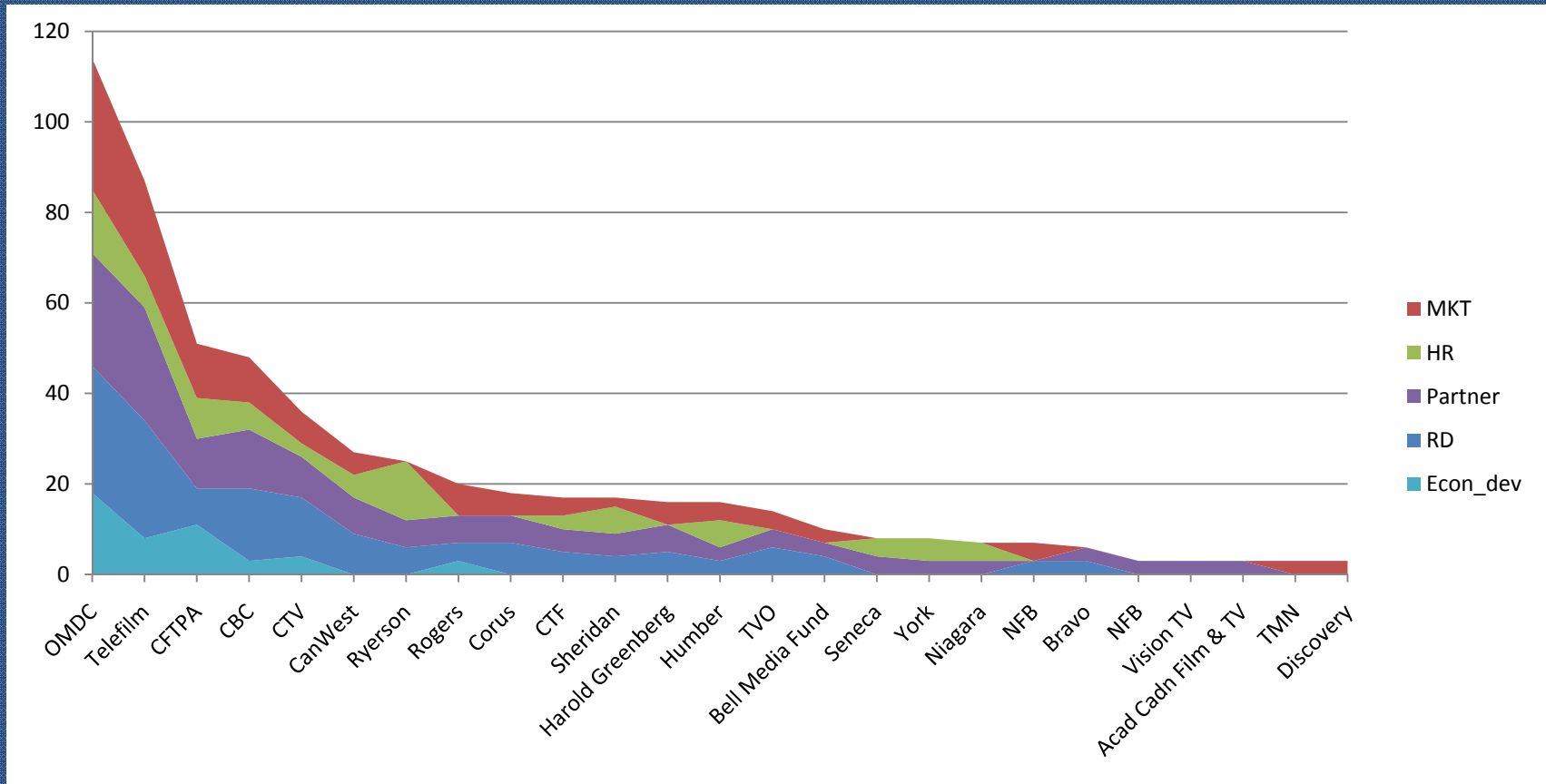
GTA is the centre of Ontario's media industry (example of film/tv production) and post-production firms)



Survey of firms in Ontario film/tv, interactive, and music sectors, 2008 (HAL)

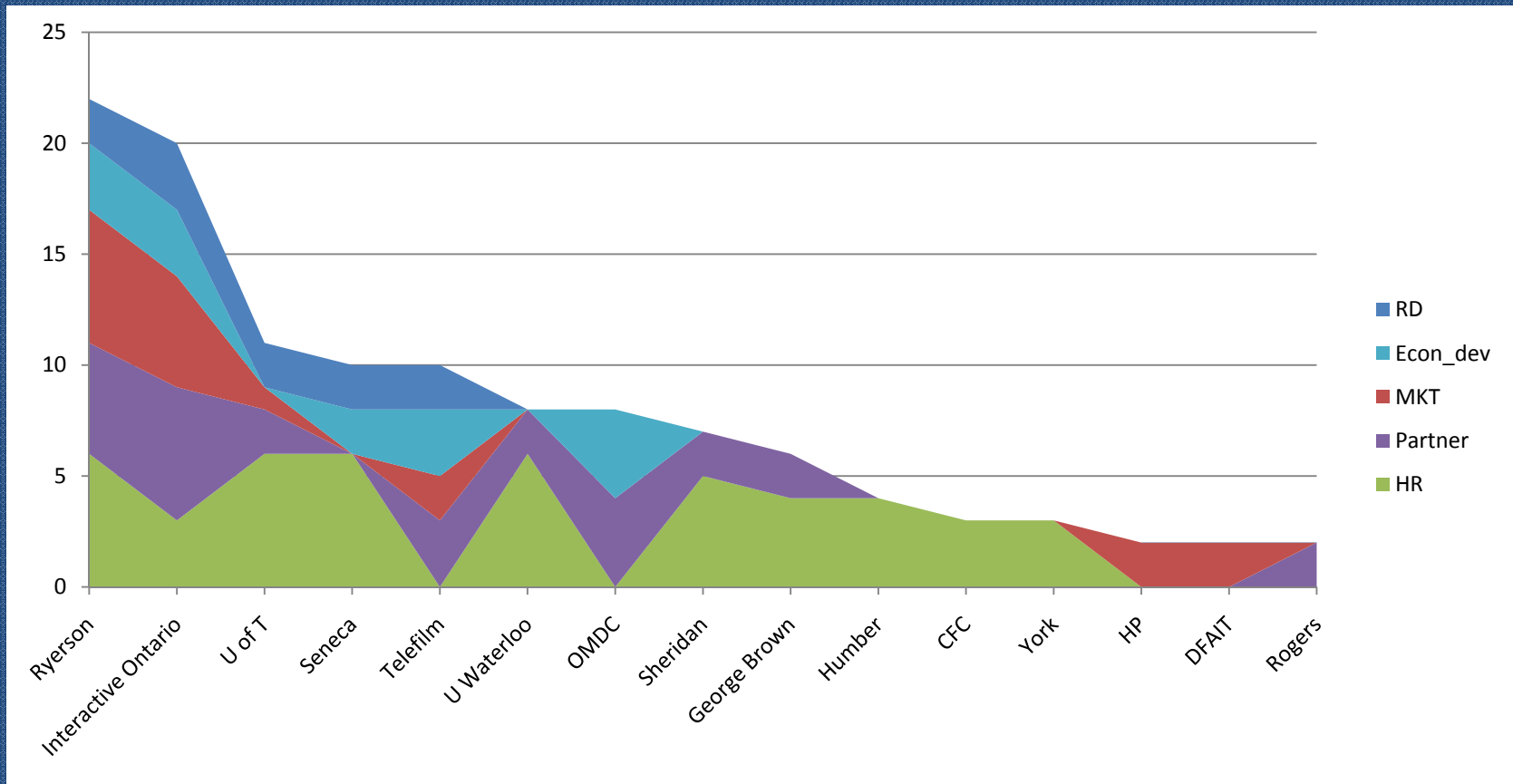
- Overall, >400 firms participated in phone interview from film/tv, music, and interactive sectors)
- Among other things, respondents were asked to identify up to five firms, research institutions, and economic development/policy organizations with whom they had a relationship, and indicate the purpose of the interaction: R&D, market development, HR, business partnership, or economic development (sector policy/strategy)

Survey of firms in Ontario film/tv production and post-production, 2008 (HAL)



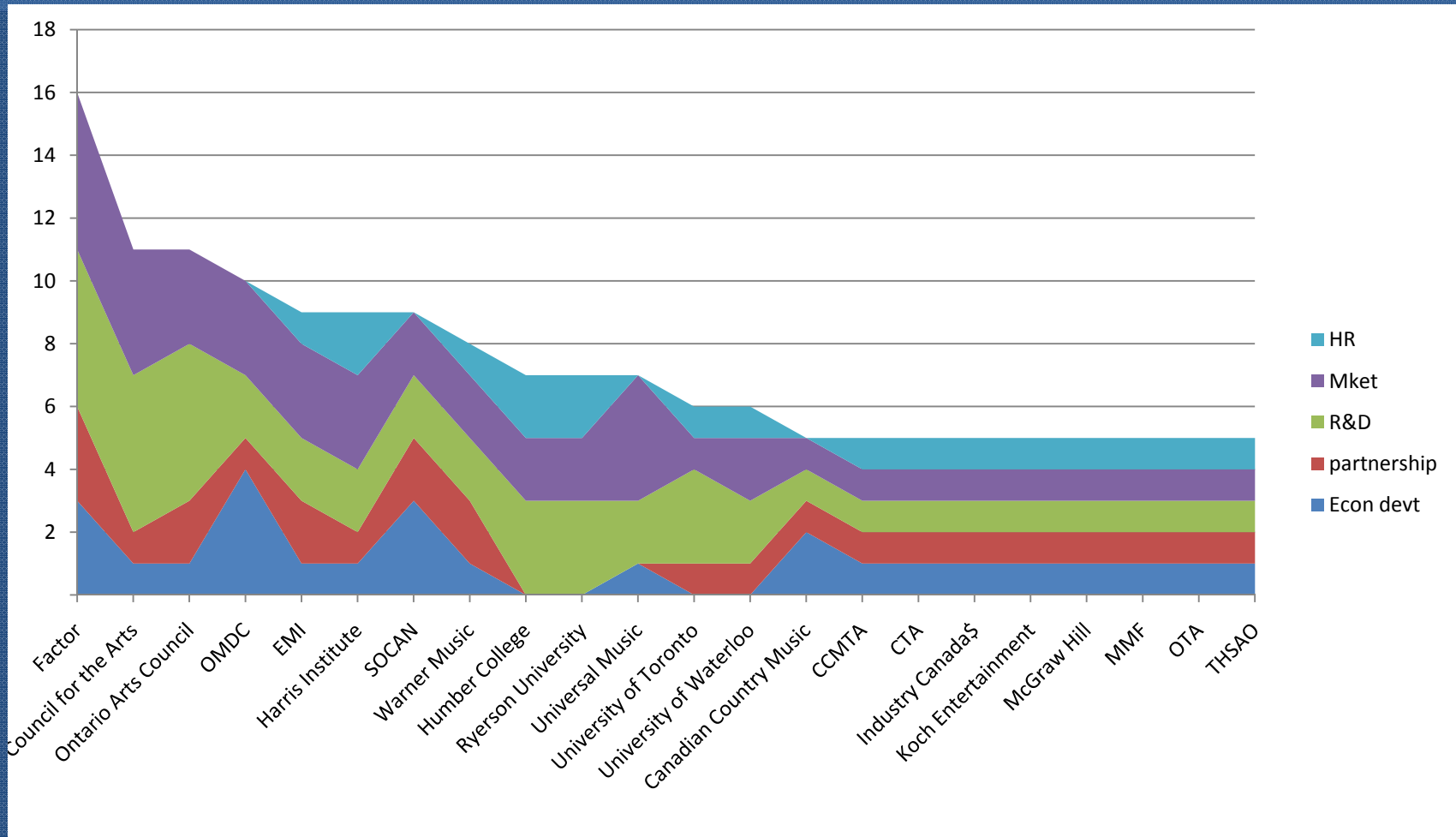
Number of times each organization was referred to by GTA/Toronto firms regarding R&D, HR, market development, or economic development – by subject of interaction

Survey of firms in Ontario interactive sector, 2008 (HAL)



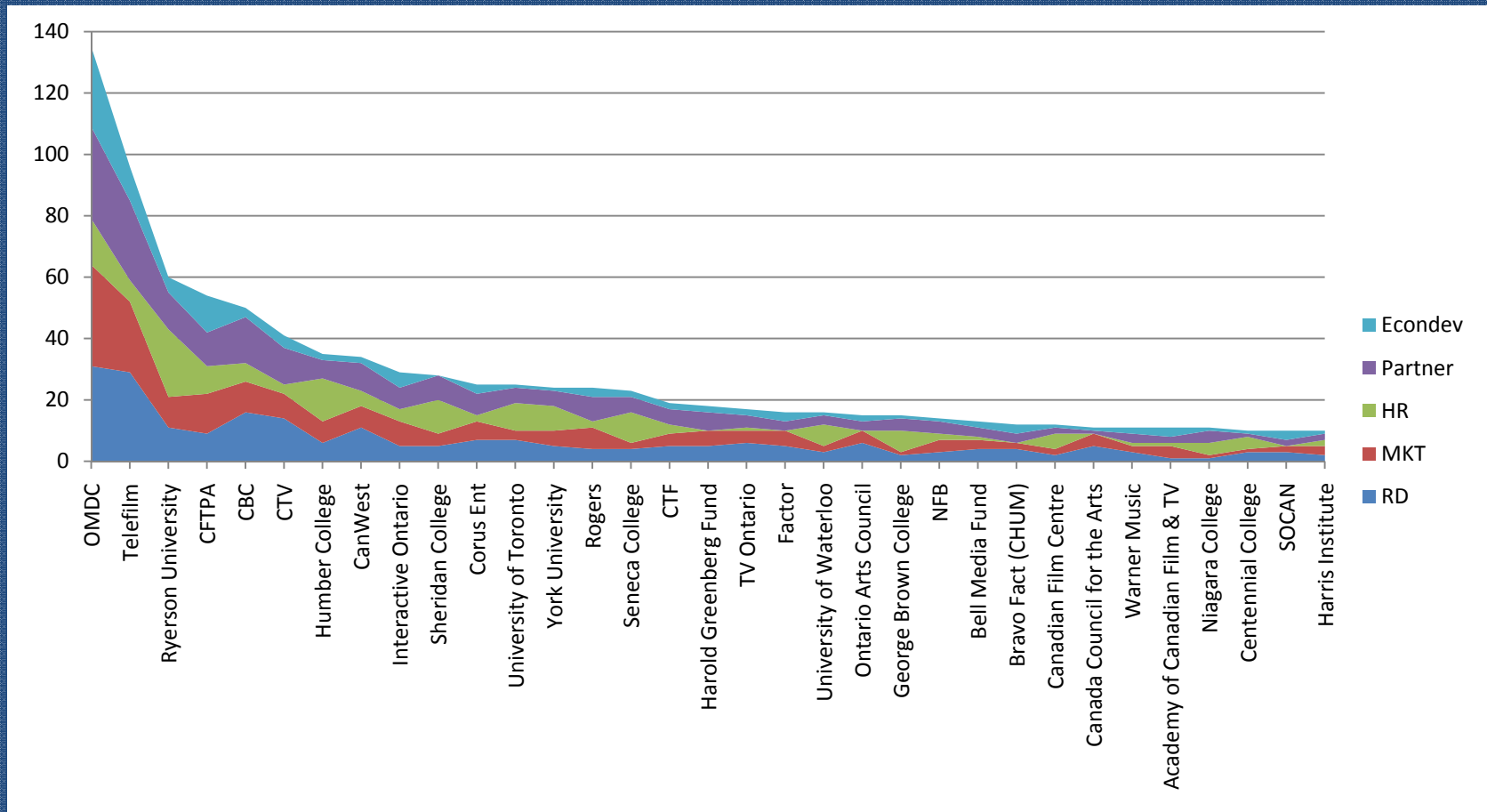
Number of times each organization was referred to by firms regarding R&D, HR, market development, or economic development – by subject of interaction

Survey of firms in Ontario music sector, 2008 (HAL)



Number of times each organization was referred to by firms regarding R&D, HR, market development, or economic development – by subject of interaction

Interactions of Ontario firms in film/tv, music, interactive, books, and magazines 2008 (HAL)



Number of times each organization was referred to by firms regarding R&D, HR, market development, or economic development – by subject of interaction

conclusions

- In creative industries, a lot of key infrastructure is invisible to surveys (ex: regulatory environment) and is external to arts-oriented city-level culture strategies. The for-profit/not-for-profit distinction is reflected in policy division of labour.
- The core group of Toronto creative industry infrastructure institutions encompasses public policy and funding agencies (OMDC, Telefilm), post-secondary institutions (Ryerson, Humber, Sheridan), public and private firms (CBC, CanWest, Corus, Rogers, TVO), and industry associations (CFTPA, Interactive Ontario)
- The sector does not have a straightforward division of infrastructural labour – Toronto's core creative industry infrastructure institutions engage in multifunctional interactions (R&D, HR, markets, partnerships, policy & strategy).