Classifying and Measuring the Creative Industries

Consultation on Proposed Changes: Response form

April 2013
Introduction

The purpose of this consultation is to update the DCMS Creative Industries classification and we are inviting input from interested parties. A full paper explaining the proposed changes accompanies this response form.

For reference:

The latest DCMS Creative Industries Economic Estimates are linked below:

Throughout this document we will be referring to:

- The Standard Industrial Classification, a means of classifying businesses according to the type of economic activity that they are engaged in. The latest version (SIC 2007) is available here: http://www.ons.gov.uk/ons/guide-method/classifications/current-standard-classifications/standard-industrial-classification/index.html

- The Standard Occupational Classification, a means of classifying the occupation of a person according to the work they do and the skill level required. The latest version (SOC 2010) is available here: http://www.ons.gov.uk/ons/guide-method/classifications/current-standard-classifications/soc2010/index.html

The consultation will be open for 8 weeks, closing at midnight on 14th June, 2013.

Please submit this form together with any other supporting evidence to: statsconsultation@culture.gsi.gov.uk

If you have any questions, please contact: statsconsultation@culture.gsi.gov.uk or Tom Knight
Department for Culture, Media and Sport
Phone: 0207 211 6021
Consultation issue 1

Consultation issue 1: What are your views of using the Creative Intensities methodology to underpin the DCMS Creative Industries classification?

The Council for Higher Education in Art & Design (CHEAD) is grateful for the opportunity to contribute to the DCMS consultation, Classifying and Measuring the Creative Industries.

CHEAD broadly supports the aims of the proposed changes, which would be based on the Creative Intensities methodology. However, it is important to note that our approval, and our responses to the other questions in this consultation, rest strongly on the important clarification on 14 June of the DCMS approach regarding the status of craft, as we will further detail below.

This consultation has generated significant response from within the Higher Education sector. Some concerns have been expressed that craft subjects being taught at degree level and higher could potentially be excluded as a category from the overall definition of the creative industries which all Governments have used since 1998. While we accept that DCMS’s recent clarification that the purpose of the approach was on the removal of craft from its categories of data collection rather than its overall definitions, nevertheless, there are residual anxieties that, although this Government is clearly intending to improve its approach to data collection, future policy could be affected if crafts are not clearly visible in official statistics. We query, to what extent, the application of the creative intensities methodology properly examines those codes, which reflect the immense breadth of creative activity and achievement in the UK craft sector. We ask therefore, whether there might be alternative applications of the creative intensities approach, for example using additional codes, which would enable the undoubtedly important economic activities of craft practitioners in this country to be better reflected.

We agree that the proposed methodology permits a more systematic and therefore robust definition of the creative industries. It is simpler and transparent and recognises that the impact on data depends on how the approach is applied, and that methodologies must operate within constraints of existing international classifications and codes.

We believe that the criteria used by Bakhshi et al for identifying an occupation as creative recognise the important combination of higher-level skills of the workforce in creative occupations, and the provision of which are core objectives of the education system that produces this workforce. We believe that the creative intensities methodology therefore helps to confirm the important role of higher education in art and design in the UK with its focus on reflective practice and creative skills (‘skills for tomorrow’) that allow graduates to thrive in evolving contexts. So many of our graduates will find employment in the SOCs / SICs that form part of the proposed creative industries grouping. In this way, the education system, and HE A&D in particular, can be seen not just as a key element of the creative industries but also, correspondingly, as a driver of the national economy.

However, while we generally approve of the proposed methodology, we remain concerned over a number of issues. Some of these relate to the method of how the creative intensities method is being applied to SIC and SOC codes for craft. However, others relate to the policy implications of the proposed changes but which are not addressed in this consultation, or are beyond the reaches of any SOC / SIC statistical analyses. We therefore feel that it would be important for the DCMS also to address these latter issues alongside the introduction of any new methodology and, at a minimum, engage key partners from the creative industries, education and policy-making communities to explore these implications. In particular:

Proposed methodology

• We remain concerned over the (lack of) recognition of crafts and craft-based occupations within official statistics, though we acknowledge that any classification is tied by the internationally agreed coding system. However, within the applied NESTA methodology of analysing whether an
occupation qualifies as ‘creative’, we feel that many craft-based occupations have not been analysed correctly. On the one hand, as the Crafts Council points out, it is debatable whether some of the five criteria can be accurately measured: “there may be a question, for example, over whether aspects of craft are mechanisation resistant in the sense that mechanisation may offer an alternative to makers, rather than a replacement. In many cases, though not all, the essence of craft is in intentionally selecting a non-mechanised approach but this is changing over time with different interpretations current amongst the making community.” Moreover, the application of this method appears to introduce a misleading dichotomy between different types of crafts workers (e.g. SOC 5441 – glass, ceramic makers, decorators (excluded)) and artists (included): indeed, many prominent crafts makers would consider themselves artists but identify themselves by their craft.

- Design engineering occupations and industries: the proposed methodology produces a list of design-related occupations and industries, which are predominantly related to the arts. This ignores the important and growing role of design engineering occupations. While the DCMS analyses appear to show that these occupations / industries fall into manufacturing, we believe that this underestimates the ‘creative occupation’ element of the designer in engineering and similar businesses.

Policy implications
- The above classification also adversely affects the status of design as an academic discipline: by placing design purely within the arts sphere, at school level this may contribute to perpetuate a notion that design is not a serious subject and only for academically less gifted pupils. Attaching a label of this or any kind to a subject will make it more difficult to attract the best talent to study design at higher level and for higher education institutions to continue to produce the workforce for the creative industries.
- As acknowledged in the DCMS clarification, 14 June, there remains an urgent need to address the issue of statistically capturing the economic contribution of small businesses to the UK economy. In particular, a large part of craft businesses operate as small and micro businesses who operate below the VAT threshold level and whose economic contributions therefore cannot be measured. Crucially, craft needs to be viewed in broader terms than those of a cottage industry: besides its status in its own right within the creative industries, mastery of materials and craft based processes form key functions in cutting edge STEM manufacturing, as demonstrated in the Crafts Council response through the example of the glass maker Matt Durran as both a contemporary artist and key contributor in cutting edge healthcare engineering. It would be important to capture the contributions of such businesses and makers in order to support relevant industrial policies within and beyond the creative industries.
- The creative intensity cut-off point of 30% notably pushes museums and libraries outside the creative industries. Even though these institutions clearly are an important part of the UK creative industries infrastructure, they may be excluded from any policy-making process that is aimed at the creative industries. There may be other industries, for example in designer fashion, where there may commonly be only a small number of employees in creative occupations relative to the total number of employees.

CHEAD is the association of 63 educational institutions with degree or postgraduate provision in art and design, represented by their most senior academic concerned with art and design. CHEAD is a long standing Association which brings together senior figures in UK Art, Design and Media education. It has a strong international reputation for its work in promoting UK Art and Design and in activity which examines key contemporary issues affecting the HE curriculum and its implementation.

Should you have any questions regarding CHEAD or our response to this consultation, please do not hesitate to contact the Executive Secretary, Christoph Raatz, c.raatz@chead.ac.uk, or 020 7490 4712.
Consultation issue 2
Consultation issue 2: What are your views of the list of Creative Occupations as defined in figure 1 of the consultation document? Are there occupations which have been included which you think should not be? Are there occupations which have not been included which you think should be? What evidence do you have (if any) to support your view on inclusions or exclusions?

Please note: we can only consider occupations for the list in figure 1 of the consultation document if they are stated in terms of the Standard Occupational Classification system. If more information is needed on this classification system, it can be found at: http://www.ons.gov.uk/ons/guide-method/classifications/current-standard-classifications/soc2010/index.html

As indicated above we feel that certain craft occupations and occupations related to design engineering are not adequately recognised. While we otherwise are in broad agreement with the underlying methodology for identifying creative occupations, the skills that are required within these occupations clearly lie within the NESTA definition and its constituent criteria. The issue therefore arises whether the criteria have been accurately applied by the authors or in which SOCs these occupations may more appropriately be recorded.

In particular, as concerns the definition of craft occupations, we believe that decisions taken regarding data classification in response to this classification must be informed by a fuller understanding of craft practices, how creative these are, and the way in which makers apply their skills in this context. The application of thinking and making skills is the key point here rather than simply the hand-making of products as a consequence of what are perceived as old fashioned hand processes. The Finish architect, designer and thinker, Juhani Pallasmaa, and the American neurologist, Frank Wilson, both write knowledgeably and persuasively about the creative qualities of craft activity. Pallasmaa, especially, talks about “the thinking hand” while Wilson considers the hand in this context to be the most creative part of the human brain. We believe that the SOC codes represent craft as a set of skills within an occupation rather than as a creative thinking activity in itself. We believe that DCMS’s engagement with the Office of National Statistics could attempt to improve understanding of how craft activity is, or could be, properly captured in the SOC system as a genuinely creative series of occupations.

There is also confusion caused by the term “craft” being widely used in industries such as construction, where terms such as “the craft trades” or “craft apprenticeships” are actually used to refer to activities such as joinery, roofing, electrical installation etc. A reference to SOC code, 5441 and 8112, will illustrate this. TBR’s report for the Craft Council details this in greater detail and it would not be our intention to duplicate anything stated there, other than to say we strongly support that submission.

Consultation issue 3
Consultation issue 3: What are your views of the list of sectors as defined in figure 2 of the consultation document? Are there sectors which have been included which you think should not be? Are there sectors which have not been included which you think should be? What evidence do you have (if any) to support your view on inclusions or exclusions?
Please note: we can only consider occupations for the list in figure 2 of the consultation document if they are stated in terms of the Standard Industrial Classification system. If more information is needed on this classification system, it can be found at: 

Through application of the proposed methodology, the creative industries sectors become a function of the proportion of creative occupations that make up any constituent industry. Therefore, the sectors would be directly affected by any changes to the SOC analyses as suggested in the response to question 2 – i.e. by reviewing the application of the five criteria to identify SOC as creative – and by reviewing the threshold for inclusion, as set out in our response to question 1.

While we should avoid diluting a systematic classification through a large number of exceptions, it is clear that the 30% threshold does exclude a number of industries that can undoubtedly be considered part of the creative industries.

Again, with regards to crafts, the Craft Council’s TBR report responds to this section very fully. The reference within that to NESTA’s own analysis acknowledging the validity of including SIC’s, 3212 and 2341, is worth underlining. Our particular concern at this stage is to consider whether the narrow range of SIC’s fully describes crafts. The implications described in the TBR report would indicate a need for DMS and ONS colleagues to undertake further discussions.

Consultation issue 4
Consultation issue 4: What are your views of the list of groupings as shown in figure 3 of the consultation document? Are there other groupings which you think would be preferable, given the SIC codes available to match together in these groupings?

We strongly object to the proposed removal of the crafts sector from the SIC codes. On the one hand, as indicated, many craft makers would consider themselves artist while identifying themselves by their craft. Correspondingly, it is likely that some of these makers will be captured under SIC 90.03 ‘Artistic creation’.

More importantly, however, crafts is a category which in reality exists and, will continue to exist, as a creative industry and we can see no reason why it should be excluded for what appears to be simply administrative effectiveness and currently an inability to recognise and reflect the achievements of this sector. The Crafts Council has proposed ways in which the craft sector can be properly reflected and we support this strongly. We urge DCMS to reflect on effective data capture. We believe the category should not be removed given the likelihood of potential appropriate resolution.

Consultation issue 5
Consultation issue 5: Do the SIC and SOC codes adequately and accurately capture the full range of economic activity within the creative industries. If not, how would you better define the SIC and SOC codes?

As outlined in our response to question 1, a system that better captures the full range of economic activity within the creative industries should:

• Introduce a means or a proxy to capture the contribution of businesses below the VAT threshold level.
• Apply a degree of discretion for inclusion industries (e.g. museum and libraries), which may fall
below the 30% intensity threshold but on which there may exist a broad consensus that they form part of the creative industries.

- Recognise occupations as ‘creative’ that should more accurately be considered as process rather than product, such as craft and occupations related to process design/social design.

As the Crafts Council has already pointed out one of the major challenges for craft is the lack of critical mass reflected in the SIC codes. When considered via SIC, craft will inevitably be captured correctly since SIC recognises products and materials. Therefore, the proposal by the Crafts Council of the importance of establishing an appropriate SIC classification, capturing the creativity in the designing and making process, regardless of material employed or products produced. Within the arts and design world, it is normal to refer to “designer/maker” like the Crafts Council, we see the validity and the sense of creating an SOC with that title, which would properly recognise many of the businesses currently categorised as craft. This would also reflect common practice in Higher Education where crafts subjects have increasingly been categorised as, for example “3-dimensional design” or “designing/making”.

Consultation issue 6
Consultation issue 6: What indicators do you find to be of value in your work? Do you collect data against these indicators on a regular basis and, if so, how do you do so?

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Confidentiality

Please indicate how you wish for your response to be dealt with in the boxes below.

I wish for my response to be confidential ☐
I do not wish for my response to be confidential X

Please send completed responses to Tom Knight at the DCMS address given in the Introduction.