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RURAL COMMUNITIES SUPPORTING CREATIVE INDUSTRIES

OPPORTUNITIES PAPER

State Government Victoria

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CREATIVE INDUSTRIES
OPPORTUNITIES PAPER

This report, prepared for Rural Councils Victoria, documents the activities and outcomes of the Rural Communities Supporting Creative Industries Opportunities Project. The report describes opportunities and provides recommendations for Councils to consider.

Rural Councils Victoria is the collective voice for Victoria's 38 rural councils and is a collaborator on the reform agenda for Victoria's small towns contributing to the development of evidence based policy and strategy.

As a thought leader in developing liveable rural communities with sustainable economies, Rural Councils Victoria builds the capability of local councils to plan and support their community to adapt to change and address future challenges.

The Victorian Government has recognised that the 38 rural councils are often better able to understand and meet challenges by working in collaboration and this project underpins a policy of empowering rural councils to plan and adapt to change in a more sustainable way and participate in decision making processes that impact on their region through coordinated, collaborative and networked approaches.

This project was supported by Rural Councils Victoria with funding from the Victorian Government. The funding commitment for the Networked Rural Councils Program is $3.3 million over four years commencing 1 July 2011 through to 30 June 2015.

This project was prepared alongside Rural Councils Victoria by SOCOM.

For more information contact Rural Councils Victoria at:
Level12/ 60 Collins Street Melbourne
PH. 03 9667 5555
www.ruralcouncilsvictoria.org.au

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CREATIVE INDUSTRIES OPPORTUNITIES PAPER

EXECUTIVE SUMMARY

The Rural Communities Supporting Creative Industries project is part of Rural Councils Victoria's Networked Rural Council's program. Funded by the Victorian State Government, this project had its genesis from increasing evidence highlighting sugnificant transitions in global economies and the impact of 21st century technologies on how we work, live, learn and communicate.

The Essential Economics report *Creative Industry in Rural Victoria – Economic Analysis 2013* that was commissioned as part of this project, provides a detailed analysis of the creative industry in rural Victoria *(available on RCV Website)*.

For the purposes of this project, creative industries are defined as:

> A wide-range of creative activities such as music, arts, architecture, design, marketing and ICT services that contribute to the economic growth of rural communities.

Creative industries were identified by RCV as a sector that warranted further investigation as the roll-out of high speed broadband into rural areas opens up opportunities for more people to live and work outside of cities.

Part of this project is the development of this Creative Industries Opportunities Paper researched and developed by consultancy SOCOM.

The Commonwealth Government report, *Creative Industries, a Strategy for 21st Century Australia*, describes how high speed internet transforms the development, distribution and marketing of creative content. It notes how digitisation enables creative industries to be more flexible in their location, commercialisation and collaboration, and level the playing field for creative industries across Australia. [1]

Throughout this Opportunities Paper, we highlight examples from around the world and within major metropolitan and regional centres in Australia, of governments developing strategies for creative industries and emerging digital economies.

This Opportunities Paper illustrates ways rural councils could support thier local industry, recognising the role high speed broadband plays in supporting innovation, skills and business growth, productivity and competitive advantage.

In particular, four key opportunities have been identified for the growth and support of creative industries in rural Victorian communities.

These opportunities are:

- teleworking,
- creative hubs or co-working spaces,
- creative champions and;
- capability building.

1 Creative Industries, a Strategy for 21st Century Australia.

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EXECUTIVE SUMMARY

TELEWORKING

Research indicates a strong shift in the global approach to employment from 'the workplace is my office" to "the workplace is wherever I am". Working on internet linked electronic devices wherever you happen to be, like home or on the train, is called teleworking (tele means at a distance).[2]

Research shows a large deficit of jobs in creative industries in rural and regional municipalities. At the same time, many workers are willing to commute to other places for work. This suggests there is a need to both increase the number of creative industry jobs in rural and regional areas, and provide more opportunities for telework. Telework allows more people to live and work in rural and regional areas. As such, telework represents a significant opportunity to support, retain and grow these creative industries.

Greater telework uptake using existing infrastructure will enable more rural residents to work from their home town more often and make rural areas more appealing to people considering relocating from metropolitan Melbourne and regional cities. The more time people spend in rural and regional areas, the more benefits to their local economies and communities. Some key findings of RCV's research into creative industries in rural Vicotira included:

- The economic modelling found that broadband-enabled telework may create 25,000 additional jobs in full-time equivalent terms by 2020-21. About 10,000 of these jobs will be created in regional Australia.
- 60 per cent of mature workers reported that they would take up telework if it was available to them and as a result delay retirement by an average of 6.6 years. This is notable given the ageing of the population and the impact this will have on overall participation rates.
- 70 per cent of people not in the labour force who live in regional or remote locations of Australia reported they would take up a telework employment opportunity if one was available to them.

CREATIVE HUBS OR CO-WORKING SPACES

Creative hubs, co-working spaces, digital hot houses or incubators are informal community meeting places where like-minded people can get together, share ideas and collaborate.

Creative hubs / co-working spaces are a perfect fit for rural municipalities where a sense of 'getting together' and being part of a community has strong precedent. In inner metropolitan areas, the trend towards creative hubs is being driven primarily by young people who want to rekindle the kind of community ethos that is so prevalent in rural and regional areas.

The digital connectivity of creative hubs is important for rural creative micro-businesses because it can enable them to significantly expand their influence, overcoming 'tyranny of distance' issues to connect with their market wherever it is in the world.

Hubs feature office facilities equipped with information and communications technology, meeting room facilities, kitchens and access to local amenities like cafés. The great strength of successful hubs lies in their capacity to use digital connectivity to harness creativity and share ideas in a setting free from the restrictive conventions often associated with corporate working environments.

[2] Department of Broadband, Communications and the Digital Economy, National Digital Economy Strategy: Leveraging the National Broadband Network to drive Australia's Digital Productivity, 2011, p 6.

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EXECUTIVE SUMMARY

CREATIVE CHAMPIONS

Research indicates that there is an increasing number of active, experienced, educated and affluent older creative workers in rural communities and that these workers have a relatively high propensity to volunteerism. A significant opportunity exists for rural councils to use their skills, knowledge and experience to benefit rural communities.

These workers could be identified and encouraged through a Creative Champions volunteer program that involves them in mentoring, capability building, collaboration, advocacy and alumni opportunities to help develop creative industries in rural municipalities.

A Creative Champions program could:

- Identify older Australians with extensive experience in creative industries.
- Recruit people keen to help the local community who have the ability to be mentors, capability builders and advisers.
- Provide the people involved with program resources (ie. collateral, guides, promotion, access to advice) and facilities (ie. hosted cafés, creative hubs or incubators).

CAPABILITY BUILDING IN THE BROADBAND AGE

Encouraging rural businesses in the creative sector to be more 'digitally engaged' is a powerful way to strengthen rural economies and take advantage of diverse social and economic benefits generated by 21st century technologies.

Digital engagement is particularly important for rural and regional creative businesses because it enables them to significantly expand their influence, beyond local markets.

Recent research presented in Deloitte Access Economics' Connected Small Businesses report shows small businesses that make full use of the internet – that fully embrace the broadband economy – achieve much better business outcomes, including a 20 per cent increase in annual revenue, more diverse revenue sources, stronger growth prospects and a larger customer base.[3]

Internet-savvy businesses are twice as likely to be growing revenue and earn twice the revenue per employee than those with low engagement. These businesses are also much more likely to create jobs, as much as four times more than businesses with minimal digital engagement.

[3] Deloitte Connected Small Businesses, 2013

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CREATIVE INDUSTRIES
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PURPOSE

The purpose of this Opportunities Paper is to outline opportunities to support creative businesses and workers who live or work in rural communities.

The Opportunities Paper references evidence for the identified opportunities, case studies to highlight examples of where these opportunities have been successful as well as Options for Action.

Options for Action in this paper provide starting points for rural councils considering ways to support their creative industries for future growth and productivity.

Overview

The Intelligent Communities Supporting Creative Industries project for Rural Councils Victoria came from increasing evidence highlighting significant transitions in global economies and the impact of 21st century technologies on how we work, live, learn and communicate. The creative industries were identified as a sector that warranted further investigation as the roll-out of high speed broadband into rural areas opens up opportunities for more people to live and work outside of cities.

What is the digital economy?

The digital economy is the global network of economic and social activities that are enabled by platforms such as the Internet, mobile and sensor networks. The digital economy refers to the devices most of us use each day, such as computers, phones and game consoles. It includes the online maps that we consult, the web searches that we use to find information and our electronic banking. (Australia's Digital Economy: Future Directions, 2009, DBCDE)

This document provides a high-level assessment of opportunities and recommendations to provide a starting point for policy / economic development responses that could be adopted by rural councils to support creative industries. However, there is also an opportunity for this document to inform thinking about a range of other sectors in rural communities, for example professional / business advisory services.

Digital technologies driving creative industries

We are now living in an age where technology is embedded in daily activities and is creating dramatic change in many industries. In their paper 'Next Wave of Digitization' Booz & Co suggest it is the responsibility of those in leadership positions to 'lead the charge by building the right capabilities … to remain relevant in the digitized environment, achieve growth, and fend off competitive threats.'

In 2010, the internet economy in Australia was worth about $50 billion or 3.6 per cent of gross domestic product, and was forecast to rise to $70 billion over the next five years.[4]

Through this project, Rural Councils Victoria is leading the conversation in understanding opportunities in the digital economy and has identified the creative industries as a vital sector to understand, embrace and support in its communities.

4 http://www.theage.com.au/business/booming-internet-hits-80bn-20110802-1i9zn.html#ixzz1Tuxtxjh1

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The rural economy

Rural Victoria has been facing long-term decline in many traditional industry sectors such as agriculture and manufacturing. This has been due to factors including drought, off-shore investment and the strong dollar [5]. Creative industries present a long-term opportunity to generate new and sustainable employment for rural communities.

As rural councils assess the opportunities to grow sustainably, creative industry workers and businesses should be a key consideration. Creative industries involve people who:

- Do not require large lots of industrial or commercial land
- Demonstrate high levels of entrepreneurism and innovation
- Generate employment in occupations with higher than average wages
- Can compete on a global level without complex issues facing traditional industries i.e. manufacturing and agriculture
- Enjoy the amenity, affordability and lifestyle opportunity of rural communities
- Generate strong flow on benefits to other sectors i.e. retail, hospitality, services

Throughout this paper, we highlight examples from around the world and within major metropolitan and regional centres in Australia of governments developing strategies to support creative industries and emerging digital economies. To date, rural areas have been largely omitted from these strategies.

Creative industries in rural Victoria

The Essential Economics report Creative Industry in Rural Victoria – Economic Analysis provides a detailed analysis of the creative industry in rural Victoria. A copy of this report is available on the RCV website.

What is the creative sector?

People in the creative sector are employed by 'creative' organisations like advertising agencies, art galleries and software design companies. Some of these workers can be receptionists, administration and finance staff, maintenance workers, caterers, cleaners and mechanics.

Who are creative workers?

Creative workers include artists, designers, musicians, writers and architects. There are about 12,360 creative workers among Victoria's rural residents. They make up 3.9 per cent of all rural workers in Victoria. Creative workers are not necessarily employed in the creative sector. For example, many undertake 'creative activities' like design, marketing and public relations in industries like manufacturing, construction and logistics. Additionally, they may work in any location, not necessarily in businesses located in rural council areas.

5 Essential Economics Creative Industry in Rural Victoria, Economic Analysis, May 2013 p16.

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The *Creative Industry in Rural Victoria – Economic Analysis report* reviewed the economic impact of the creative sector in rural Victoria. This was to provide evidence that this sector warrants the attention and support of governments.

Key findings included:

- Approximately 5,500 creative businesses are located in rural Victoria, representing 7 per cent of all rural businesses.
- Approximately 11,030 rural residents are employed in the Creative Sector (representing 3.5 per cent of all rural workers), but only 6,860 Creative Sector jobs are provided in rural areas.
- In contrast to Metropolitan Melbourne – where Creative Sector job provision includes a relatively high proportion of employment associated with IT, telecommunications and advertising – job provision in rural areas is generally more focused on traditional creative and cultural activities (printing, publishing, libraries, archives, visual and performing arts)
- Approximately 12,360 rural workers are occupied in creative activities (representing 3.9 per cent of all workers), but only 8,470 of these creative people undertake their activities in rural locations.
- $710 million pa in Gross Value Added (GVA) is generated by the rural Creative Sector (including volunteer contributions) and this represents 3.7 per cent of total state GVA for the sector.

Note: international research has shown the Creative Sector generally accounts for 3-5 per cent of national economic output in countries such as the UK, USA, Canada and France (although definitions of the sector vary from country to country).

Impacts of high speed broadband in rural Victoria

With the planned roll out of high speed broadband across Australia, the proposition for creative sector workers to live and work in rural Victoria is strengthened.

The impact of high speed broadband will propel the future of the digital economy in rural areas, providing access to a globally competitive infrastructure. This is of particular significance to creative industries as high speed internet is transforming how creative content and services are created, distributed and marketed.

High speed broadband will enable creative industries to be more flexible in their location, commercialisation and collaboration. It will level the playing field for creative industries across Australia, especially those in rural areas.

Availability of reliable high speed broadband and improved telecommunications services in rural areas will assist considerably in supporting the development of the creative industries and more generally boost productivity, business growth and retention/attraction of professional workers. This is due to a number of factors including:

- Improved work efficiencies through greater use of technology which would be beneficial to small and large business.
- Opening up of new markets through online sales and advertising.
- Improved ability of rural professionals to 'telework', allowing more rural labour force participants to work away from the office (some or part of the time), and increasing the attractiveness of rural areas for others considering relocating from metropolitan areas.

As the data in the *Creative Industry in Rural Victoria – Economic Analysis report* shows, significant unmet demand exists for broadband services in rural areas and this is evident in both the business and residential community.

- 25 per cent of households in rural areas have no internet connection
- 61 per cent of rural households have a broadband connection
- It is unlikely the quality of broadband coverage in rural areas (in terms of speed and reliability) would be comparable to services delivered to the Regional Cities and Metropolitan Melbourne.[6]
- Approximately 145,000 residential and business premises located in rural council areas have unmet demand and this represents 29 per cent of all premises in these areas.

A key challenge for all governments is the delivery of an efficient and effective program to provide rural communities with access to high speed broadband. By capitalising on broadband in rural Victoria, creative industries will be able to drive higher levels of productivity, growth and economic development.

6 Essential Economics, p44.

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OPPORTUNITY 1 TELEWORKING

OPPORTUNITY 1: TELEWORKING:

How rural communities could capitalise on the global trend of 'out of office' working

THE OPPORTUNITY

If there was an increase in the number of rural residents who telework, economic growth in rural communities would be likely to follow.

Greater telework uptake using existing infrastructure will enable more rural residents to work from their home town more often and make rural areas more appealing to people considering relocating from metropolitan Melbourne and regional cities.

The more time people spend in rural and regional areas, the more benefits to their local economies and communities.

THE CASE

According to 2009 research by Steelcase entitled 'How the workplace can attract, engage & retain knowledge workers', there is a significant attitude and behavioural shift among creative workers from "the workplace is my office" to "the workplace is wherever I am".

'The office used to be based on the organisation chart and maximise real estate. Most work happened in a personal workspace or other (meeting, conference) rooms in the same building. Work now happens anywhere, anytime, and work environments must be flexible, active, social, and technology-laden. Accumulating face time has been replaced by accomplishing results.' [7]

Working wherever you happen to be, like home or on the train, is called teleworking (tele means at a distance).[8]

Telecommunications, which include teleworking, are the way of the future according to a 2012 report by IBIS World entitled A Snapshot of Australia's Digital Future to 2050. The report states that up to one in four people in the workforce could be working at least partially from home, if not full-time by the middle of this century. If so, then we could have five million working from home at least part of the time – taking millions of commuters off the roads.

Teleworking benefits in rural and regional areas

The diverse benefits of teleworking in rural and regional areas depend on how it is implemented, the number of teleworking employees and the quality of digital infrastructure available.[9]

The report, *Telework for Australian Employees and Businesses: Maximising the Economic and Social Benefits of Flexible Working Practices,* describes a range of opportunities that teleworking presents workers (including those in creative industries) in rural and regional areas. These include:

- New employment and economic stimulation

Telework arrangements have the potential to provide new employment and economic stimulation in regional and rural communities, many of which have been challenged by sustained drought and declining business revenues.

- Professional development and income flexibility

Telework can provide people living in regional and remote areas access to professional development opportunities, peer support and networks, career paths and an alternative source of income (particularly for spouses and partners of farm workers).

7 Steelcase, How the workplace can attract, engage & retain knowledge workers, Deep Dive, August 2009, p 5
8 Department of Broadband, Communications and the Digital Economy, National Digital Economy Strategy: Leveraging the National Broadband Network to drive Australia's Digital Productivity, 2011, p 6.
9 See http://www.telework.gov.au/what_is_telework/what_are_the_benefits.2011

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OPPORTUNITY 1
TELEWORKING

• Greater workforce participation

A recent survey of Australian businesses revealed that 20 per cent believe the NBN will change their employment model by making staff location more flexible and expanding the supply of skilled labour.[10] A report released in November 2012 by Colmar Brunton and Deloitte Access Economics, 'Creating jobs through NBN-enabled telework' [11] analysed how the National Broadband Network (NBN) rollout may increase workforce force participation and provide additional opportunities.

Key findings included:

- The economic modelling found that NBN-enabled telework may create 25,000 additional jobs in full-time equivalent terms by 2020-21. About 10,000 of these jobs will be created in regional Australia.
- 60 per cent of mature workers reported that they would take up telework if it was available to them and as a result delay retirement by an average of 6.6 years. This is notable given the ageing of the population and the impact this will have on overall participation rates.
- 74 per cent of people not in the labour force with family or carer responsibilities reported they would take up a telework employment opportunity if one was available to them.
- 73 per cent of part-time workers reported they would take up telework if it was available to them, and 68 per cent were somewhat willing, moderately willing or very willing to change the industry in which they worked in order to access telework.
- 70 per cent of people not in the labour force who live in regional or remote locations of Australia reported they would take up a telework employment opportunity if one was available to them.

Telework can support workforce participation among women, people with disabilities, mature age workers, carers and workers in rural and regional areas by offering more flexible work arrangements.[12]

• Increased demand for ICT services

Telework can have spin off benefits for local industry by creating demand for local ICT services and support and computer sales.

Essential Economics report Creative Industry in Rural Victoria – Economic Analysis 2013 data shows that rural areas currently have consistently lower proportions of ICT professionals, salespeople, and business and systems analysts than metropolitan Melbourne.

• Telework could reduce job deficits in rural creative industries

Research shows a large deficit of jobs in creative industries in rural and regional municipalities. ABS Journey to Work (JTW) data for 2011 indicates that there are 4,170 fewer creative sector jobs available in rural Victoria compared with the number of rural workers occupied in the sector. This represents a jobs deficit of 38 per cent.

The JTW data also shows there are 3,900 fewer creative jobs in rural Victoria than the number of rural workers occupied in creative activities, and that many rural residents in the creative sector work in nearby regional cities or metropolitan Melbourne.

This deficit in creative jobs in rural areas and the general employment dynamics of rural creative workers suggests a significant market for creative industry jobs supported by teleworking. [13]

Broader benefits of teleworking in Australia

"The impact of the internet is more akin to that of steam power or electricity than it is to mass production of automobiles or agriculture: it changes the way people work, learn, relax and interact. It has already had a profound effect on the Australian economy, and it is poised to play an even greater role in our daily lives and businesses."

Deloitte's The Connected Continent; How the internet is transforming the Australian economy (August 2011)

10 Department of Broadband, Communications and the Digital Economy, National Digital Economy Strategy: Leveraging the National Broadband Network to drive Australia's Digital Productivity (2011), p 40.
11 Colmar Brunton and Deloitte Access Economics, Creating jobs through NBN-enabled telework
12 Report of the Australian Telework Advisory Committee to the Australian Government, Telework for Australian Employees and Businesses: Maximising the Economic and Social Benefits of Flexible Working Practices, 2006.
13 Essential Economics, Creative Industry in Rural Victoria, Economic Analysis, May 2013

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OPPORTUNITY 1
TELEWORKING

• Innovations in technology that support teleworking

The digital economy allows us to log in and connect anytime, anywhere, including to the office. Reliable, high-speed broadband will give more employees and employers the confidence to engage in teleworking.

According to the National Cloud Computing Strategy, increased capacity to work from a mobile device is why some organisations acquire cloud services. Cloud services have enabled a new wave of mobile applications and virtualised work environments accessible anywhere on any device. Cloud computing supports a more flexible and agile workforce through teleworking and secure virtualised work environments.[14]

Skilled workers will be able to undertake work that is typically metro-based, no matter where they live. Teleworking will also make use of applications such as video conferencing or large file sharing, as well as real-time collaboration across geographically diverse locations.[15]

• Organisational benefits of teleworking

The August 2011 telework forum entitled 'Bringing home the benefits of telework using the NBN' identified the benefits organisations are already achieving from telework. These included workforce flexibility, retention of expert staff, access to new workforces and the adoption of new business models.

Teleworking benefits for employers include:[16]

- Reduced operational costs and increased productivity.
- Driver of innovation.
- Better recruitment and retention outcomes (particularly regarding location-related skill shortages).
- Less absenteeism and better work-life balance for employees.

Teleworking benefits for employees include:[17]

- More job satisfaction and better work-life balance.
- Greater financial savings and less stress caused by commuting.
- The chance to remain in a regional or rural community rather than relocate to find work.
- The capacity to retain their job if they move further from the office.

• Reduced fuel costs and peak demands on public transport infrastructure

The broader benefits of teleworking are considerable. For example, a 10 per cent increase in the number of Australians who telework half their working hours would benefit the economy by up to $1.9 billion a year, avoid the equivalent of $6 million in carbon dioxide emissions and cut traffic congestion costs by about $470 million. It would also generate significant flow-on benefits by reducing the strain on infrastructure.[18]

• Creative hubs / co-working spaces as incentive for teleworking

Co-working is a fast growing and popular model of working for a range of people, from sole traders to teleworking employees from large corporations. Creative hubs or co-working spaces resolve some of the limitations of working from home (such as isolation) while achieving the benefits of teleworking.

Establishing creative hubs or co-working spaces in rural areas can provide an incentive for teleworking, but they only succeed if their environment is welcoming, stimulating and has quality amenities, including digital connectivity / internet access.

A compelling regional example is the forthcoming Six Degrees co-working space in Coffs Harbour. Six Degrees is currently trialing arrangements by setting up 'pop up' spaces in different Coffs Harbour venues. Such cost-effective and easily managed arrangements would easily translate to any rural or regional town of equivalent size.

Similarly, the existing successful creative hubs like Hub Melbourne, Hub Sydney and Hub Adelaide provide quality infrastructure and the opportunity for social interaction that may be missing for some teleworkers who work from home.

Determining how creative hubs can generate benefits for creative industries and individuals in rural and regional areas is addressed in more detail in another section of this Opportunities Paper.

14 Department of Broadband, Communications and the Digital Economy ,National Cloud Computing Strategy, May 2013.
15 IBISWorld, A Snapshot of Australia's Digital Future to 2050, 2012, p.7.
16 A Record of the Telework Forum, Telework Forum: Bringing home the benefits of telework using the NBN, 3 August 2011.
17 A Record of the Telework Forum, Telework Forum: Bringing home the benefits of telework using the NBN, 3 August 2011.
18 Ibid.

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OPPORTUNITY 1
TELEWORKING

Government support for teleworking

The various governments in Australia are supporting teleworking through different initiatives but more is required for rural communities to take full advantage of teleworking.

- In addition to improving digital connectivity around Australia, including to rural areas, the Commonwealth Government currently promotes the take up of teleworking through initiatives such as the Telework Australia website: www.teleworkaustralia.net.au. The Commonwealth Government also conducts workshops and presentations on how to introduce teleworking to organisations and it is extending these workshops to industry.
- In May 2009, the NSW Government released the 'NSW Teleworking Manual: a comprehensive guide to setting up and implementing a teleworking program' which includes advice on how to design, monitor and evaluate a program, the benefits and costs of teleworking, and case studies and resources.[20]
- Australia's first National Telework Week was held from 12 to16 November 2012 to raise awareness of the opportunities, benefits, and practical issues associated with working from home. At its launch, the Commonwealth Government announced its aim to increase the take up of telework in the Australian Public Service to 12 per cent by 2020. Over 30 events were held during the week by Telework Partners and communities across the country. [19]
- In December 2013, the Rural and Regional Committee of the Victorian Government reported on the opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria. Rural Councils Victoria made a submission to the inquiry that outlines evidence from this paper.

The Rural and Regional Committee called for submissions based on:

- Identifying the potential benefits for rural and regional Victoria if more people were able to work remotely.
- Examining best practice in e-business and remote working policy in other jurisdictions.
- Identifying any legislative impediments at a state, federal or local government level.
- Determining potential workplace relations, or occupational health and safety issues that would need to be addressed.
- Establishing potential productivity, infrastructure or other savings associated with fewer employers and employees needing travel to and from work each day. [21]

THE CHALLENGES

The 2011 Telework Forum highlighted various challenges associated with teleworking. These included Occupational Health and Safety, insurance, workplace relations frameworks. There are also challenges with providing specific assistance to small businesses, and appropriate support to promote the workforce participation potential of people with a disability and indigenous Australians. For example, 40 per cent of people with a disability have not accessed a computer in the last 12 months.

Forum participants identified that telework is not a universal solution and had inherent challenges, including social isolation and the possible impact on team-based work. While solutions were proposed to manage these challenges, it was agreed that telework may not be for everyone.

The concept of telework and the capabilities of telework enabled by greater digital connectivity are yet to be widely tested and demonstrated in Australia. Despite uncertainty about how telework will evolve, the results of the Creating Jobs through NBN-Enabled Telework study suggests it will be one of the biggest structural changes to the labour market this decade. Traction and momentum is therefore required for teleworking to become a widely accepted style of work, and for the full benefits and economic impacts of digitally-connected telework to be realised.

In 2006, only about six per cent of workers in Australia had teleworking arrangements with their employer. This contrasts with countries like the US where 11 per cent of employees telework at least one day a month. In 2005, eight EU countries reported that more than 10 per cent of workers were involved in teleworking at least a quarter of the time.[22]

19 See http://www.telework.gov.au/national_telework_week.
20 NSW Teleworking Manual: a comprehensive guide to setting up and implementing a teleworking program, May 2009.
21 See http://www.parliament.vic.gov.au/rrc/inquiry/356.
22 See http://www.nbn.gov.au/nbn-benefits/digital-economy-goals/telework/where-are-we-now/

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OPPORTUNITY 1
TELEWORKING

• Higher proportion of unmet internet demand in rural areas

Rural areas are currently disadvantaged in terms of internet/broadband access. Figures determined in 2011 show a quarter of rural households have no connection, compared to 16 per cent in metropolitan Melbourne. Only 61 per cent have access to broadband services, compared to 71 per cent in metropolitan Melbourne. Some rural areas have as many as 40 per cent of households with no internet connection.

As many as 145,000 rural premises (residential and business) currently cannot get the service they require. This represents 29 per cent of all premises. This unmet internet demand is as high as 50 per cent in some rural areas (Golden Plains Shire – 51 per cent).[23] Unmet broadband demand rates in rural areas are significantly higher than those in regional cities (17 per cent) and metropolitan Melbourne (10 per cent). This is likely to be one of the major constraints for teleworking in rural areas as well as impediment to growth in the rural creative sector.

The availability of reliable high speed broadband and improved telecommunications services in rural areas is essential to supporting the growth of creative industries.

Increasing digital connectivity to rural areas will help overcome Australia's 'tyranny of distance' and reinvigorate communities. Teleworking will enable jobs centred in capital cities to be relocated to rural communities. Skilled workers will be able to undertake work that is typically metro-based, no matter where they live. Teleworking will make use of applications like video conferencing, cloud computing and large file sharing, and real-time collaboration across geographically-diverse locations.[24]

CONCLUSION

One in four employed Australians could be working from home by 2050. Rural municipalities that support and encourage this teleworking trend are likely to generate significant benefits for their creative sectors and overall economies.

Greater prevalence of digitally-connected teleworking supported by existing infrastructure could significantly stimulate the creative industry in rural Victoria. Greater telework uptake will not only enable more rural labour force participants to work from home more often, it will make rural areas more appealing to people considering relocating from metropolitan areas. The more time people spend in rural and regional areas, the more benefits to their local economies and communities.

OPTIONS FOR ACTION

- Rural councils and their commuting workforce could start discussing current levels of teleworking and/or the ability to telework. This could be an informal roundtable with local business groups or Chamber of Commerce and/or Census Journey to Work data.
- Rural councils could hold a forum with local commuters to define the current level of teleworking in their areas.
- Rural councils could participate in National Telework Week and the Telework Partner Program (a community of teleworking organisations) and encourage their creative sector workers to telework for one day during National Teleworking Week. Councils could also host a networking lunch.
- Rural councils could provide a broadband-enabled shared working space for a day for commuters to work locally. This idea is addressed in more detail in the creative hub / incubator opportunities section.
- A handbook could be developed for rural municipalities to support the transition to tele-work for for workers and employers. This handbook could include checklists for workers who are able to work from home to ensure OHS standards are met.

23 Essential Economics, Creative Industry in Rural Victoria, Economic Analysis, May 2013.
24 IBIS World, A Snapshot of Australia's Digital Future to 2050, 2012, p.7.

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OPPORTUNITY 2
CREATIVE HUBS / CO-WORKING SPACES

How rural councils can support creative industries by establishing creative hubs or co-working spaces in their communities

What are creative hubs or co-working spaces?

Creative hubs, co-working spaces, digital hot houses, even incubators are informal spaces or community meeting places where like-minded people can get together, share ideas and collaborate.

Hubs feature office facilities that provide the latest information and communications technology, meeting room facilities and kitchens. The strength of successful hubs lies in their capacity to use digital connectivity to harness creativity and share ideas in an atmosphere free from the restrictive conventions often associated with corporate working environments.

This link is to a short video explaining co-working spaces – the trends and benefits.

https://www.youtube.com/watch?feature=player_embedded&v=Ie0dfcG_jVw

THE OPPORTUNITY

Developing spaces for Creative Hubs provides rural communities with the opportunity to encourage teleworking and support creative industries to grow the local economy.

Creative Hubs in rural areas will enable employers in regional cities and metropolitan Melbourne to offer flexible working incentives to attract the best staff, increase productivity and diversity through greater rural employment while reducing travel-related stress and fatigue.

The digital connectivity of Creative Hubs is also important for rural creative micro-businesses because it enables them to significantly expand their influence, connecting with their market wherever it is in the world.

Further, the transition of many rural economies is particularly evident in vacant 'main street' retail spaces. In considering ways to re-use and re-invigorate the traditional heart of rural towns there is potential for some of these spaces to become Creative Hubs.

THE CASE

Creative hubs / co-working spaces as incentive for teleworking

Creative hubs or co-working spaces resolve some of the limitations of working from home (such as social isolation, lack of dedicated office facilities) while achieving the benefits of teleworking (working 'out of office').

Establishing creative hubs or co-working spaces in rural areas can provide incentive for teleworking but, success depends on a welcoming ans stimulating environment and the quality of amenities, including digital connectivity / internet access.

"A studio like this should develop organically, depending on who moves in. We didn't want to fit out the place completely so that when people moved in they didn't have room to move. The place is kind of half finished at the moment, due to some desks being free, but that will change over time.
No rush."

The Common Room, Melbourne

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OPPORTUNITY 2
CREATIVE HUBS / CO-WORKING SPACES

Hubs can help reinvigorate retail spaces in rural towns

The transition of many rural economies is particularly evident in vacant 'main street' retail spaces. It is time to consider innovative ways to re-use and re-invigorate the traditional heart of rural towns.

The Federal Government's National Cultural Policy discussion paper and the Creative Industries, a Strategy for 21st Century Australia both advocate for collaborative networks and spaces.

The increasing trend of teleworking from co-working spaces or creative hubs will provide rural municipalities with an opportunity to re-purpose some vacant retail spaces to trial creative hubs. The outcome may stimulate their local concurrent economies as well as bring life back into their retail precincts.

Strategies might include:

- Demonstrating a community has enough drive to ensure the long-term sustainable growth of the town as a place of business, culture, education and innovation.
- Considering other new uses for older buildings (eg. 'shop-top living' on the second floor of traditional retail buildings to generate more street atmosphere after hours).
- Increasing the amenity of the town centre.

What makes great hubs happen?

An effective creative or business hub provides affordable, shared studio or office space to individuals and micro businesses. It offers the chance for networking between entrepreneurs who can share ideas, sell each other services or collaborate on projects. In addition to this basic premise, the key characteristic of a successful hub is an atmosphere that inspires interaction and encourages people to become participants rather than simply tenants.

Successful creative hubs offer stimulating workspaces for teleworkers as well as local sole traders and businesses. They should integrate with existing local initiatives such as social or business events and mentor programs like the Creative Champions program outlined further in this Opportunities Paper.

They frequently feature abundant natural light, ample space between desks and comprehensive amenities – from office support technology (like wi-fi and computer networking capacity) to comfortable breakout areas and meeting spaces. Many are sensitive to the building's character or heritage and reflect the social dynamics of the surrounding area.

"Only by creating digital communities can the members of the broadband ecosystem accelerate investment and sustain the socio-economic benefits of next-generation broadband."

BOOZ & Co, Building Communities Around Digital Highways

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OPPORTUNITY 2
CREATIVE HUBS / CO-WORKING SPACES

CASE STUDIES

There are many best practice examples of creative hubs and co-working spaces, some of which are outlined below. Each present similar models of cost-effective and easily managed arrangements that, with the right support from the community, could translate readily to most rural or regional areas.

Work Club Gold Coast

Opening in September 2013, Work Club Gold Coast is a hub that describes itself as providing "the backdrop for ever evolving and surprising ventures and adventures and a whole new way of working."

The space aims to become the vanguard of existing and emerging business, social and creative leaders and innovators who want to be able to connect, collaborate and learn with interesting people who are exploring new ways of doing things.

With membership by application, the Work Club community is envisaged as diverse and interesting, from award-winning entrepreneurs, freelancers, designers, developers and writers to scientists, futurists, artists, small business owners and teleworkers of all kinds.

The space is designed by Pearson Lloyd and Bene (the group behind Google's new London offices) and is located on the water in Surfers Paradise. The Work Hub website describes a meeting and event space that is "out of the ordinary and embedded in an ecosystem of innovation."

An event curriculum at Work Club will cover global affairs, business, design, culture, innovation, technology, science and life, providing content and experiences that will explore disruptive ideas, deliver real world fixes and enable people to get inspired and get started.

http://workclubgoldcoast.com/

The Hub Melbourne

The Hub Melbourne is part of a global network of hubs and has led the way with innovations that have been adopted by hubs in other countries. Membership for the Hub Sydney was oversubscribed before it opened and a Hub Adelaide opened in December 2013.

Enthusiastic users paint a very positive picture: "the Hub Melbourne has simply designed an office that is a fabulous place to work, with generous facilities, reasonable prices and a program of ways for hub members to connect with each other over lunch, evening drinks or special programs."

Much is made of the atmosphere of the space and the beauty of the heritage building – Donkey Wheel House – with its cathedral ceilings, inlaid flooring and big windows that open to let in fresh air. It is an atmosphere with 21st century amenities; fast wi-fi, great desks and chairs, pleasant bathrooms, meeting spaces of various kinds, a Skype room and even a hammock.

The centre's paid 'hosts' help to link members to each other and manage a program of events.
http://hubaustralia.com/spaces/melbourne/

http://www.digitalworkhub.com.au/news/15-reasons-why-co-working-in-the-city-centre-is-awesome/

RDA Sunshine Coast digital work hub

RDA Sunshine Coast's digital work hub project, led by RDA Sunshine, is investigating the feasibility of establishing collaborative workspaces across five RDA regions.

The RDA committees of Sunshine Coast, Logan and Redlands, Gold Coast, Moreton Bay and Brisbane are collaborating on the project which will address issues associated with the health, wellbeing and productivity of almost 191,000 workers who commute daily to Brisbane from those regions.

The project will examine demand and supply factors, analyse available data and interview employers and employees to develop a communication strategy for broad engagement across South East Queensland.

The final report in December 2013 will include economic analysis, regional typologies, concept imagery and potential business models. Business, government and community groups are being invited to provide feedback on how regional communities can benefit from innovative workplace practices like digital work hubs.

www.digitalworkhub.com.au

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OPPORTUNITY 2 CREATIVE HUBS / CO-WORKING SPACES

Fishburners

This Sydney co-working space is proving so popular that it has outgrown its original 11,000 square metre workspace on Harris St in Ultimo, and is now expanding into an additional space up the street.

Fishburners currently hosts over 200 entrepreneurs representing more than 100 technology startups. The venue provides its residents with "essentials" such as wireless broadband internet, a dedicated desk, chair, printing services, a bookable boardroom and breakout room. Members also get access to over 150 events hosted at Fishburners, a fast-track program, pro-bono services, community events (like Wednesday Lunch Bags), subsidised classes, and discounted software and deals. The NSW Government is a supporter of Fishburners.

http://fishburners.org/

Six Degrees Co-Working Space

The forthcoming Six Degrees co-working space in Coffs Harbour is currently being trialed successfully via a series 'pop up' spaces in different Coffs Harbour venues. To date, most Six Degrees co-workers comprise small or micro-enterprises working from home. For these people, co-working offers major benefits for them; increasing income potential, greater productivity, more collaboration opportunities and strengthening social networks – all characteristics that are vital for sustaining Coffs Harbour's business community and economy.

Coffs Harbour is also an area that received the NBN in the early stages of the roll out and has been at the forefront of digital strategies and community and business initiatives using government funding.

http://sixdegreescoworking.com/

Central Coast Telework

Central Coast Telework is all about enabling people who may live on the NSW Central Coast or travel through the region to use 'smart hub' facilities on the coast. The organisation is currently working towards developing a number of these facilities on the Central Coast.

Central Coast Telework Week was held in May 2013 and two Smart Working Hubs were hosted by Central Coast Leagues Club and Wyong Race Club. Facilities were free to use for teleworkers during the one-week period. Funded by Regional Development Australia through its Regions Department, these spaces encouraged collaboration and innovative thinking to the benefit of participants and the greater Central Coast community.

http://www.teleworkcentralcoast.com.au/

CONCLUSION

There are many examples of the growing trend to have co-working spaces or hubs for micro-businesses and teleworking across the country. In rural municipalities, where there are thousands of commuters, reviewing the opportunity to revitalize CBDs and develop a network of hubs could assist in the growth and development of local economies.

OPTIONS FOR ACTION

- Rural Councils could call for expressions of interest from local creative businesses, sole traders or commuting workers interested in using a co-working space in its town.
- Rural Councils could identify local e-entrepreneurs who could be project managers for supporting a trial of a co-working space eg pop-up work environments in cafes.
- Rural councils could conduct a review of vacant buildings/ spaces in town that have the potential to be re-purposed into a co-working space.
- Rural Councils could develop a strategy to support local creative industry workers / businesses as a strategy within the local economic development / Council plan.

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OPPORTUNITY 3
CREATIVE CHAMPIONS

How rural councils can benefit from older creative workers developing creative industries

THE OPPORTUNITY

[25] Research shows there are an increasing number of active, experienced, educated and affluent older creative workers in rural communities, and these people have a relatively high propensity to volunteerism. A significant opportunity therefore exists for rural councils to engage their skills, knowledge and experience to benefit rural and regional communities.

These workers could be identified and encouraged through a Creative Champions volunteer program that involves them in mentoring, capabilities training, collaboration, advocacy and alumni opportunities to help develop creative industries in rural municipalities.

In addition to the broad creative benefits of a Creative Champions mentoring program, individual Creative Champions could use their specialised industry skills, knowledge and experience to transfer very specific creative capacity though mentoring relationships. For example, an architect might review the latest relevant software technology or marketers could run sessions about using social media to support business.

An appropriate Creative Champion could be made available to creative industry workers looking to set up their own business in a rural community or those already in small to medium enterprises in rural areas. Mentoring could take advantage of the skills, knowledge and experience of the Creative Champions through one-on-one sessions for those who rural councils believe show growth potential.

For example, a comparable role could be taken on by Creative Champions with experience using technology to facilitate business operations. In this case, Creative Champions could mentor local creative industry workers on how best to leverage existing broadband technology in preparation for the roll out of high speed broadband.

THE CASE

Creative rural workers:

Are usually older than their metropolitan creative counterparts and non-creative rural workers.

Work longer (including into their retirement years) than non-creative rural workers.

Earn considerably higher incomes than non-creative rural workers.

Have significantly higher levels of volunteerism than non-creative rural workers and metropolitan creative workers.

As Victoria's population ages, there is a significant opportunity to strategically leverage the trend for volunteering in rural economies over the next two decades.[26] Because Baby Boomers are retiring to rural and regional communities, there is also a strong representation in the creative industries of rural communities. The attitudes and ultimately the success of a rural or regional town are strongly influenced by the local leadership capacity in government, business and the community. This is broadly recognised in the 'local champion' concept that is embodied in many approaches to local town revitalisation.

One important element is the trend towards gradual retirement, which is creating a pool of experienced older professionals with the time and willingness to give back to the community.[27]

[25] Essential Economics, p 45
[26] B. Salt, Boom Boom Volunteers: Harnessing the Goodwill of Baby Boomers, 2011, p 12, retrieved: http://www.lgmasa.org.au/Resources/Documents/Bernard%20Salt.PDF
[27] Rural Councils Victoria, Rural Migration trends and drivers toolkit (draft), 2013, p 30.

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OPPORTUNITY 3 CREATIVE CHAMPIONS

Research shows that the reasons skilled workers leave regional locations are lack of career options, professional support, career pathways, development opportunities and mentoring.[28] Creative Champions are ideally suited to counteract this through initiatives like mentoring, capabilities building programs and collaboration opportunities.

Aged creative workers increasing in rural communities

Essential Economics Creative Industry in Rural Victoria Economic Analysis Report commissioned as part of this project, indicates that there is a growing number of active, experienced, educated and affluent older creative workers in rural communities.

Essential Economics shows that creative workers living in rural municipalities are, on average, older than their metropolitan counterparts; creative workers aged 50 or older constitute 33 per cent of creative workers in rural councils compared to only 19 per cent in Melbourne. Similar circumstances exist throughout regional Victoria where 29 per cent of creative workers are aged 50 or older.[29]

The report also indicates that rural creative workers are on average older than rural non-creative workers, and that rural creative workers attain significantly higher levels of education before entering the workforce.[30]

Rural creative workers work longer

The report also shows that rural creative workers work longer (including into their retirement years) than non-creative rural workers, and that they earn considerably higher incomes than their non-creative counterparts.[31]

Volunteerism strong among rural creative workers

The Essential Economics report indicates that many more rural creative workers are involved in non-domestic volunteer activities (38 per cent) than their non-creative counterparts (28 per cent). It also shows that volunteering among creative workers living in rural areas is significantly higher than among creative workers in metropolitan Melbourne (22 per cent).[32]

Creative Champions as mentors

Creative workers are highly educated and life-long learners. They manage their own careers and continuously monitor the external situation against their own internal standards. To engage and retain them, organisations must provide multiple options for life-long learning and regular feedback on performance.

For example, today's workplace offers an ideal opportunity to match experienced Baby Boomers with Gen Y workers who are eager for mentors. To support sharing experiential, tacit knowledge, mentoring spaces should be part of every high-performance work environment.[33] Boston Consulting Group suggests Baby Boomers can be particularly useful in the current economic crisis because their generation remembers how they handled the last economic downturn.[34]

Similar initiatives have already been developed and implemented across Australia, demonstrating an awareness of the value of such mentoring programs. Two of these programs are described below:

NBN's Broadband Champions program

The 'Broadband Champions' mentoring program was developed to support the roll out of the National Broadband Network (NBN)[35]. Selected professionals with expertise in digital and online capabilities serve as mentors or e-evangelists to help households and businesses benefit from high-speed broadband. These professionals bring a wealth of knowledge and experience to mentoring relationships. They include Dave Abrahams, Chair of Regional Development Australia Central Coast; Paul Greenberg, CEO of the National Online Retailers Association and founder of online retail portal Deals Direct; Dr Helen Thompson from the University of Ballarat; and Deb Sharkey, eBay Australia Vice President.

Digital Brisbane Strategy

Commissioned by Brisbane Marketing, the 'Digital Brisbane Strategy' [36] provides grants for budding entrepreneurs with promising digital potential and proactive programs to link dozens of digital business start-up operators with potential mentors and investors. The strategy also suggests a 'digital champions' [37] program that draws on prominent businesses such as Virgin Australia, Domino's Pizza and CMD Design to encourage Brisbane small to medium enterprises to adopt digital technology.

[28] Rural Councils Victoria, Rural Migration trends and drivers toolkit (draft), 2013, p 20.
[29] Essential Economics, Creative Industry in Rural Victoria, Economic Analysis, May 2013, p 52.
[30] Ibid. p 53.
[31] Essential Economics, Creative Industry in Rural Victoria, Economic Analysis, May 2013, p 56.
[32] Ibid. p 5c
[33] Steelcase, How the Workplace Can Attract, Engage & Retain Knowledge Workers, 2009, p 6-7, retrieved: http://360.steelcase.com/wp-content/uploads/2011/02/360_Issue55.pdf
[34] Ibid. p 4.
[35] Department of Broadband, Communications and the Digital Economy; Broadband Champions, retrieved: http://www.nbn.gov.au/news-and-media/broadband-champions/
[36] Brisbane Marketing, Digital Brisbane: Strategy for a Digitally Driven Economy, retrieved: http://www.brisbanemarketing.com.au/Business/Digital-Brisbane/pages/Digital-Strategy
[37] Brisbane Marketing, Digital Champions, retrieved: http://www.brisbanemarketing.com.au/Business/Digital-Brisbane/pages/Digital-Champions.aspx

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OPPORTUNITY 3 CREATIVE CHAMPIONS

These two programs have a national or metropolitan focus but there is a clear opportunity for rural municipalities to leverage the high level of volunteerism of retiring Baby Boomers to develop similar programs.

Creative Champions as capability builders

Each Creative Champion could be resourced to support capability building for local creative industries through established programs. This could be achieved in partnership with Small Business Victoria, which already provides workshops to aid in 'getting businesses online' and search engine optimisation / search engine marketing training. Creative Champions could become accredited trainers for these workshops and access the materials that Small Business Victoria provides free of charge.

Additionally, Creative Champions could engage in less formal, more specific sessions like those conducted by Laneway Learning *https://www.facebook.com/LanewayLearningMelbourne*, an enterprise which runs cheap and casual training sessions in informal settings (like cafés) in Melbourne.

Examples and ideas for capability building programs will be examined more comprehensively further in this Opportunities Paper. This section includes assessments of equivalent effective programs like Laneway Learning and the online workshop/webinar program, 'Get up to Speed', which is funded by Skills Queensland and facilitated by the Creative Collective.[38]

Creative Champions as collaborators

The sharing of ideas, knowledge and skills between participants could generate additional value, including potential collaborations associated with existing or new creative enterprises.

Creative Champions would be expected to foster this collaboration, and their ability to do this enhanced by their central position in the community's creative industry.

Creative Champions' mentoring programs, capability building programs and alumni network (discussed below) would help participants gain a clearer perspective on their community's creative industry and improve their ability to identify connections for sharing skills, knowledge and resources across parties.

With this in mind, Creative Champions could consider establishing other initiatives that directly identify and facilitate collaborative opportunities – initiatives like 'jellies'[39]. Jellies are informal, temporary local collaboration events open to workers of all kinds. By organising equivalent events, Creative Champions can provide conditions that foster creative collaboration and help enhance creative enterprise in rural communities.

Creative hubs (or co-working spaces) represent ideal physical environments for such collaborative events, as do local cafes and appropriate vacant CBD retail spaces. Such environments should be considered by Creative Champions to promote collaboration. Creative hubs are described in another section of this Opportunities Paper.

Creative Champions as advocates

Each Creative Champion could be provided with opportunities to advocate for rural creative industries with stakeholders and government. This role could involve presenting persuasive data (such as Essential Economics report Creative Industry in Rural Victoria – Economic Analysis) on the value and growth potential of creative industries in rural areas. Such presentations and data could form part of the resource kit for Creative Champions.

[38] See http://www.getuptospeed.com.au/

[39] i.e. see http://jellyweek.tumblr.com/about

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OPPORTUNITY 3 CREATIVE CHAMPIONS

Creative Champions' alumni network

Advocacy activities of Creative Champions could be strengthened by knowledge sharing through a Creative Champions alumni network. Alumni could meet every six months at convenient rural locations to share skills, experiences and achievements with a view to centralising information for advocacy, and to improve the program.

Similar arrangements exist elsewhere in Australia. For example, the NSW Creative Industries Taskforce drives the NSW Creative Industries' Industry Action Plan.[40] The NSW Creative Industries Taskforce brings together professionals from a broad range of creative industries such as publishing, fashion, advertising and design to identify industry-led initiatives and government actions to support NSW's creative industries development strategies aligned with the Industry Action Plan.

CONCLUSION

Rural councils could use the capacity and willingness of older residents (Baby Boomers) to volunteer to help bolster their creative industries. Boomers' skills and experience could be harnessed to identify, recruit and support a Creative Champions program that involves mentoring, capabilities building, collaboration, advocacy and alumni opportunities to help develop creative industries in rural municipalities.

OPTIONS FOR ACTION

Rural councils could facilitate capability building programs, mentoring relationships and collaborative opportunities by:

- Inviting expressions of interest from older residents who could fulfill the role of a local creative champion.
- Identify rural creative workers and small to medium enterprises appropriate for receiving mentoring.
- Identifying and/or providing appropriate facilities and venues for mentoring sessions, training programs and collaborative activities (i.e. cafes, creative hubs).
- Coordinating with Small Business Victoria (SBV) in resourcing Creative Champions to deliver relevant training programs as part of SBV's workshops series.
- Provide program resources for the capability building and advocacy activities of Creative Champions i.e. collateral, guides, promotion, access to advice and facilities (i.e. hosted cafés, creative hubs or incubators).

[40] NSW Creative Industries Taskforce, Industry Action Plan, 2013, retrieved: http://www.business.nsw.gov.au/__data/assets/pdf_file/0013/30172/Creative-Industries-Action-Plan.pdf

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OPPORTUNITY 4 CAPABILITY BUILDING

How rural councils can support the development of learning techniques and networks to increase digital engagement in the creative sector in rural communities.

THE OPPORTUNITY

An opportunity exists for rural councils to encourage rural businesses in the creative sector to be more 'digitally engaged'. It is a powerful way to strengthen rural economies and take advantage of diverse social and economic benefits made possible by 21st century technologies.

There are a wide range of strategies being implemented nationally and internationally to build the digital capabilities of businesses, from which rural communities can draw valuable learnings.

Successful skills development strategies share many common elements. Communities can not only learn from each other but, in the process of sharing, speed up their own development as well.

"In the broadband economy, adaptability outweighs legacy; skills, not resources, are the key to future; and innovation, not location, creates a competitive advantage."

www.intelligentcommunity.org

THE CASE

The digital approach to business has reached a tipping point driven by consumer demand, the push for new technologies and the prospect of even greater economic benefits.[41]

According to the Intelligent Community Forum, a global 'think tank' on the digital economy, each successful community must use digital tools to develop strategies that work for their specific circumstances. In other words, there is no 'one best model' for economic development in the broadband economy.

Explaining the benefits of the digital economy

The Commonwealth Government report, Creative Industries, a Strategy for 21st Century Australia, describes how high speed internet transforms the development, distribution and marketing of creative content. It notes how digitisation enables creative industries to be more flexible in their location, commercialisation and collaboration, and level the playing field for creative industries across Australia.[42]

Further, recent research presented in Deloitte Access Economics' Connecting Small Business report shows small businesses that make full use of the internet – that fully embrace the broadband economy – achieve much better business outcomes, including a 20 per cent increase in annual revenue, more diverse revenue sources, stronger growth prospects and a larger customer base.[43]

Internet-savvy businesses are twice as likely to be growing revenue and earn twice the revenue per employee than those with low engagement. These businesses are also much more likely to create jobs – as much as four times more likely to be hiring than businesses with minimal digital engagement.

A more advanced digital strategy like search engine optimisation (SEO) has the potential to increase business growth by up to 62 per cent.[44]

[41] BOOZ & Co – Next Wave of Digitization
[42] Creative Industries, a Strategy for 21st Century Australia.
[43] Deloitte Connected Small Business
[44] Ibid. p18

That said, the report also shows that businesses with minimal digital engagement can boost revenue by more than 40 per cent simply by developing an effective website.[45]

Before rural communities begin improving the digital capacity of businesses in their creative sector, they must make sure those businesses appreciate the community-wide benefits of digitisation.

The Commonwealth Government's Regional Telecommunications Review (2011-2012) identifies the benefits of digitisation as:

- Faster, more efficient access to online information and services.
- The adoption of sophisticated and powerful network applications, such as video conferencing and virtual private networks.
- New ways to develop and deliver goods and services, enhance after-sales services, improve business-to-business transactions and create better online meeting and training opportunities.
- Higher levels of participation and competitiveness in local and global markets.
- Reductions in telecommunications costs and more streamlined business practices.
- Greater access for small businesses to services and applications previously available only to larger corporations.

For example, the City of Whittlesea's Intelligent Community paper focuses on creating a "culture of use" for technology and contends that an intelligent community should work to position all its citizens, businesses and public sector to prosper in the digital age.

CASE STUDIES

There are significant precedents for building digital capability in Australia and overseas. These include recently-launched digital strategies in Brisbane and New York City, a digital capability building program in Coffs Harbour, Laneway Learning in Melbourne and the Creative Collective in Queensland.

Coffs Harbour helps create digital champions

An innovative capability building program in Coffs Harbour is encouraging digital uptake among small businesses in the NSW coastal town. Begun in July 2013 and run by the North Coast TAFE with funding from RDA Northern Rivers, the Digi-Advantage Business Consulting Program is training digital champions to help local businesses increase their use of new technologies. The program provides local businesses with the chance to host a course graduate for a 20-hour subsidised consultancy placement at minimal cost.

Business capability consultant for North Coast TAFE, Ian Newton, said access to high speed broadband will offer "unprecedented opportunities" for the Coffs Harbour region. RDA Northern Rivers Chairman, Dr Ian Tiley, agreed that any small business owner looking to maximise profits through online marketing and e-commerce would jump at the chance to have a digital champion in the business working on their online business capability.

The role of Creative Champions is addressed in more detail in another section of this Opportunity Paper.

http://www.coffscoastadvocate.com.au/news/and-yet-another-local-boom-springs-nbn-revolution/1926835/

Smart Cities Study emphasises e-learning

The international Smart Cities Study emphasises the importance of life-long learning and using e-learning to support the growth of smart cities. The study states that new technologies contribute to improving people's education and training and, in that sense, virtual education offers many benefits, such as reduced costs, flexible hours and greater interaction. The study showed that 60 per cent of cities have implemented measures to promote lifelong learning – an increasingly important element in new labour market dynamics, particularly in Asian regions.

Smart Cities Study - The Committee of Digital and Knowledge-based Cities of UCLG, Bilbao 2012 p9.

[45] Deloitte p 18

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OPPORTUNITY 4 CAPABILITY BUILDING

Digital roadmaps in New York and Brisbane

Brisbane City Council and the City of New York recently launched digital roadmaps (strategies). Each incorporates workforce development, training and mentoring components to help their communities address opportunities available in the digital economy.

In New York, the Department of Small Business Services delivers two free programs on innovative business training for emerging and existing entrepreneurs.

In Brisbane, the new Digital Brisbane strategy outlines approaches to help businesses build their digital capability, including a 'digital business power-up program' tailored to whether a business is digitally advanced, active or novice.

The program provides digitally-advanced businesses with access to online tools, help identifying web requirements and access to international speakers and entrepreneurs at the cutting edge of digital change. At the other end of the scale, the program provides digital novice businesses with basic web tools, face-to-face training, education and information, and access to seminars, forums, conferences and training in advanced digital practice.

Road map for the Digital City – Achieving New York City's Digital Future, The City of New York p56.

Small Business Victoria Mobile Business Centres

The Victorian Government's Mobile Business Centre is equipped to help you to develop business ideas and capabilities.

Operated by Small Business Victoria, the Mobile Business Centre tours Melbourne and regional Victoria as a 'travelling office on wheels'. It offers friendly, professional assistance from an information officer and expert advice from an experienced business mentor.

The Mobile Business Centre visits various locations in both Melbourne and regional Victoria.

http://www.business.vic.gov.au/business-contacts-and-advisers/small-business-victoria-programs-and-services/mobile-business-centre

Connecting Communities in regional NSW

RDA Central West in NSW has received funding from the Commonwealth Government for a Connecting Communities in the Central West Project, one of 14 new initiatives being delivered across NSW regional areas to capitalise on the advantages of the roll out of high speed broadband.

RDA Central West provides information on broadband for small businesses, not-for-profit organisations, schools and the community.

http://www.rdacentralwest.org.au/projects-services/nbn-readiness-connecting-communities-in-the-central-west-project/

Laneway Learning in Melbourne

Laneway Learning is the name for a series of informal evening classes held in various equally informal café venues in inner Melbourne.

Classes are inexpensive (usually $12), and taught by people from the local community; florists teach about flowers, scientists about science and bookworms about books.

Attending them is less about becoming an expert overnight and more about getting some top tips to take home and practice later.

The simplicity of Laneway Learning means it is easily 'translatable' to any community, including those in rural and regional areas. One regional program modeled on Laneway Learning is the new Pop Up Learning program in Shepparton which hopes to re-skill locals no longer employed by SPC as well as help young people to learn outside the mainstream school system.

The Laneway Learning model is effective as a creative space, to meet, share ideas and telework (work 'out of office') – which is addressed in the Creative Hubs section of this Opportunity Paper.

https://www.facebook.com/LanewayLearningMelbourne

Victoria's Small Business Festival

Victoria's Small Business Festival runs from 1–31 August with hundreds of low-cost and free events throughout Melbourne and regional Victoria. The festival will give small businesses the opportunity to learn practical new skills and access new ideas to help boost their productivity and competitiveness.

Events cover a wide range of practical business topics such as business planning, marketing, social media, networking, financial management and much more.

Victoria's Small Business Festival is Victorian Government initiative. It is coordinated by Small Business Victoria in collaboration with government agencies, industry groups, businesses and private sector organisations to stage festival events.

http://www.business.vic.gov.au/workshops-seminars-and-events/victorias-small-business-festival/home

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OPPORTUNITY 4 CAPABILITY BUILDING

Commonwealth Government Digital Enterprise Program

The Digital Enterprise Program is a Commonwealth Government initiative aimed at positioning Australia as a leading digital economy by 2020.

The program helps small businesses and not for profit organisations in the community to achieve the competitive advantage that reliable high speed internet will provide. The program consists of a series of free group training sessions as well as one-on-one mentoring.

One of the initiatives to receive funding is The Victoria Park Digital Enterprise and Hub Program in Western Australia which provides free computer classes and online training for the local community.

http://www.digitalvicpark.com.au/belmont-digital-enterprise

Small Business Victoria workshops

A range of Small Business Victoria workshops are available to help businesses establish and leverage advantage from an online presence. These include 'Go online: A start up guide for business' which provides a basic understanding of hardware, software and networking options, and how to establish online activities like websites, blogs, newsletters and social media. It also covers the benefits, drawbacks and rules associated with being online.

http://www.business.vic.gov.au/workshops-seminars-and-events/small-business-victoria-workshops-and-seminars

Broadband Today Alliance

The Broadband Today Alliance is a collaborative alliance of local government, RDA and regional organisations of councils from around Australia and New Zealand focused on sharing information and advocating for resources to help local communities transition to a digital economy. Over 135 local governments are members with over eight million Australians represented across all jurisdictions.

www.broadbandtoday.com.au

Get Up To Speed

The Queensland-based Get Up To Speed Program aims to make businesses aware of the opportunities the rollout of high speed broadband presents and provides much needed skills and knowledge surrounding current and emerging digital technologies.

Supported by the Broadband Today Alliance, the program is being developed and delivered by the Creative Collective, an agency with experience delivering training on behalf of Government organisations.

www.getuptospeed.com.au

Dive into Digital

Dive Into Digital is a collaboration across Far North Queensland pooling resources and knowledge to help businesses and households better understand and participate in current and emerging digital opportunities, including the benefits of high speed broadband.

The Dive into Digital website provides a specific page about the NBN in the region as well as practical online skills, how to secure data and tips on social media. The initiative is delivered through the Cairns Digital Economy Community Engagement Strategy.

http://diveintodigital.com.au

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OPPORTUNITY 4 CAPABILITY BUILDING

CONCLUSION

Encouraging rural businesses in the creative sector to be more 'digitally engaged' is an essential way to strengthen rural economies and take advantage of diverse social and economic benefits generated by new technologies, including the roll out of high speed broadband.

Digital engagement may also provide rural municipalities with inducements for young people to remain in their local community (rather than move to metropolitan areas) and, in turn, encourage other young people to either return or move to rural areas.

CoderDojo

CoderDojo is a global collaboration providing free and open learning to young people, especially in programming technology. CoderDojos are located around world, including in Melbourne, Brisbane and Yeppoon, Queensland. Anyone can set up a CoderDojo, all that is required is online access which makes the movement ideal 'meeting place' for creative young people in rural areas.

At a CoderDojo, young people learn how to code, develop websites, apps, programs, games and more. Dojos are set up, run by and taught by volunteers. Dojos organise events, tours of technology companies and arrange for guest speakers to talk about their career and what they do. In addition to learning to code, members meet like-minded people and show off what they have been working on.

CoderDojo makes development and learning to code a fun, sociable experience. CoderDojo also puts a strong emphasis on open source and free software, and has a strong network of members and volunteers globally.

http://coderdojo.com

Challenges associated with digitisation

For creative sector businesses in rural Victoria, the digital economy may also create new pressures and expectations from suppliers, commercial partners, employees or customers. Many rural creative businesses are not equipped to deal with these potentialities. Small businesses in particular are likely to need help developing their online strategies, skills and confidence. [46]

OPTIONS FOR ACTION

Rural councils could consider:

- Collaborating with businesses to host Small Business Victoria workshops to promote digital engagement and growth.
- Developing a network of digital creative champions to support, host and mentor creative sector businesses in rural areas (see Creative Champions paper).
- Designating creative hubs or co-working spaces in rural communities that could become places to learn about digital engagement and drive information sharing (See Co-working spaces paper).
- Identifying and engaging with local undergraduates studying fields within the creative industries to share their knowledge and skills sets with local enterprises.

Regional Development Victoria could consider:

- Commissioning research into identifying the skills sets required to support and grow creative industries in rural areas and the economic productivity impacts that would be generated via building digital capabilities.

[46] http://www.rtirc.gov.au/files/2012/05/Summary-Regional_Communications-Empowering_digital_communities.pdf

GLOSSARY OF TERMS

Creative champions are older creative workers (often baby boomers) with the capacity and willingness to volunteer to help develop creative industries . This might happen through a Creative Champions volunteer program including mentoring, capabilities training, collaboration, advocacy and alumni opportunities.

Creative hubs (or co-working spaces, digital hot houses) are informal spaces / community meeting places where like-minded people can share ideas and collaborate. Hubs feature office facilities equipped with access to information and communications technology, meeting room facilities and kitchens. Hubs provide an atmosphere free from restrictive conventions associated with corporate working environments, while resolving some of the limitations of working from home (such as social isolation, lack of dedicated office facilities).

Creative industries refers to a range of economic activities which are concerned with the generation or exploitation of knowledge. Creative industries have their origin in individual creativity, skill and talent and have a potential for wealth and job creation through the generation and exploitation of intellectual property.

Creative sector includes people who are employed by 'creative' organisations like advertising agencies, art galleries and software design companies. However, many of these workers are not creative people (such as receptionists, administration and finance staff, maintenance workers, caterers, cleaners and mechanics).

Creative workers include artists and performers, journalist and writers, IT professionals (selected), advertising, media and public relations professionals, scientists and researchers (selected), town planners, civil engineers and cultural workers (selected). Creative workers are not necessarily employed in the creative sector. For example, many undertake 'creative activities' like design, marketing and public relations in industries such as manufacturing, construction and logistics.

Digital economy is the global network of economic and social activities that are enabled by platforms such as the Internet, mobile and sensor networks. The digital economy refers to the devices most of us use each day such as computers, phones and game consoles. It includes the online maps that we consult, the web searches that we use to find information and our electronic banking.

Digital communications involves using digital channels to convey messages and publish information usually with a feedback mechanism.

Digital engagement means using digital tools and channels like the internet to find, listen to and inform people about an issue, product or service encouraging them to discuss and debate it, or take action in pursuit of a cause they care about.

Digital marketing is about getting your message in front of other people (often by paying directly or indirectly for access to their online spaces, inboxes or phones) and then encouraging them to sign up, donate to or buy your service / product.

Digital public services are ways of dealing with government through digital channels so people can find out the information they need, choose and/or pay for something

Digital technologies is used to describe the use of digital resources to effectively find, analyse, create, communicate, and use information in a digital context. This encompasses the use of web tools, digital media tools, programming tools and software applications

Digitalisation or digitisation is the integration of digital technologies into everyday life.

GLOSSARY OF TERMS

E-learning refers to the use of electronic media and information and communication technologies (ICT) in education. E-learning is broadly inclusive of all forms of educational technology in learning and teaching including multimedia learning, technology-enhanced learning (TEL), computer-based instruction (CBI), online education, virtual education, and digital educational collaboration.

Information and Communication Technologies (ICT) refers to technologies that provide access to information through telecommunications. It is similar to Information Technology (IT), but focuses primarily on communication technologies. This includes the Internet, wireless networks, cell phones, and other communication mediums.

Telecommunications is the transmission of signals over long distances. It began with the invention of the telephone in 1876, then expanded to radio broadcasts in the late 1800s and to television in the early 1900s. Today, telecommunications also includes the Internet and cellular phone networks. Early telecommunications transmissions used analog signals, which were transferred over copper wires. Today, most transmissions are digital.

Teleworking or 'telecommuting' or 'remote work' means working regularly from a place other than the office, in most cases from a home office. Telework uses information and communications technology to stay connected to colleagues and work systems. Tele means 'at a distance'.

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www.broadbandtoday.com.au

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http://www.teleworkcentralcoast.com.au/

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Further information

For more information contact
Rural Councils Victoria at:

Level 12/ 60 Collins Street Melbourne
GPO Box 4326 Melbourne 3001
PH: 03 9667 5555
www.ruralcouncilsvictoria.com.au

State Government Victoria