

There are now endless commentaries that paint a picture of our future industries: trends toward automation, the adoption of new tech, e-commerce and remote working mean that by 2030, up to 30-40% of all workers in developed countries may need to move into new occupations or at least upgrade their skill sets significantly.<sup>1</sup> 85% of jobs that will exist in 2030 haven't been invented yet, and 50% of people think that the roles and skills of the next 10-15 years are impossible to predict within their industry.<sup>2</sup> Creative jobs have been found to be future-proof for this reason, and the creative industries – with their high volume of micro businesses, freelancers and highly-skilled project-based work – an archetype of the fourth industrial revolution. Creative skills are skills of tomorrow, not just today.

The UK's world-leading higher education providers and the courses they deliver are a crucial part of what's needed to secure a strong pipeline of workers with creative skills, within and beyond the creative industries. 71% of the UK's creative workforce holds a qualification to degree level or higher compared with 44% for the whole economy.<sup>3</sup> However, course quality is currently measured in a way that does not reflect the needs of future industries, meaning that many high quality courses – across creative and other disciplines – are set to be inadvertently penalised, setting the UK back in its ambition to remain globally competitive. **We fully endorse government's drive to ensure high quality provision and strong value for the tax-payer**, and therefore make a series of recommendations to strengthen the way in which quality is assessed.

### We recommend:

- **Recognising creative, arts and design education as “subjects of Strategic Importance”:** This would align with government's *Plan for Growth*, where the creative industries and creative ideas are highlighted as priorities. It would also complement other “strategically important” disciplines, such as STEM subjects, which are just as essential to our world-leading sector.
- **Assessing course quality based on broader graduate outcome indicators:** In assessing value, government relies on Longitudinal Educational Outcomes (LEO) data, which gives disproportionate weight to certain indicators like graduate salary. This is inadequate as a sole measure for future industries where freelance work is high (creative graduates are over three times more likely to be self-employed) and salaries more likely to rise 3-4 years into employment. Employment prospects are high for those who undertake creative courses: 89% of creative graduates employed 3.5 years after graduation compared to 87% of non-creative graduates. Other existing government data should be harnessed to paint a more accurate picture. Specific proposals have been set out by the Creative Industries Policy & Evidence Centre.<sup>4</sup>
- **Piloting an Industry Endorsement Framework to respond to current and future demand:** Government should look to best practice models in countries like Australia, where proactive engagement with industries and localities helps determine skills shortages and prepare for future demand. This could be tested in partnership with local industry and governments across the country to drive regeneration and growth in key regions.

<sup>1</sup> <https://www.mckinsey.com/business-functions/organization/our-insights/getting-practical-about-the-future-of-work>

<sup>2</sup> <https://www.delltechnologies.com/content/dam/delltechnologies/assets/perspectives/2030/pdf/Realizing-2030-A-Divided-Vision-of-the-Future-Summary.pdf>

<sup>3</sup> <https://www.pec.ac.uk/discussion-papers/creative-skills-monitor>

<sup>4</sup> <https://pec.ac.uk/policy-briefings/how-to-design-a-creative-higher-education-system-that-supports-economic-needs>

### The value of creative skills is clear:

- Modelling by McKinsey highlights that demand for higher cognitive skills, such as creativity, critical thinking, decision making, and complex information processing, will grow significantly over the next decade, from what are already sizable bases today.<sup>5</sup>
- In 2015 the World Economic Forum highlighted creativity as a core skill as workplaces increasingly become automated,<sup>6</sup> whilst research by Nesta highlights that 87% of creative roles are resilient to automation, compared with 38% of jobs across non-creative sectors.<sup>7</sup>
- Creative skills and our world-class creative education are also vital to the UK's global soft power and international reputation, essential to unleashing innovation and drive local growth and prosperity by fuelling fast-growing and future-facing industries throughout the UK.

### The demand for creative skills is already high:

- Creative roles now make up 30% of government's Shortage Occupation List (SOL),<sup>8</sup> and include many of the jobs cited as being very likely to grow as a share of the workforce by 2030.<sup>9</sup> These shortages are expected to increase given the impacts of Brexit.<sup>10</sup>
- There remains a high demand for greater workforce diversity: Research by the PEC highlights that *"those from privileged backgrounds are more than twice as likely to land a job in a creative occupation"*, and the issue is further compounded when class is combined with gender, ethnicity, disability and skill levels, causing a 'double disadvantage.'<sup>11</sup>
- Creativity is as important across other industries as it is across the arts. In a study across 35 million UK job adverts over a four year period, research by the PEC<sup>12</sup> found that creative skills are a key requirement in jobs that are particularly likely to grow in importance in the future workforce.<sup>13</sup>
- Employers already recognise the threat posed by international competition by countries such as China, Singapore and South Korea, who increasingly recognise that creative skills are a core component for developing resilient, high performing economies of the future.<sup>14</sup>

The **Creative Industries Federation** is an independent, not for profit, membership organisation which represents, champions and supports the UK's creative industries. The Creative Industries Federation, with its sister company Creative England, is part of the non-profit group, Creative UK.

[www.creativeindustriesfederation.com](http://www.creativeindustriesfederation.com)

The **Creative Industries Federation** and **Creative Industries Council** have aligned on the above policy recommendations.

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<sup>5</sup> <https://www.mckinsey.com/featured-insights/future-of-work/skill-shift-automation-and-the-future-of-the-workforce>

<sup>6</sup> <https://www.weforum.org/agenda/2020/11/ai-automation-creativity-workforce-skill-fute-of-work>

<sup>7</sup> <https://www.nesta.org.uk/report/creativity-vs-robots/>

<sup>8</sup> <https://www.gov.uk/guidance/immigration-rules/immigration-rules-appendix-shortage-occupation-list>

<sup>9</sup> <https://pec.ac.uk/blog/creative-employers-hopes-and-fears-for-points-based-skilled-immigration-post-brexite>

<sup>10</sup> <https://pec.ac.uk/research-reports/the-migrant-and-skills-needs-of-creative-businesses-in-the-united-kingdom>

<sup>11</sup> <https://www.pec.ac.uk/research-reports/getting-in-and-getting-on-class-participation-and-job-quality-in-the-uks-creative-industries>

<sup>12</sup> <https://www.pec.ac.uk/research-reports/creativity-and-the-future-of-skills>

<sup>13</sup> <https://pec.ac.uk/news/new-research-shows-creativity-will-become-even-more-important-to-the-growth-of-jobs-between-now-and-2030>

<sup>14</sup> <https://www.kingston.ac.uk/aboutkingstonuniversity/future-skills/#blockid20772>