



Wednesday, 5 October 2011, 1:30 pm.

Roundtable 18: Finally the numbers

Speakers

David Throsby, Professor of Economics, Macquarie University, Australia

Audrey Yue, Lecturer, University of Melbourne, Australia

Moderator

Annamari Laaksonen, Research Manager, International Federation of Art Council and Culture Agencies (IFACCA)

Rapporteur

Bridget Jones, Research Manager, Australia Council for the Arts

Description of the session

This session focused on the measurement on the economic impact of culture, and its tools from statistics to indicators.

David Throsby stated that statistics are needed to inform policy makers on the size and importance of the cultural sector – and research is needed to back up advocacy with real numbers. There is a perception amongst policy makers that the arts are a backwater of economic activity. This is not true. The contribution of the arts to GDP is significant.

David underlined that the challenge is how to measure the value of culture. The very concepts of culture and value mean different things to different people. Furthermore, it is reasonably straight forward to measure the contribution of the arts to GDP – output, employment, exports etc. It is much more difficult to measure the impact of the arts – an event or an institution.

He further stated that cost benefit analysis is used to measure the effect of an investment. Any item of Government expenditure needs to be justified to Treasury using this method. Estimating the benefits for the arts, education and health are very difficult. He said that we need to redefine the definition of

benefit that is used by Treasury. The gauntlet has been thrown down to the cultural sector to come up with better measures of the benefits of the arts.

It is equally important to measure Economic Value and Cultural Value.

- Economic Value is measured in dollars using economic analysis tools
- Cultural Value - aesthetic, spiritual and symbolic - is difficult to measure and has no agreed unit of measurement

Cultural value cannot be measured in purely financial terms, for example through surveys of the price a user is prepared to pay. Public Good Value is a better measure as it includes the value placed on an event or institution by those who may never participate in it.

David concluded that currently international comparisons of cultural indicators are almost impossible because they are all collected on a different basis. The UNESCO framework provides a classifications guide to the way key statistics should be collected. It remains to be seen how well this will be adopted as it requires jurisdictions to change their existing frameworks for statistical collection.

Audrey Yue explained that in the past four years there has been a rise in cultural indicator studies. There are a number of different methodologies and indicators which can make the area difficult to understand.

- Community wellbeing
- Cultural Vitality
- Quality of Life

Audrey said that the concept of Cultural Citizenship originally developed by Nancy Duxbury provides a potential umbrella for these approaches to measurement.

The 2009 UNESCO report on cultural diversity expanded the definition of cultural participation to include home based attendance (e.g. online) and identity based participation (i.e. cultural groups). UNESCO is urging jurisdictions to try out this model.

She discussed a research project using impact measurement and cultural citizenship with the City of Whittlesea – which is a growth corridor suburb where public infrastructure is lacking. A population of 130,000 people and 40 new arrivals each week. Fifty three per cent of the populations are CALD (culturally and linguistically diverse) but the local council funding levels were not adequate – with only 3.5% of arts funding going to CALD. The City identified seven key objectives based upon their policies and plans – and developed a manageable number of indicators to measure them. The research project is in its early stages so results are not yet available.

Creative intersections discussed in the session

Cultural Citizenship extends the field of Community Indicators to include measures of cultural expression, production and participation.

The heritage sector has developed ways to assess the value a community places upon heritage. This could be used to inform the development of more effective measures of cultural value for the arts sectors.

Examples of good examples and practices

- *UNESCO Framework for Cultural Statistics*, UNESCO, 2009
- *UNESCO World Report on Investing in Cultural Diversity and Intercultural Dialogue*, UNESCO, October 2009
- *Cultural Indicators for New Zealand*, Ministry for Culture and Heritage, 2009

Identified problems

- It is difficult to measure the value of culture; as both value and culture are subjective terms
- Cost Benefit analysis models do not suit the arts because it is difficult to measure the benefits of the arts
- International comparisons of indicators are almost impossible because data is collected differently in each jurisdiction
- The sheer volume of statistics and methods of developing indicators can be overwhelming.
- How do we describe what cannot be counted?

Recommendations for future actions

The roundtable supports the further collection, analysis and use of evidence on the value and impact of the arts and culture to inform public and private sector decision making.

Other additional comments

- *“You can’t measure the corners of the human heart.”* A Maori proverb from Steven Wainwright, Creative New Zealand.