

# **Transformative Edge 2024**

**How arts, culture and creativity  
impact our prosperity, cohesion,  
security, health and sustainability.**

# About A New Approach

A New Approach (ANA) is Australia's national arts and culture think tank. We believe Australia can become a cultural powerhouse whose creativity is locally loved, nationally valued and globally influential.

Through credible and independent public leadership, ANA helps build an ambitious and innovative policy and investment environment for arts, culture and creativity. We work to ensure Australia can be a great place for creators and audiences, whoever they are and wherever they live.

ANA acknowledges the cultures of Aboriginal and Torres Strait Islander peoples in Australia and their continuing cultural and creative practices in this land.

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ANA is supported by a unique collaboration of 14 philanthropic organisations across the country. This national coalition comprises:



# About This Insight Report

This report is the 14th in ANA's Insight series. Our Insight Reports provide a deep dive into the research and analysis of a particular arts and cultural policy topic or other area of interest. Find all of our work at [www.newapproach.org.au](http://www.newapproach.org.au).

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The opinions in this Insight Report do not necessarily represent the views of ANA's philanthropic partners, the individual members involved in governance or advisory groups, or others who have provided input.

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# Executive Summary

ANA's new report, *Transformative Edge 2024*, reveals that creating and encouraging opportunities for people to experience arts, culture, and creativity assists populations to live *well* – with prosperity, cohesion, security, health and sustainability.

Using widely accepted metric tools, *Transformative Edge 2024* shows that creative and cultural engagement provides an unexpected edge to tackle Australia's deepest challenges. These challenges include reduced social cohesion, mounting ill health, slowing productivity growth, increasingly frequent climate-related disruptions, strains on democracy and economic hardships restricting what people in Australia can afford to do.

Global and domestic pressures are bringing new urgency to developing effective, innovative and accessible strategies to secure Australia's future. *Transformative Edge 2024* includes the latest evidence of the impacts of creative and cultural engagement for these key public policy discussions.

ANA is publishing this summary of new studies to support evidence-led investments of time and money to benefit people in Australia.

We explored 2 main questions:

1. What are the demonstrated impacts of arts, culture and creativity on prosperity, cohesion, security, health and sustainability?
2. What are the opportunities for stakeholders to scale up, enhance and harness the benefits across Australia?

The findings in *Transformative Edge 2024* build on ANA's 2019 review of international and Australian evidence.

The findings are presented using ANA's 'Prosperity Cohesion Security Health and Sustainability Wellbeing' (PCSHS Wellbeing) research framework. This study is the first to consider how time use in arts, culture and creativity influences all 5 broad wellbeing themes of *Measuring What Matters: Australia's First Wellbeing Framework* (hereafter *Measuring What Matters*).<sup>1</sup>

People spend time and money engaging with cultural and creative industries for varied reasons – enjoyment, inspiration, expression, entertainment and connection.

The personal benefits of culture are well recognised. Industries, governments and the public 'all believe that arts and culture make people happy, increase their understanding of each other and the world, and connect them together'.<sup>2</sup> However, it is clear that people also believe there are *broader* impacts of the time and money spent on arts and culture – and the current evidence supports this.

There have been few attempts in Australia to move beyond listing isolated benefits, and no single source summarises potential drawbacks. Explaining all the evidence can be time-consuming and complex, as can understanding the broad policy environment.

*Transformative Edge 2024* bridges these gaps and paints a very clear picture: a rich cultural life delivers significant economic and social benefits to the Australian community.

Creative and cultural engagement here and around the world could help Australia tackle complex challenges facing future generations. Numerous new informational resources outlined in this report may help industries and stakeholders drive other public benefit objectives, such as inclusion, fairness and equity.

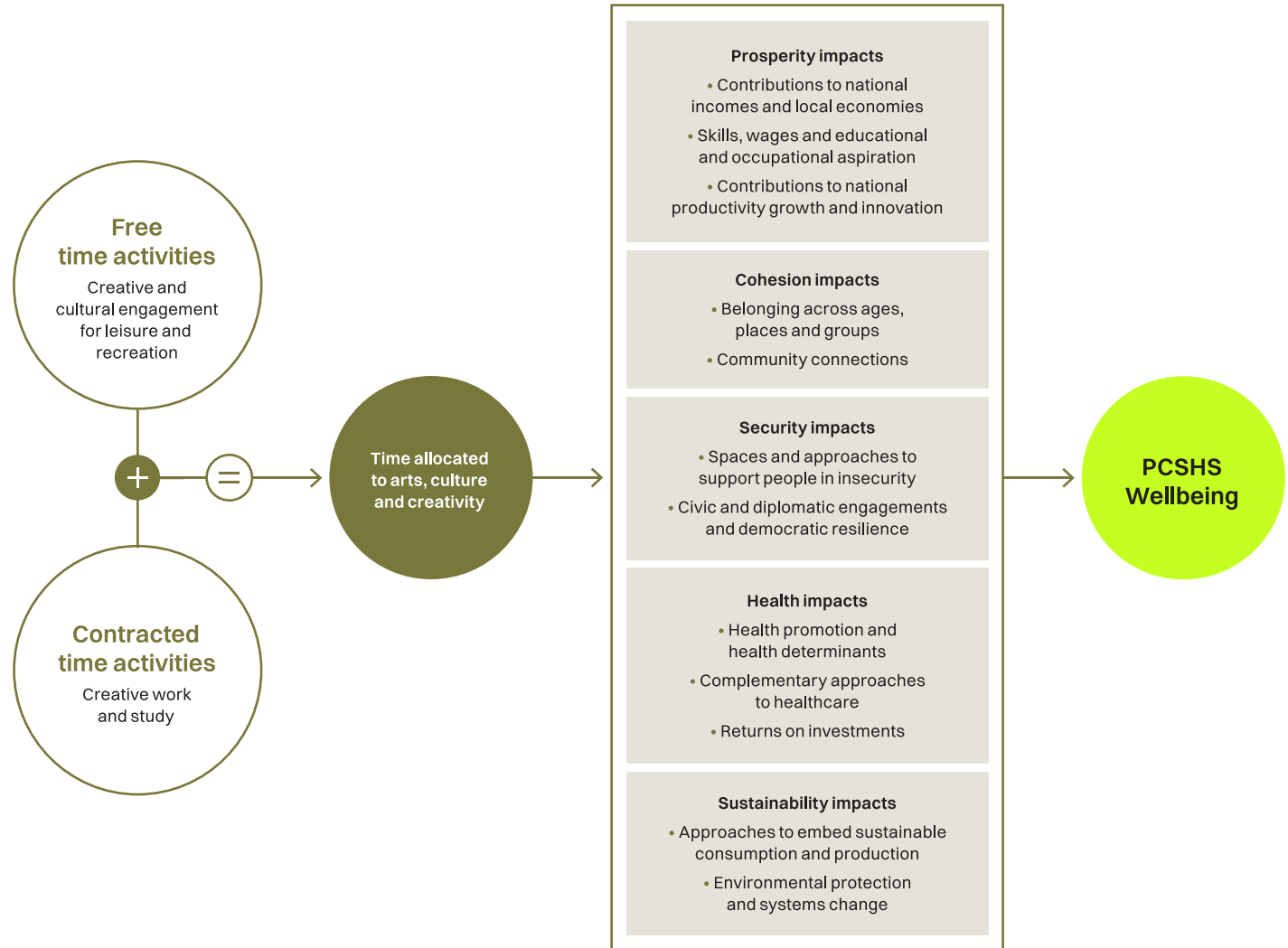
## Where we looked for the evidence

*Transformative Edge 2024* is an overview of hundreds of published sources. We located the evidence through expert advice and multidisciplinary research databases.

This evidence includes peer-reviewed quantitative, mixed-methods and qualitative evidence, alongside information from systematic and other types of literature reviews (e.g. rapid reviews, scoping reviews and meta-analyses). It is a large and interdisciplinary body of evidence from Australia and around the world.

We have also included information from evaluation reports by government departments, international organisations and other research entities.

**Figure 1** displays ANA's PCSHS Wellbeing research framework.



Pursuing these impacts requires consideration of measures to address opportunity and access contexts, as well as identified blockages. This includes considering inclusion, equity and fairness irrespective of circumstance, background or location.

## What has stayed the same since 2019, what has changed and what comes next

Since ANA first explored the impacts of cultural participation and investment – in our 2019 Insight Report, *Transformative: Impacts of Culture and Creativity* – there has been substantial acknowledgement and understanding of the benefits of cultural activities for individuals, communities and the world. Three items stand out:

- **The OECD assessed creative thinking globally**, revealing that it is a comparative strength for Australia. The nation's teenagers ranked fourth for creative thinking, defined as the competence to engage in the generation, evaluation and improvement of original and diverse ideas.<sup>3</sup>
- **The international community formally declared that culture is a global public good** alongside other declared global public goods, such as peace, health, science and economy.<sup>4</sup>
- **The COVID-19 pandemic raised public awareness** about the role of culture in mental wellbeing in the global population.

In Australia, new acknowledgements of arts and culture's roles in people's lives include:

- local governments adopting their first national policy position on arts and culture (2020)
- bipartisan recognition of the 'proven benefits [of creative and cultural engagement] for mental and physical health, social cohesion and community building, creative thinking, problem-solving skills and more'<sup>5</sup> (2021)
- cultural infrastructure in the National Infrastructure Plan (2021)
- creative and cultural engagement as an indicator in *Measuring What Matters* (2023)

- an unprecedented policy environment, with new arts and cultural policies in place or under development in all jurisdictions (2024)
- three generations of middle Australians describing arts, culture and creativity as a 'bedrock of society', crucial to a healthy and thriving community and the fostering of imagination, adaptability and innovation<sup>6</sup> (2020-2023).

Policy, practice and culture have also evolved since 2019. New voucher programs extend people's access to creative experiences. Governments have established mechanisms to consult the cultural and creative industries, for instance about artificial intelligence. People increasingly expect cultural experiences to occur where they live, woven into their everyday lives.<sup>7</sup>

Acknowledging this, *Transformative Edge 2024* recommends that Australia consider a range of new approaches that are demonstrating progress towards beneficial impacts. At a high level:

- **People and entities in the cultural and creative industries** could describe and deliver the diverse benefits of their services to a wider range of stakeholders.
- **Public and private investing entities** could consider the performance of grants and donations through a broader range of desired impacts.
- **Civil society organisations** could seek to understand the value of creative practices for the people using their services, including in healthcare, justice and education.

- **Governments in Australia** could (re)invest in arts, culture and creativity to strengthen health promotion, skills for the future and democracy and to mitigate and adapt to climate change.

An enduring question is how Australia could better distribute the demonstrated public benefits of creative and cultural engagement. The overriding recommendation in *Transformative Edge 2024* is to ensure availability and access to such engagement for all people in Australia, wherever they live and whoever they are.

Known blockages to the access to and availability of creative and cultural engagement include:

- lack of joined-up co-investment focused on access
- location and cost factors
- the volatility of legislative, regulatory and investment environments hampering the industry's investment in its own success and unsettling other investors, including private and philanthropic sources
- outsized COVID-19-related disruption of both workforce capacity and new project pipelines
- outdated knowledge among key decision-makers of the mainstream relevance of arts, culture and creativity
- lack of understanding among key decision-makers of the economic and social benefits of creative and cultural engagement.

Addressing these blockages will be a key factor in Australia becoming a cultural powerhouse and harnessing the benefits of creative and cultural engagement for our country.

## Summary of findings

This table provides a summary of the key insights of this research. The body of this Insight Report describes the empirical evidence for these statements.

Please refer to the [Measuring What Matters Framework](#) for a more detailed explanation of its themes, national indicators and structure.

Please refer to the [Australian Bureau of Statistics Measuring What Matters dashboard](#) for updated data and national reporting about each theme.

PCSHS Wellbeing theme and brief definition	Contexts, challenges and projections for future generations	Relevant impacts of arts, culture and creativity
<p><b>Prosperity</b></p> <p><i>Experiences in and access to employment, education and innovation</i></p>	<ul style="list-style-type: none"> <li>• Australia's teenagers rank fourth in the world for creative thinking (i.e. the generation, evaluation and improvement of original and diverse ideas).<sup>8</sup></li> <li>• Slow productivity growth could negatively affect future quality of life and wages.<sup>9,10,11</sup></li> <li>• The future workforce will require a mixture of skills. It will need to adapt and adjust to new processes and products, changes in work and shifts in the economy.<sup>12</sup></li> <li>• The educational aspirations of disadvantaged students have declined since this item was last measured.<sup>13</sup> This has consequences for future equity, workforce participation and success.<sup>14</sup></li> </ul>	<p>Cultural and creative activities benefit the prosperity of children and teenagers, students, workers and the public via</p> <ul style="list-style-type: none"> <li>• productivity growth</li> <li>• national and local incomes</li> <li>• job satisfaction</li> <li>• creative and critical thinking</li> <li>• educational or occupational aspirations.</li> </ul>
<p><b>Cohesion</b></p> <p><i>Willingness of members of society to cooperate with each other to survive and prosper</i></p>	<ul style="list-style-type: none"> <li>• Australia had its worst social cohesion results on record in 2023.<sup>15</sup></li> <li>• Loneliness and social isolation have worsened since COVID-19.<sup>16</sup> People's sense of belonging and pride in Australian culture declined between 2007 and 2022.<sup>17</sup> Students' sense of belonging has not changed in a meaningful way since 2018.<sup>18</sup></li> <li>• In 2023, Australians voted in a referendum about whether to change the Constitution to recognise the First Peoples of Australia by establishing a body called the Aboriginal and Torres Strait Islander Voice. The proposal was not carried, with 39.94% of votes in favour and 60.06% of votes not in favour nationally.<sup>19</sup></li> </ul>	<p>Arts, culture and creativity build cohesion through promoting social connection and a sense of belonging to a place, a group or a cultural activity itself. However, experiences of disinterest, disengagement or exclusion may limit this social cohesion benefit.</p>

## Security

*Experiences of peace and safety at home, online, at work, in the community and in the world*

- 91.5% of people report feeling 'safe' or 'very safe' walking alone during the day, and 53.8% report feeling safe at night in 2021-22.<sup>20</sup> Feelings of security and safety at home, in the workplace, in communities and online still vary across the population.
- The 2023 Edelman Trust Barometer rated Australia as 'moderately polarised' - but straddling the boundary between moderate polarisation and 'in danger of severe polarisation'.<sup>21</sup>
- Anti-authority protests have posed risks to community safety and resulted in violent clashes with law enforcement.<sup>22</sup>
- In 2024, Australia's terror level threat was raised to 'probable' due to a rising mix of ideologies whereby more people think violence is permissible.<sup>23</sup>
- Expenditure on diplomacy and defence across the region and globally is expected to trend upwards across major economies.<sup>24</sup> However, underinvestment is still considered a challenge for Australia's diplomatic engagement and influence.<sup>25</sup>

Creative and cultural engagement provides opportunities for active citizenship and democratic resilience. It contributes to security through fostering feelings and spaces of safety and international cultural relations and offering alternatives to violent protest.

## Health

*Individuals' and groups' physical and mental wellbeing and their access to health services*

- In the future, more Australians will have multiple chronic conditions.<sup>26</sup>
- In 2024, Australia was the top global wellbeing burnout zone. Compared with people in 14 other countries, people in Australia reported experiencing the highest levels of burnout when thinking about their physical, mental, or social wellbeing.<sup>27</sup>
- Government spending on healthcare is projected to grow.<sup>28</sup>
- The population in rural and remote Australia faces unique geographic challenges in accessing healthcare.<sup>29</sup>

Arts, culture and creativity support health and health determinants (e.g. social and economic environments) and provide a cost-effective complement to health services. Like any activity, creative and cultural engagement has positive and negative outcomes to consider when implementing policy and practice.

## Sustainability

*Individuals' and groups' use of natural resources and protection of the environment*

- All governments (federal, state and territory) are committed to achieving net-zero greenhouse gas emissions by 2050 or sooner.<sup>30</sup> Per capita greenhouse gas emissions are higher in Australia than the OECD average.<sup>31</sup>
- Extreme weather events, such as floods, cyclones, bushfires and heatwaves, are risks to the built environment and the people who live in it.<sup>32</sup>
- Australia's top tourist attractions are in regions that are becoming increasingly susceptible to natural disasters.<sup>33</sup>

Culture influences environmental sustainability through its associated skills, practices and behaviours. This includes helping people and places to recover from natural disasters, adapt and develop future solutions. That said, related negative environmental impacts include emissions of the value chain - from the design and production to the distribution, consumption and disposal of creative goods and services.



## Summary of opportunities

The evidence of the impacts detailed in this report presents an overriding opportunity to ensure all people in Australia have continued access to creative and cultural engagement.

The proven benefits of access to arts, culture and creativity should be available to everyone, wherever they live and whoever they are.

Practical steps to pursue this aim now include the following:

1. The Commonwealth – in concert with the 2 other levels of government – should develop a national cultural plan or strategy modelled on the successive national sports plans and strategies. To facilitate an integrated whole-of-government approach to cultural policy, the plan should directly address the 5 themes of *Measuring What Matters*. Doing so would build the foundation for the Commonwealth's long-term, strategic collaboration with government, industry, philanthropy and business.
2. Governments should pursue a national partnership agreement focused on equitable provision of arts and culture opportunity, access and infrastructure. The agreement should be formalised by a Ministerial Council as part of National Cabinet.
3. Governments at all levels should review investment in – and blockages to – culture and creativity across portfolios. They should publish the results of this cross-portfolio expenditure on an ongoing basis, as overseas jurisdictions have.

Below is a summary of the key opportunities arising from this research, presented against the 5 PCSHS Wellbeing themes. These opportunities are based on a non-exhaustive stocktake of policies and practices.

Our aim here is to provide concrete examples that could support stakeholders to harness the positive impacts of arts, culture and creativity.

## PCSHS Wellbeing theme

## Examples of progress towards impacts since 2019

### Prosperity

**Public and private investing entities** could scale out the prosperity benefits of creative and cultural engagement through:

- Co-investing in children and young people's creative and cultural engagement through voucher programs (e.g. the [Active and Creative Kids Voucher Program \[NSW\]](#) and the [Future of Education Equity Fund \[ACT\]](#)). Nationally, investing entities could support diverse arts and cultural organisations and dedicated children's spaces (e.g. in [museums](#), [galleries](#) and [libraries](#)).
- Planning approaches that recognise a place's unique assets, challenges and social infrastructure as economic infrastructure per the [2021 Australian Infrastructure Plan recommendations](#). A practical example is [The Art House at Wyong](#).
- Sustaining the cultural and creative industries during economic crises and volatility: This may involve providing temporary assistance, as exemplified in the [NSW Government's Dine and Discover vouchers](#) or the targeted and economy-wide COVID-19 expenditures of governments in the cultural and creative industries (e.g. Restart Investment to Sustain and Expand (RISE) Fund, COVID-19 Arts Sustainability Fund, JobKeeper payments).
- Consulting and engaging with creative industries on reforms through established mechanisms: These may include the [reference group on artificial intelligence and copyright](#); the [Creative Industries Youth Advisory Group](#); [First Nations-led Board within Creative Australia](#); and the [NSW Cultural Front Door concierge](#).

### Cohesion

**Governments at all levels** could maximise the cohesion benefits of creative and cultural engagement through:

- facilitating access to arts and culture, as committed to in the draft [National Urban Policy](#) and liveability target of the [Regionalisation Ambition 2032: A Framework to Rebalance the Nation](#)
- investing in community organisations and cultural programs to drive social change, as recommended by the [Multicultural Framework Review](#)
- providing ongoing monitoring of creative and cultural engagement in [Measuring What Matters](#) and the [Closing the Gap targets 15 and 16](#).

**Public and private investing entities** could maximise the impacts of partnerships and investments towards enhancing cohesion through creative and cultural engagement. One investment model for long-term change is the [Investment Dialogue on Australia's Children](#).

**Entities in the cultural and creative industries** may reduce the risk of audiences experiencing exclusion - and may attract new audiences - by using new audience-centric resources, knowledge and communities of practice for their service delivery in Australia.

**Civil society organisations** could seek to understand the value of creative practices for those who use their services. This could involve using the new resources aimed at partnerships that support creative and cultural engagement across sectors. The new resources provide guidance for partnerships in [health](#), [justice](#) and [education](#) systems, and across [operating environments](#).