



The arts can play a fundamental role in California's economy.

Governors increasingly recognize the importance of the creative sector to their states' economy and ability to compete in the global marketplace. A number of factors underscore the connection between economic competitiveness and creativity. For example:

- Creative and new media industries are growing in number and playing increasingly prominent economic and social roles;
- Companies' decisions about where to locate their businesses often are influenced by factors such as the ready availability of a creative workforce and the quality of life available to employees;
- Arts and culture can play a major role in community development and redevelopment by creating new jobs as well as fostering an environment and amenities that attract talented young workers; and
- Tourism centered on arts and culture can contribute to state and local economic growth by providing a diversified and sustainable means for creating jobs and attracting revenue.

*Source: Using Arts & Culture to Stimulate State Economic Stability
National Governors Association 2009*

California is home to 110,840 arts-related businesses that employ 438,912 people. Nationally, there are 686,076 businesses in the United States involved in the creation or distribution of the arts that employ 2.8 million people.

Source: Americans for the Arts Creative Industries Report 2009.

The arts, humanities, and museums are critical to the quality of life and livability of America's cities. It has been shown that the nonprofit arts and culture industry generates over \$166 billion in economic activity annually, supports over 5.7 million full time jobs, and returns over \$12 billion in federal income taxes annually. Governments which support the arts on average see a return on investment of over \$7 in taxes for every \$1 that the government appropriates.

*Source: National Conference of Mayors
Strong Cities...Strong Families for a Strong America
Mayors' 10-Point Plan*

Businesses want to locate where they can find highly-educated and highly-skilled workers. A plan is needed to attract a knowledgeable and creative workforce to revitalize urban and rural areas. What can make this plan successful is to:

- Invest in regional economic development, create new partnerships and job opportunities that attract and retain innovative companies and entrepreneurs.
- Educate the 21st century workforce through arts and new media integration for all California students.
- Strengthen the artistic and cultural infrastructure state-wide, for vibrant communities that will be a desirable location in which to live, work and raise a family.

The arts are an equal partner, yet too often overlooked, in the economic stimulus conversation at the local, state and national level because the arts and creative industries:

- Create jobs, directly and indirectly through ancillary spending of patrons and contractors.
- Provide job training services for: CETAWPA-type programs, Welfare to Work, prison re-entry, youth at risk, California Partnership Academies.
- Contribute to community revitalization when artists and arts venues locate to urban, suburban and rural areas.
- Provide health services through numerous therapy programs, including mental health, Alzheimer's, Parkinson's, Veteran's Delayed Stress Syndrome and Autism.
- Attract tourism dollars, including the new "stay-cation" dollars of local residents. Tourism is the 4th largest employer in California.
- Create a life-long learning environment for all age groups and demographics.

The arts can play a fundamental role in California's economy | page two

Artists represent 1.4 percent of the US labor force, a larger group than the legal profession, medical doctors or agricultural workers.

American artists continue cluster in large metropolitan areas, with the greater Los Angeles area the major employer of artists in the United States.

Five of the top cities in America that have the highest concentration of artists are: San Francisco, Los Angeles, Santa Cruz, Santa Barbara and San Luis Obispo. Los Angeles is the workplace for 140,620 artists and San Francisco is the workplace for 35,670 artists.

*Source: National Endowment for the Arts
Artists in the Workforce 1990-2005*

Suggested avenues to economic stimulus to California by a public investment in the arts:

1. The Creative Industries & Community Economic Revitalization Act of 2010
2. Budget trailer bills that incorporate components of The Creative Industries & Community Economic Revitalization Act of 2010
3. Incorporating an arts component in legislation that addresses infrastructure, public works, 21st Century workforce training programs, youth at risk programs, education programs, before and after-school programs, health programs, transportation, prison re-entry programs, foster care outreach programs, literacy programs, homeless children education programs and community redevelopment programs.