

ESTABLISHING THE NEW MEXICO CREATIVE INDUSTRIES DIVISION

REQUEST: \$67 Million to Expand Job Creation Through Creative Industry Development

The Creative Industries Consortium (CIC) recommends establishing a Creative Industries Division within the New Mexico Economic Development Department to fully leverage New Mexico's creative and cultural assets as drivers of economic development for both rural communities and urban centers. This strategic investment will fuel job growth and economic base expansion across the state for decades to come.

OVERVIEW: The Creative Industries

The explosive growth of the creative industries stems from humanity's shift toward economic systems based on innovation and technological development. Creativity, artistic expression, and the technologies that fuel the exchange of ideas are predicted to drive global economic growth in the 21st Century. The creative industries include the development of original and derivative content, experiences, and services related to a range of sectors (see Figure 1).

DATA: Creative Industries in New Mexico

Five percent of New Mexico's employees work in creative industries. After recovering to near pre-pandemic levels, New Mexico's creative industries employ more than 41,000 workers. Industries reporting the highest percentage of creative employees are:

- Professional, Scientific, & Tech Services (46%)
- Information Services (13%)
- Retail (12 %)

Self-employed workers in the Arts, Entertainment, and Recreation industry in 2019, who were sometimes operating a side business, numbered 10,130 and reported \$205 million in economic impact through sales, shipments, and/or revenue.

New Mexico's per capita count of visual artists is 78% greater than the national share, and photographers 10% higher. New Mexico's share of visual artists from races other than non-Hispanic white is 140% higher than the national share.

DATA: Creative Industries Globally

The world's creative economy contributes 6.1% to the world GDP, and between 2% and 7% to the GDP of national economies. This represents a GDP of \$4.3 trillion and 30 million jobs—with almost half of those jobs held by women and an employment rate for ages 15-29 stronger than any other sector.

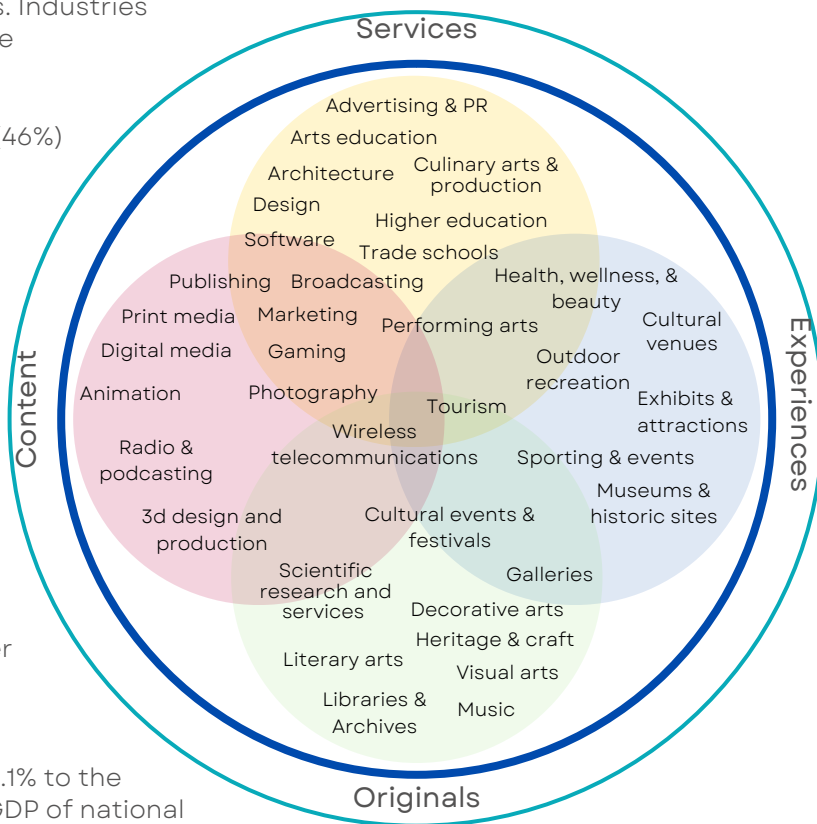


Figure 1: New Mexico's Primary Creative Industry Sectors

Extrapolating from pre-pandemic trends suggests creative economies could grow 40% by 2030. This indicates more than 7% of New Mexico's employees would work in the creative industries by 2030. Recent developments such as "the metaverse" and 3-dimensional and visual computing indicate this growth will come to pass.

5%

of New Mexico employees work in the creative industries

\$5.6 billion

Total annual contribution of cultural sector to New Mexico's economy

\$2.4 billion

Total annual wages paid to workers in New Mexico's creative industries



CREATIVE INDUSTRIES DIVISION

The purpose of the Division is as follows:

- to increase and promote creative industry-based economic development and tourism in New Mexico;
- to support entrepreneurs and small businesses in creative industries;
- to assist organizations that support creative industry companies and workers;
- to support educational and workforce training initiatives that facilitate creative industry growth and success;
- to identify and help establish public infrastructure to support creative industries;
- to serve as an information clearinghouse by providing resources and opportunities to creative industry stakeholders; and,
- to act as a liaison between creative-industries-related businesses and organizations.

The G20 reports the creative economy is predicted to account for up to 10 per cent of global GDP by 2030.

THE NEED FOR A CREATIVE INDUSTRIES DIVISION

The creative industries represent a new, diverse area of economic opportunity which stands apart from both the NM EDD Film Office and the Department of Cultural Affairs.

New Mexico can quickly be equipped to pursue and expand the full breadth of the economic, social, and cultural opportunities the creative industries offer. Our state's abundant and extraordinary cultural assets, our unparalleled creative talent, and the future-focused state leadership are all in place to assure the Creative Industries Division has the necessary fuel to accelerate our communities' success in this new economic paradigm.

PROPOSED LEGISLATION

The Creative Industries Division at the New Mexico Economic Development Department is a strategic initiative to diversify New Mexico's economy by providing rural, tribal, and urban communities with sustainable cultural infrastructure, global market reach for creative products and services, and training for the next generation of New Mexico's creatives to work in these growing industries.

APPROPRIATIONS

We are requesting an appropriation of sixty-seven million dollars (\$67,000,000) from the general fund, including a \$2 million operating budget for the Division, to invest in New Mexico's creative economy by establishing a Creative Industries Division under the direction of NM EDD.

The Creative Industries Division's success will be accelerated by a strengthened state arts agency. New Mexico Arts, a division of the Department of Cultural Affairs, has a proven model for sustaining and growing arts learning, activity, and production. Increasing the contract budget by \$2.2 million will enable a tripling of awards to local non-profits and governmental organizations from the current low average of \$7,000. In turn, the creative workforce will be strengthened, growing community arts access and partnerships with the business community, and other funding sources will be leveraged.

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