<u>Press release: Creative industries'</u> <u>record contribution to UK economy</u>

- Strong growth also in nation's tourism, culture, sport and digital industries
- DCMS sectors contribution to the economy up by 3.6 per per cent year-onyear to almost £250bn, accounting for 14.2 per cent of the UK's Gross Value Added (GVA)

The UK's booming creative industries made a record contribution to the economy in 2016, new statistics show.

Industries including advertising and marketing, arts and film, TV and radio, and museums and galleries are all part of this thriving economic sector, which is now worth almost £92bn, according to the figures published today by the Department for Digital, Media, Culture and Sport.

The creative industries' contribution to the UK is up from £85bn in 2015 and it is growing at twice the rate of the economy. The sector now makes up more than five per cent of the UK economy's GVA. Much of the increase has been driven by a boom in the computer services sub-sector. While this includes video games, it also covers wider digital industries.

DCMS sectors' contribution to the UK economy overall continues to rise, with GVA at £248.5 billion in 2016, up 3.6 per cent year-on-year and up 29 per cent since 2010. DCMS sectors now account for 14.2 per cent of the UK's GVA.

Secretary of State for Digital, Culture, Media and Sport Karen Bradley said:

Britain's creative industries play an essential role shaping how we are seen around the world but as these new statistics show they are also a vital part of the economy.

The sector is now one of our fastest growing industries and continues to outperform the wider UK economy. This is a testament to the talent and drive of its workforce and we are working closely with them to make sure this fantastic success continues.

I am delighted to see the sectors my Department supports contributing so positively to people's lives and helping strengthen the economy, as we work to build a Britain fit for the future.

The Government continues to back the creative industries sector. For example, dedicated tax relief to support high-end television productions, such as Game of Thrones and The Crown have seen a production boom worth £1.5 billion since the scheme was introduced in 2013. There was also £1 billion of inward investment in the film industry last year as a result of tax relief.

The government's UK Games Fund, which helps video game companies grow with grants to support new projects and talent, has just been extended until 2020. The government has also recently announced the opening of a £80 million Creative Industries Clusters Programme competition which will boost innovation in the sector by part-funding research partnerships between universities and industry.

Britain's thriving tourism sector has continued to grow and now makes up almost four per cent of the UK economy — worth a record £66 billion in 2016.

Sport's value to the UK economy has also increased by 4.9 per cent year-on-year and by 28.6 per cent since 2010. Sport's value, which includes sport equipment production and the operation of sports facilities, rose to £9 billion, although this does not include the sports broadcasting rights or sports advertising markets.

The UK's world leading digital sector has seen its contribution to the UK economy increase by 5.8 per cent between 2015 and 2016, and by 23.3 per cent since 2010.

The Government recognises the value of the UK's digital sector. Two weeks ago the Prime Minister and Chancellor hosted a tech roundtable and reception at Downing Street and earlier this year the Government published its Digital Strategy to help make the UK the best place in the world to start and grow a digital business.

Last week's Budget included more than £500m of investment in technologies including artificial intelligence (AI), 5G and full fibre broadband. This was followed by Government's Industrial Strategy earlier this week, which committed to transformative investment in pioneering immersive technologies such as virtual and augmented reality with £33m from the Industrial Strategy Challenge Fund. This investment is also designed to capture new global audiences and grow our leading market position in creative content.

Notes to editors

- Gross value added measures the value of goods and services produced without associated costs.
- This release provides estimates of the contribution of DCMS sectors to the UK economy, measured by gross value added (GVA).
- The 2016 figures are provisional and are subject to change when ONS National Accounts are published next year.
- Link to statistics here.

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