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Tech startup tech entrepreneurs work at Venture Hive in downtown Miami. - Miami Herald file

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Miami wants to be a creative hub. Here's what might keep that from happening.



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February 02, 2018 08:37 AM Updated February 02, 2018 05:32 PM Miami may be staking its future on its creative labor pool — the well-educated arts, media, legal, healthcare and financial workers that many experts say drive U.S. economic growth. But it turns out that here, the pay's not so good.

The median annual wage for creatives in the Miami metro area is a relatively measly \$54,000, a far cry from the \$97,000 creatives earn in the U.S. innovation capital of Silicon Valley. That's according to a new report by the joint FIU-Miami Creative City Initiative of Florida International University and urbanist Richard Florida's Creative Class Group think tank.

The stingy wages for creative workers mean Miami ranks near the bottom of 53 major cities, according to the study. Even Jacksonville, Tampa and Rochester, New York, manage to pay their creatives slightly better — and their cost of living is significantly lower. Miami's median creative pay also lags the national median creative wage of \$59,405, the report says.

The only metro areas studied that ranked lower were Oklahoma City, Oklahoma; Louisville/Jefferson County, Kentucky; Grand Rapids-Wyoming, Michigan; Orlando; and Tucson, Arizona.

One possible explanation: The prevailing low wage across the service-dominated Miami metro area drags pay down for everyone, creatives included, said Steven Pedigo, director of research for the Creative Class Group and co-author of the report with Florida.

"Miami, in terms of its creative class, still struggles," Pedigo said.

The low pay could prove a significant obstacle as the region tries both to attract tech and other creative workers and retain talented young locals amid a major push to diversify an economy that critics say is overdependent on tourism and real estate.

The report, Benchmarking Miami's Talent Base, is the latest in a series of research briefs produced by the FIU-Creative Class joint venture. The multi-year initiative was underwritten by the Knight Foundation to help local business and civic leaders learn more about where Miami stands in comparison to other U.S. cities in fostering the sort of knowledge-driven occupations necessary to compete in the modern economy.

The answer so far: Not so hot.

<u>Past reports</u> have outlined some positives: Miami ranks 11th among large metros in terms of the sheer number of knowledge and creative workers, with almost 1 million. But those represent less than a third of total employment, lagging behind the national average of 36 percent and ranking Miami 50th among big metros. The region does excel in terms of workers in the legal field: its 45,000 legal workers put Miami metro fifth among its peers.

A previous report from the research initiative put the average pay of Miami creatives at \$76,000, or 26th in the country. But Pedigo said using the median, the mid-point at which half the people make more and half less, is likely more telling.

That's because the median is derived from Census Bureau statistics that may reflect what people do with greater precision — capturing, for instance, the musician or actor who moonlights as an

administrative assistant or waiter. The average pay, by contrast, came from Bureau of Labor Statistics figures under which that musician would appear simply as a clerical worker.

The latest report also confirms some glaring weaknesses in education, something other studies have also shown. Though Miami metro has a large pool of college students, putting the region in the top 10, overall educational attainment lags that of other places, the study concluded. Just over 30 percent of adults have a four-year college degree, far behind what the Creative Class terms "superstar" cities, such as Washington, D.C., and San Jose, Calif.

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