

## SUBMISSION TO DATA AND STATISTICS BILL December 2021

### BACKGROUND

WeCreate is the alliance comprising forty of Aotearoa's major creative industry associations and organisations (representing 30,000+ Kiwi creators, support people, and creative businesses), which was founded in 2014 to propel growth in the sector and increase its contribution to New Zealand's social and economic wellbeing.

In 2016 WeCreate commissioned NZIER to produce a valuation of the creative sector which estimated its **contribution to GDP at \$17.5bn and employment at 131,000 people** – one third of whom work outside the creative industries. The following quote, taken from the NZIER Report, summarises our experience in relation to data and statistics about our sector in New Zealand:

*Existing definitions and methods of measuring the economic impact of creativity in New Zealand do not take full account of the sector's dynamic, rapidly changing nature. Better data will allow everyone with a stake in the creative sector to better understand the scope and scale of the sector and its current and potential contribution to the economy and our well-being*

WeCreate needed the NZIER report to be able to start a conversation with government about our sector. The government had never produced its own data and statistics on the whole creative sector, and data on the sector subset of arts and culture, hadn't been produced since 2008.

The comments made here reflect WeCreate's experience over the past five years in compiling our own data about our sector, working with our members and understanding how each creative industry compiles its own data, as well as – more recently – working with Manatū Taonga, MBIE and Auckland Unlimited to secure and understand data about the creative sector.

### SUBMISSION

WeCreate welcomes the Data and Statistics Bill as a tool for enabling the collection and use of data and statistics to help to inform decision-making in Aotearoa, including government policy and investment decisions.

We are pleased to see acknowledgement in the Explanatory Note that the current Act is not fit for purpose, including data responding to the development of digital technology. We submit that the **process of enacting legislation will never keep pace with technology** and that provisions in legislation need to enable those responsible for delivering on the legislation's intent to be empowered to do so. In regard to this, we note that the draft Bill appears to give the Minister a reasonable degree of influence over the decision-making processes of the data and statistics that will be gathered, both now and in the future. **We would caution the extent to which a Minister should have influence in the system**, versus the responsibility and accountability of the responsible agency – StatsNZ.

As the responsible agency, StatsNZ should be required to engage, not just within government, but also with industry and sectors, to understand and inform the data and statistics needed in the short, medium and long-term future of the economy. In WeCreate's experience, this type of engagement and the mandate and resource for StatsNZ to be able to make changes to the data and statistics system as a result, does not currently exist.

Creativity, like technology, is not a sector vertical but a **horizontal enabler of environmental, social, economic, educational and cultural wellbeing**. It is critical to understand and consider this from a data and statistics perspective. It is also important to **consider the speed of change in a digital world, and how a system for capturing meaningful, timely and useful data and statistics will be able to respond**.

The New Zealand creative and cultural sector has been an early adopter of digital, and in several segments is among world leaders (visual effects, video games, music streaming uptake). As it has for technology businesses, COVID-19 has accelerated the domestic and export growth of digital creative products and services, as the sector has adapted to online creation and delivery more rapidly than many others and has found new markets as a consequence.

WeCreate has an Alliance Agreement with NZTech and, through this relationship, we know that the tech sector in New Zealand has similar experiences to ours in relation to data and statistics, including:

1. Sectors needing to capture our own data due to this work not being done by government
2. The failure of the stats system to add and adapt occupation and industry codes that adequately reflect – and keep up with – the rapid technological advancement of our industries.
3. Data and statistics on digital exports that are separate from “services trade”

In addition to these, the creative sector’s prevalence of **workers who are self-employed and/or have portfolio careers**<sup>1</sup> makes it even more challenging to accurately define employment in the sector.

Our member associations that **produce their own data and statistics** bear the often significant cost of creating this. While some of the industry-specific data may be expected to be produced by and industry for itself, primary data and **metrics such as an industry’s economic contribution to Aotearoa and employment statistics should be a core function of StatsNZ**. In our experience, government has a preference for using its own data in its decision-making. This may sit well with industries and sectors where government’s data is accurate and in line with what an industry understands of itself, but in the circumstances we currently have relating to industries and sectors that are highly or wholly digital, government’s data is not accurate and does not adequately inform policy development.

The industries in our sector that create and distribute digital content do not have ANZSOC codes for their employees/contractors that are relevant for many of the roles that now exist in these industries. Some of the industries, such as augmented and virtual reality, also don’t have ANZSIC codes to use and end up falling into the “software” bucket. With technology creation and development so rapidly changing the world we live in, we need a data and statistics system that keeps pace and evolves.

Challenges in capturing the value created for New Zealand from digital occupations and industries, extends to trade data. WeCreate has been working with MFAT for some years in order to increase understanding of what creative digital trade looks like and how barriers to trade are very different in digital than the barriers in physical goods trade. Inherent in this, is **the capture of data relating to digital trade**. Currently, the StatsNZ system has two buckets for trade value – goods and services. A search within the categories for services exports produces a “nil” return for “digital”. **Trade in digital products and services has been taking place since the internet was created over two decades ago and we’re still not counting it**. At a time when New Zealand is looking to diversify the economy towards low-emissions sectors and “weightless” exports, we have no data and statistics to help us understand this vital area.

Ngā mihi maioha,

Paula Browning  
Chair

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<sup>1</sup> Infometrics Report to MCH – creative sector has double the number of self-employed workers than any other sector of the economy

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WeCreate

GROWING OUR CREATIVE SECTOR  
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## The WeCreate Action Plan

Between 2017 and 2019 WeCreate undertook extensive consultation across the sector, via hui and specific working groups (some of which are ongoing), resulting in a primary objective of partnering with government in a pan-Ministerial approach to an Action Plan to boost economic development and growth in the sector. A draft Action Plan was delivered to government in March 2019, and the sector was delighted to learn that it would be included in MBIE's Industry Transformation Plan programme from 2020.

The development of the WeCreate Action Plan included officials from MBIE, MCH, MFAT, NZTE, MoE, Stats NZ, and Callaghan Innovation. Regular hui were held to connect these Ministries and agencies with industry, and with each other, in a more 'joined-up' approach to the sector.

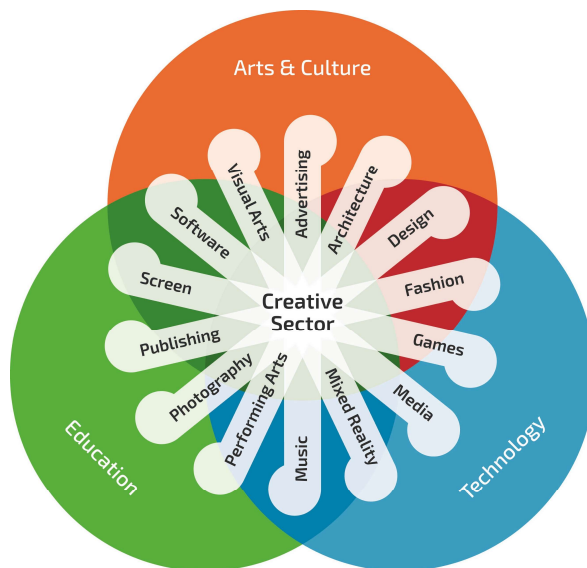
Alongside the sector-level Action Plan, WeCreate has been closely connected to the development of the Interactive Aotearoa report, the Screen Sector Strategy, and a variety of regional creative industries and arts strategies – all of which share strong similarities of intent and make recommendations to maximise opportunities and solve issues, and which could be most effectively addressed in a pan-sector approach.

With the advent of COVID-19, WeCreate consulted its Members & Friends on the impacts of the pandemic on their industries, and adapted the Action Plan to a Recovery and Renewal Plan, to address the immediate needs of the sector and lay the foundations for the ITP. The Recovery & Renewal Plan was delivered to Ministers in early April 2020.

In late July 2020, WeCreate was informed by MBIE and MCH that the Industry Transformation Plan for the creative sector would not be progressing for the foreseeable future, in light of the significant Budget 2020 investment made by government to support the Arts, Culture and Heritage Sector through its recovery from COVID-19.

WeCreate's current work-streams on behalf of the sector include:

- On-going liaison with government departments relevant to the economic development of the sector – including MBIE, MCH, MoE, TEC, MFAT, NZTE, NZ Story, MSD, Stats NZ, Callaghan Innovation.
- Working closely with NZ Tech/MBIE on the creative tech aspects of the Digital Industry Transformation Plan, and the NZ Tech & Innovation Story.
- Advising MCH on the development of a new measurement model for the sector.
- Participating in the Review of the Copyright Act from a sector-level perspective.
- Participating in the Reference Group for the design of the Workforce Development Councils in the Reform of Vocational Education, liaising between industry and the Toi Mai WDC, and liaising with central and local government on several other projects related to skills, capability and business development.
- Providing industry advice and connections to MFAT (including APEC/ABAC) regarding current and forthcoming trade negotiations and development of policy on digital trade.
- Providing industry advice and connections to the Productivity Commission in respect of its 'Frontier Firms' enquiry.
- On-going liaison with other strategic work in, or relevant to, the sector including the Screen Sector Strategy, Interactive Aotearoa, Te Taumata Toi a Iwi, Create Auckland 2030 and other regional arts/creative strategies – all of which have many commonalities with WeCreate's Action Plan.
- On-going liaison with CreaTer – the alliance of creative tertiary educators.



### WeCreate's Members and Friends are:

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| Advertising & Illustrative Photographers Assn | APRA AMCOS NZ                     |
| Auckland Unlimited (formerly ATEED/RFA)       | Australia & NZ Screen Association |
| Christian Copyright Licensing International   | Commercial Communications Council |
| Copyright Licensing NZ                        | Creative NZ                       |
| Design Assembly                               | Designco                          |
| Directors & Editors Guild NZ                  | Equity NZ                         |
| Home Entertainment Association NZ             | Independent Music NZ              |
| Interactive Games & Entertainment Assn        | Mindful Fashion NZ                |
| Motion Picture Distributors Association       | Music Managers Forum NZ           |
| NZ Comedy Trust                               | NZ Film Commission                |
| NZ Game Developers Association                | NZ Institute of Architects        |
| NZ Institute of Professional Photography      | NZ Music Commission               |
| NZ On Air                                     | NZ Society of Authors             |
| NZ Writers Guild                              | Playmarket                        |
| Print Media Copyright Agency                  | Publishers Association of NZ      |
| Recorded Music NZ                             | SAE Institute                     |
| Screen Industry Guild Aotearoa NZ             | Script to Screen                  |
| Screenrights                                  | Sky Network Television            |
| Screen Production and Development Association | The Creative Thinking Project     |
| TVNZ  | Weta Group                        |