

Hon. Dr Shane Reti Parliament Buildings Wellington 6160 30 January 2025

Dear Minister Reti,

On behalf of WeCreate¹, the alliance of New Zealand's creative industry associations and organisations (representing 30,000+ creators and businesses), which is focused on the growth of our creative economy, we congratulate you on your recent Ministerial appointments. We are writing to share some of WeCreate's work that connects with, in particular, your Science, Innovation and Technology, and Statistics portfolios.

New Zealand's creative economy is already generating \$16.3bn in GDP, growing at nearly double the rate of the rest of our economy, and supporting 115,114 jobs.

The New Zealand creative and cultural sector's contribution to GDP grew by 10% between 2022 and 2023 (vs 5.3% for the rest of the economy), yet this revenue was generated by only 4.3% of the total New Zealand workforce. ²

New Zealand's creative sector is highly digital and innovative, develops the skills and talent that our future workforce will require, and is an untapped opportunity for economic growth, greater productivity, and increasing export revenues.

Creative Tech is the merger of art, design, media, and content creation with digital software tools and services. Creation, production, distribution, and marketing in most of our creative industries have long been digitised – interactive products, screen and music streaming, and e-books being just a few examples. The estimated global market size for the Creative Tech sector was USD8.5billion in 2021 and it is expected to grow 7% per year³. New Zealand is home to software companies creating digital production tools for a range of creative and other industries, and has an international reputation for creativity in screen, games, design, media, and advertising.

The New Zealand creative sector is well-placed to help the government deliver on its goals for economic revitalisation and growth, including through exporting more creative products and services. Creative exports:

- share many synergies with the tech sector, including being key enablers of other sectors.
- are high-value, and creative businesses are adaptable, agile, and fast to respond to new market environments.
- are 'weightless' digital exports, and encounter fewer trade barriers than exports of physical products.
- will assist in New Zealand's diversification to a more sustainable trade portfolio, growing
 resilience to risks to New Zealand's traditional trading sectors and markets such as climate
 change and rising international protectionism (both of which will have less impact on creative
 exports than on many other sectors).
- are largely sustainable and kind to the environment supporting New Zealand's **transition to a zero-carbon economy**.
- also enrich the lives of all New Zealanders, and enhance our global reputation and brand.

¹ More detail about our Member & Friend organisations, and our work to grow New Zealand's creative economy, is on our website www.wecreate.org.nz.

² (2023) Infometrics Arts & Creative Sector profile for Manatū Taonga/Ministry for Culture & Heritage as at March 2024.

³ Grand View Research – "Creative Software Market Size, Share & Trends Analysis Report By Deployment, By Type, By region, And Segment Forecasts, 2022 – 2028", 2021.

To achieve the sector's potential, a concerted cross-government strategic commitment to support the sector's economic growth, in collaboration with creative business leader will be needed. We have noted this in our recent submission to Minister Goldsmith's draft *'Amplify'* strategy and, as Minister for Science, Innovation and Technology, you would be a key Minister to support the sector's success.

The cross-government approach has proven very successful in the UK, where their creative economy increased its contribution to GVA by 65% in eight years to £108bn in 2023. Their current goal is to grow the sector's GVA contribution by an additional £50bn, and create one million extra jobs, by 2030.

WeCreate's 'ask' is more about how government functions in supporting the opportunities the sector can bring, however we would like to note that significant innovation happens in the creative sector and it should always be included in consideration of innovation policy, including R&D.

WeCreate currently provides the link between the creative sector and government on sector-level matters, and since our establishment in 2014 we have developed close working relationships with senior officials from multiple government agencies, including MBIE, MFAT, NZTE, MCH, StatsNZ, TEC and DIA. We often curate and coordinate cross-governmental groups on matters impacting the sector – including an ongoing **Data and Insights Working Group**. This group now includes officials from StatsNZ, MCH, MBIE – digital and screen – Toi Mai (the Workforce Development Council for the creative, cultural and tech sectors), Tātaki Auckland Unlimited, NZ on Air, Creative NZ, Te Puni Kōkiri, and TEC. WeCreate's facilitation of this group helps to connect people from government with the creative sector, and with each other. There is now greater connection on work programmes we believe the group helps with avoiding duplication.

The establishment of the Working Group arose from the fact that the creative sector, along with other sectors that are highly digital, is not well represented in government statistics and data. We have made submissions to StatsNZ's review of industry and occupation classifications and are pleased that StatsNZ has identified data on trade in services – where the majority of the value generated by the creative sector happens – as a data quality priority.

We are based in Auckland and would very much appreciate the opportunity to meet with you either in Auckland, or online, to discuss how the creative sector might help you to achieve your government's economic goals.

Yours sincerely,

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cc: Minister Goldsmith, Carolyn Tremain (MBIE), Emily Fabling (MCH)