

Hon. Nicola Willis Minister for Economic Growth Parliament Buildings Wellington 6160 29 January 2025

Dear Minister Willis.

On behalf of WeCreate, 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 appointment as Minister for Economic Growth.

We are very pleased to hear that under your leadership, the government is planning an intense focus on growing New Zealand's economy, and on further unleashing the potential of businesses to grow, develop talent, and attract investment. These are goals that WeCreate shares. We've been delighted to see your recent comments and support in the media regarding the success of Wetā FX, and the gaming sector's need for high skilled workers so that the industry can continue to deliver high value jobs and high productivity.

You will find more detail about our Member & Friend organisations, and our work to grow New Zealand's creative economy, on our website www.wecreate.org.nz.

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. ¹

New Zealand's creative sector is highly digital, 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; yet it has never had a joined-up and strategic government approach to its economic potential.

There are many other reasons why the creative sector is well-placed to contribute to New Zealand's economic revitalisation and growth:

- We share many synergies with the tech sector, including being **key enablers of other sectors**.
- Creative products and services are high-value, and creative businesses are adaptable, agile, and fast to respond to new market environments.
- Many creative products and services are 'weightless' digital exports, and encounter fewer trade barriers than exports of physical products.
- Growing creative exports 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).
- People with **creative skills are in increasing demand across all sectors**, and creative jobs are at low risk of being automated in the Future of Work. There are opportunities for sustainable job creation in our sector particularly for Māori and Pasifika, youth, women and in the regions.
- The creative sector plays a key role in tourism attraction.

¹ (2023) Infometrics Arts & Creative Sector profile for Manatū Taonga/Ministry for Culture & Heritage as at March 2024.

- The creative industries are largely sustainable and kind to the environment supporting New Zealand's **transition to a zero-carbon economy**.
- Kiwi creativity enriches the lives of all New Zealanders, and enhances our global reputation and brand.

We were very happy that Minister Goldsmith included some economic goals for the creative sector in his draft 'Amplify' strategy, and have worked closely with his team at MCH, assisting them with the development of the draft, and their industry consultation on it - in particular with creative businesses that have experience with exporting. However, as you will see from our attached submission regarding 'Amplify', we would like to see the economic aims of this strategy strengthened so that the creative sector is better supported to contribute a great deal more to New Zealand's GDP and export revenues. This would require developing and implementing a concerted cross-government strategic commitment to support the sector's economic growth, in collaboration with creative business leaders.

This 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.

Our 'ask' is more about how government functions in supporting the opportunities the sector can bring, rather than funding for the arts, and for creative content. While this is vital to the growth of the sector, is not in WeCreate's sphere of advocacy.

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 Group which MBIE participates in. I was the Chair of the NZ Music Commission from 2013-23, and currently sit on the Advisory Board of NZ Story. Paula is Deputy Chair of the Auckland Regional Amenities Funding Board, and she sits on the Board of Toi Mai (the workforce development council for creative, recreation and tech).

We have attached a copy of <u>WeCreate's Action Plan</u>, which, following two years of consultation with both industry and government, was delivered to the Labour government in 2019, but put on indefinite hold due to the COVID response in 2020. We have also put together a short, updated, document for you outlining how and where the sector currently connects across government, and what the key barriers and solutions might be to unlock the full economic potential of the sector.

Our creative sector can grow, drive, and future-proof the New Zealand economy, in line with government's economic growth ambitions – the sector could be worth \$30bn by 2030. This will require senior Ministerial leadership – and government and business working more efficiently and effectively together.

Our hope is that you, along with Ministers Goldsmith and McClay, might be willing to collaborate, and work with us, and our membership, to unleash the economic potential of our sector further.

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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