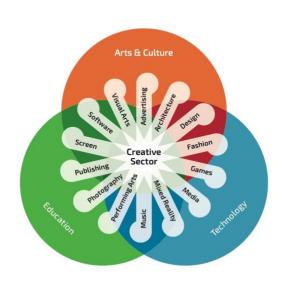


Submission to the NZ Productivity Commission New Zealand firms: reaching for the frontier – draft report

4 February, 2021

Background

WeCreate is the alliance of New Zealand's creative industries with the mission to grow the creative sector's contribution to New Zealand's social and economic wellbeing. WeCreate's member organisations represent content creators and owners across the spectrum of the creative industries. In addition to our Members, large businesses and government agencies in the New Zealand creative sector are Friends of WeCreate. Together our Members and Friends represent over 25,000 individual creators and creative businesses.



Submission

- 1. We refer the Commission to WeCreate's submission of September 2020, and would like to emphasise the following key points with regard to the Draft Report:
- 2. The creative sector is highly digital and most of our businesses have a global export mindset, many from 'day one'. Digital creative businesses are well placed to overcome the disadvantages of a small domestic market and geographic distance.

- 3. Exporting at scale and increased productivity can be achieved by many digital creative businesses without the requirement for significantly increased inputs. For example, a song released by one New Zealand artist can go on to achieve billions of streams, and a single NZ film can be sold globally to multiple markets and audiences.
- 4. New Zealand creative businesses are not currently eligible for government 'innovation' support.
- 5. The creative sector is by nature knowledge intensive and highly innovative, and the sector has 'rich possibilities' for greater innovation. Our industries often do not reflect standard industry classifications and comprise a set of diverse technologies.
- 6. Senior political leadership and a coordinated effort across government is required to fully leverage the potential of the creative sector and its potential 'frontier firms' particularly in policy relating to education and skills, regulation, immigration, investment, and infrastructure. The Cabinet decision not to proceed with the Creative Industry Transformation Plan (June 2020) leaves the sector, which is better positioned than many to 'build back better', without a cross-government mechanism to strategically leverage the opportunities the sector offers and deal with the issues it faces.
- 7. New Zealand screen, interactive and performance industries currently have a competitive advantage in global markets due to their ability to operate relatively normally thanks to New Zealand's COVID19 response.
- 8. The majority of creative sector businesses have a low carbon footprint and trade in 'weightless exports'.

Invitation

WeCreate would like to extend an invitation to the Productivity Commission to meet with a small group of creative sector leaders, in order to expand on the particular characteristics, opportunities and challenges for productivity growth, and the nature and potential of 'frontier firms', in the New Zealand creative sector 'ecosystem'.

Please contact Victoria Blood (WeCreate Leader) at <u>victoria@wecreate.org.nz</u>, and we will be happy to arrange this hui.

Nāku iti noa, nā.



WeCreate's Members and Friends are:

Advertising & Illustrative Photographers Assn APRA AMCOS NZ

Australia & NZ Screen Association ATEED

Christian Copyright Licensing International Copyright Licensing NZ

Commercial Communications Council Creative NZ

Directors & Editors Guild NZ Design Assembly

Designco Home Entertainment Association NZ

Interactive Games & Entertainment Assn Independent Music NZ

Mindful Fashion NZ Motion Picture Distributors Association

Music Managers Forum NZ NZ Comedy Trust

NZ Film Commission NZ Games Developers Association

NZ Institute of Architects NZ Institute of Professional Photography

NZ Music Commission NZ On Air

NZ Screen Association NZ Society of Authors

NZ Writers Guild Performing Arts Network NZ

Playmarket Print Media Copyright Agency

Publishers Association of NZ Recorded Music NZ

SAE Institute Script to Screen

Screenrights Sky Network Television

Screen Production and Development Association TVNZ

Weta Group