

SUBMISSION TO STATS NZ
FUTURE OF INDUSTRIAL CLASSIFICATION
APRIL 2024

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. In developing the NZIER report, we made a comprehensive assessment of both the ANZSIC and ANZSOC codes, as they relate to creative activity in New Zealand. The government has never produced its own data and statistics on the whole creative sector. In 2021 Manatū Taonga Ministry for Culture and Heritage commenced publication of data on [three subsets of the creative sector](#) – arts & culture, media & broadcasting and arts & culture Māori.

The comments made here reflect WeCreate's experience over the past six years in compiling our own data about our sector, working with our members to understand how each creative industry compiles its own data, as well as – more recently – establishing a Creative Industries Data & Insights Working Group (comprising representatives from Manatū Taonga, MBIE, StatsNZ, Tātaki Auckland Unlimited and Toi Mai – the Workforce Development Council for Creative, Culture, Tech & Recreation sectors.) The purpose of the D&I Working Group is to provide industry guidance and connections as input for the various agency's own data and insights work programmes, and to help reduce duplication of work effort so as to make best use of limited human and financial resources.

In the majority of our discussions with government the absence of data (or data that accurately represents the sector's current situation) arises as a barrier. One recent example of this is the Review of Vocational Education (RoVE) that led to the establishment of Toi Mai. Where other sectors and industries were able to rely on data held in and by government relating to their workforce the creative sector, along with tech, could not.

WeCreate and our Interactive Media members were also actively engaged with the Digital Industry Transformation Plan and Digital Aotearoa Strategy. The absence of fit-for-purpose data that keeps pace with technology development has been identified as a barrier to understanding Aotearoa's digital and digitally enabled sectors, as well as to measuring the impact of various government and industry interventions.

We are very pleased that StatsNZ is working towards a classification system that more accurately reflects the occupations and industries that are becoming more prevalent in our economy. It is also important that the system allows for new occupations and industries based on future technologies. As noted by the [World Economic Forum](#)

Technological change was extremely slow in the past – the technologies that our ancestors got used to in their childhood were still central to their lives in their old age. In stark contrast to those days, we live in a time of extraordinarily fast technological change. For recent generations, it was common for technologies that were unimaginable in their youth to become common later in life.

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The creative industries have been at the forefront of technology development and use for many decades. Our experience enables us to make highly informed comment on data capture and data use, both at an international level and locally. We are concerned that the proposals are, after decades of limited change, still primarily focussed on traditional industries and not those that are either currently on a growing trajectory, or that will form a significant portion of the future economy. WeCreate’s current membership is represented by the following creative ecosystem diagram. We note that the industries represented here are those that UNCTAD includes in its definition of the “creative economy”.



WeCreate follows the work of the [Creative Industries Policy and Evidence Centre](#) in the UK. In 2021 the PEC published an [Evidence Review on the Official Data Sources in UK International Creative Trade](#). This publication makes some useful comments in relation to data capture at the international level.

*“...it can be difficult to measure trade in creative goods and services on a national and an international level because the reporting of international creative transactions can be elusive. This is because the creative industries are skill, technology, intellectual property rights (IPR), service and digital intensive. Therefore, even if there were an agreed definition, **continuous changes in these features would require continuous reassessment of what constitutes creative goods and services, posing further challenges for statistical accounting in international transactions.**” (emphasis added).*

[UNCTAD](#) has also recently published a revised statistical framework aimed at [advancing measurement](#) of the creative economy. The report has two key objectives:

1. Enhance the measurement of the economic contribution of the creative economy by providing a list of creative activities (using the International Standard Industrial Classification of All Economic Activities (ISIC)) and products (using the Central Product Classification (CPC)).
2. Improve and update data collection on international trade of creative goods and services by revising UNCTAD’s statistical classification.

We acknowledge that designing data capture systems for dynamic industries that are actively involved in innovation, including the creation and use of new and evolving technologies, is challenging. However, we are concerned that Aotearoa is already behind other countries in not having a data system that helps government and industry understand where the value from technology and creativity is occurring in the economy and society. The proposed changes in this ANZSIC review will do very little to assist in addressing this.

Changes in government policy or interventions rely on data to understand and evidence potential impact. A recent example of this in the creative sector is the implementation of the [Game Development Sector Rebate Scheme](#). Some of the data needed to inform this new policy came from the NZ Game Developers Association that, since the organisation began, has compiled their own [annual data](#) about the value of their industry, along with other industry insights. Some other WeCreate member industries also gather data from their memberships because outdated industry and occupation codes do not, and have not for some time, reflected our dynamic sector.

Our members have also expressed concerns about the implications of changes to the New Zealand data system that may result in higher compliance costs (eg. ACC levies). An example of this is the use of “computer programming” instead of “motion picture” J codes to reflect that post-production editing is an at-desk activity, not a production-set activity (that comes with higher health & safety risks). The fashion industry has similar concerns.

Staff from StatsNZ have recently joined WeCreate’s Data & Insights Working Group and we hope that involvement with this group will help to grow StatsNZ’s understanding of the creative economy/ecosystem in Aotearoa. Our previous submissions to StatsNZ on the [LTIB](#) and on the [Data & Statistics Bill](#) provide further background to the challenges our sector faces in securing fit-for-purpose data.

SUPPORT

WeCreate supports the submissions of:

- Tātaki Auckland Unlimited
- Toi Mai
- Mindful Fashion NZ
- Visual Effects Professionals Guild

Ngā mihi maioha,

Paula Browning
Chair
paula@wecreate.org.nz
Auckland, New Zealand

The logo for WeCreate, with 'We' in blue, 'C' in green, 'r' in orange, 'e' in red, and 'ate' in purple.

GROWING OUR CREATIVE SECTOR
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