

# SUBMISSION TO STATSNZ FUTURE OF OCCUPATION CLASSIFICATION AUGUST 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 had 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 eight 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, Creative New Zealand, NZ on Air 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 both the sector and in government.

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. This was highlighted in 2020 during 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.

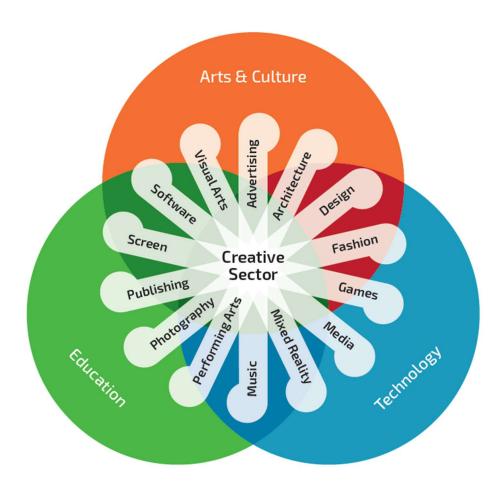
WeCreate and our Interactive Media members were also actively engaged with the Digital Industry Transformation Plan and Digital Aotearoa Strategy. The absence of fit-for-purpose data that keeps pace with technology development has been identified as a barrier to understanding Aotearoa's digital and digitally 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 <u>World Economic Forum</u>

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 occupations 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 many of the occupations within the industries represented here are already wholly digital and that the proposed occupation category additions will have limited impact on the use of ANZSOC to better understand work in the sector, or its value, and to support investment in New Zealand's future workforce.



We agree with the Consultation document's assessment that the current data system is not sufficiently representative of a New Zealand context and also recognise the need to retain a level of international comparability.

## We support the proposal for a separate but aligned occupation classification.

The current <u>NZ University Advisory Group's consultation</u> on the operations and core activities of teaching, research and knowledge transfer, asks "Are the universities matching their range of teaching and research disciplines to New Zealand's current and future needs? In what ways could the system better identify and plan for future needs? In our submission we have noted that:

<sup>&</sup>lt;sup>1</sup> For analysis purposes the relevant content from our submission to StatsNZ's consultation on Industry Codes, has been repeated here.

The growing emphasis on STEM<sup>2</sup> disciplines at most New Zealand universities (as opposed to STEAM<sup>3</sup>), and the decline in student enrolments for Arts & Humanities, is a barrier to our ability to meet the educational needs of New Zealand's future workforce.

Our reference point for this comment is the <u>World Economic Forum 'Future of Jobs' 2023</u> report which states that surveyed organisations rated *Creative Thinking* as the number one 'skill on the rise', with Technology Literacy at number 3.

### The WEF report also states:

Analytical thinking and creative thinking remain the most important skills for workers in 2023. Analytical thinking is considered a core skill by more companies than any other skill and constitutes, on average, 9% of the core skills reported by companies. Creative thinking, another cognitive skill, ranks second, ahead of three self-efficacy skills – resilience, flexibility and agility; motivation and self-awareness; and curiosity and lifelong learning – in recognition of the importance of workers ability to adapt to disrupted workplaces.

This is relevant to this StatsNZ consultation given the connection between the data the ANZSOC system captures and the use of that in evidencing policy, including investment in tertiary education. Part of the challenge with the funding model in tertiary education is that the data used to make decisions is backward-looking and also not reflective of the occupations that are evolving in line with technology developments. Prior to reading this StatsNZ consultation document, we were not aware of the work that TEC is undertaking with their new Online Careers Solution Platform – Tahatū – and are very concerned that this will also not make contemporary and evolving work opportunities, such as those that exist in our sector, visible to students.

While we applaud the intention of StatsNZ's approach to connecting information sources across government and maximising the use to technologies for efficiency, this does come with risk to sectors such creative and tech where new occupations are a constant, and these need to be visible in data systems for government, industry and the future workforce.

We acknowledge that designing data capture systems for dynamic occupations that are leading innovation, including the creation and use of new 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 ANZSOC review will do very little to assist in addressing this.

We draw your attention to the world of Creative-Tech - the intersection of creativity and technology - where the Games Industry is often put forward as an example. The NZ Game Developers Association was founded in 2011 and welcomes members who are "artists, animators, game designers, programmers, managers, producers, testers, customer support". The proposed addition of occupation code 261213 Video Game Designer is welcomed however one new code is insufficient to capture the existing breadth of occupations that currently exist in this industry, or that will continue to evolve at a rapid pace due to emerging technologies such as generative artificial intelligence.

The creative sector has a largely freelance and micro-SME workforce. Estimates in the sector vary by industry but Infometrics (2023 for MCH) report that over 35% are self-employed, and that over 90% of creative businesses employ less than five people. In order to understand the depth and breadth of the creative workforce, and to give visibility to where creativity is adding value to the economy, culture and society, the data system needs to be more granular. A freelance worker is likely to undertake work in multiple occupations and the current data system, including the IRD's approach to the use of BIC codes, requires the self-selection of a single occupation.

<sup>&</sup>lt;sup>2</sup> Science Technology Engineering Maths

<sup>&</sup>lt;sup>3</sup> Science Technology Engineering Arts Maths

We are very pleased to have recently welcomed a member of staff from StatsNZ to WeCreate's Data & Insights Working Group. 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:

- Manatū Taonga | Ministry for Culture and Heritage
- Toi Mai Workforce Development Council | Creative, Cultural, Tech, Recreation

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