NZ On Air Music funding scheme changes:

A new pathway to support success for New Zealand music

November 2026

Purpose

This paper sets out a new Music strategy, providing the context, research and stakeholder input, and outcomes of a comprehensive re-thinking of NZ On Air's music funding support. This new Music strategy will be rolled out in 2027.

Helping artists build audiences, careers and cultural impact in New Zealand and beyond.

NZ On Air's role in Music

NZ On Air's support for NZ music is mandated under the Broadcasting Act 1989. Specifically, the wording of the Act refers to funding music for the purpose of radio broadcasting, later updated to include 'on demand' content, which in the context of music includes music on streaming platforms.

The agency's purpose as defined under the Act is to "reflect and develop New Zealand's identity and culture" through the funding of content. In the music space it is clear that NZ On Air's funding is not a creative arts support programme (there are other entities with this responsibility) but specifically targeted at supporting music that will be broadcast and reach audiences.

The current allocation for Music budget in NZ On Air's 2026-27 budget is $6 million (including $185,000 for Music Promotion, but not including funding for industry capability initiatives, awards celebrations, and platform funding for the Student Radio Network)[1]. The new strategy is based on this budget.

[1] NZ On Air invests significant funds in a range of industry support and capability initiatives via the separate Capability and Discoverability funding streams that benefit the music industry broadly and individual artists. This funding is additional to the explicit Music funding budget.

Strategic context

The Government's Arts and Culture strategy *Amplify* was the basis for NZ On Air's refreshed strategic framework, launched in July 2026. The framework (see pg 9) is structured around five pillars, two of which encourage more purposeful activity in people and skills development *(Enable*) and increasing ambition, scale and reach of content (*Elevate*). In addition, the *Respond* pillar requires that our funding models are adaptive and fit-for-purpose. Against this backdrop NZ On Air can now consider a wider range of activities in support of growing artists' audiences, careers and cultural impact.

Also contributing to the setting in which these music changes take place are two key environmental factors – changing audience behaviour and a reduced budget.

Over the past decade, audiences have moved away from traditional radio towards streaming. NZ On Air's *Where are the Audiences* research shows radio broadcast reach fell from 59% in 2016 to 39% in 2026, while music streaming grew from 31% to 41%. Daily time spent listening to radio has almost halved, while time spent streaming has nearly doubled.

For local artists, this shift means more competition than ever: over 100,000 songs are uploaded to streaming services every day, most listening is to catalogue, and algorithms favour big international artists. A great song is no longer enough – artists need the skills, discipline and partners to build discovery and grow an audience. And because music is released on streaming platforms to global audiences, artists need to be able to promote their work not just to local audiences but global.

At the same time, NZ On Air faces pressures arising from the 2% overall budget reduction in FY2026-27 and anticipated further budget reductions in FY2027-28 and beyond. This has required careful consideration of what changes can be made to ensure the most efficient and effective use of taxpayer funds in all areas.

What's informed the new strategy?

The most recent external Music funding review was undertaken in 2023 by Victoria Kelly. While the review resulted in some changes to the funding schemes at that time, some of the recommendations were not able to be actioned as they were deemed to be out of scope. Many of these recommendations remain relevant and are now 'in scope' as a result of *Amplify* and the strategic framework changes.

In addition, the 2025 Māori Music Industry Collective (MMIC) Review of Māori artists' experiences of NZ On Air funding also had recommendations for change. A number of recommendations were acted on, with a further proposal – for a dedicated Māori focus round without te reo outcomes – which was not able to be implemented at the time.

Throughout 2026 the NZ On Air Music team has been undertaking consultation with a broad cross-section of music sector stakeholders to better understand the challenges the industry is facing, and model changes to the funding strategy that can better serve the music industry's needs and grow audiences for local music.

Industry engagement has included meetings with record labels (major and independent), music managers, artists and other stakeholders in Auckland, Wellington and Christchurch and group meetings online. In addition to the formative feedback, consultation has included outreach to the Pasifika and Pan-Asian music communities. The below is a high-level summary of the feedback from those meetings.

- **Too many singles are funded.** 190 singles a year across the New Music Single and Focus rounds is too many. With the many challenges artists face in the current music environment, a lot of funded singles are not achieving broadcast success.
- **Bodies of work build audiences.** EPs, albums and multi-single projects are key to building fan bases and growing audiences. Breaking artists takes longer and needs a flexible plan that can pivot.
- **Marketing and promotion are undervalued.** Most artists underestimate their importance and cost. The strategy and the team around an artist are important.
- **Music management needs support.** There are too few experienced managers and little new management talent coming through due to low, uncertain income and cash-flow pressure. There's a need to support managers and the independent infrastructure around local artists, including export readiness.
- **Suppliers aren't paid fairly.** Suppliers often work at discounted rates or as favours, undermining industry sustainability.
- **International releases are important to an artist's career and sustainability –** however the cost to properly market and promote a release in an international territory can be prohibitive.

From the 2023 research, MMIC report and the recent consultation it was clear we needed to re-shape Music funding to provide more wrap-around support that will encourage artist progression from emerging stage to local and global success. The new strategy has an updated focus on artist development and upskilling, invests more in multi-song projects (albums and EPs) and expands promotion to include finding global audiences.

A new pathway to support success

The resulting new strategic mission is:

> ***Helping artists build audiences, careers and cultural impact in New Zealand and beyond.***

Beneath this aspiration, the core objectives are:

- **Improve discoverability and grow audiences.** Help New Zealand music reach audiences through contemporary platforms, marketing, promotion and audience development activity.
- **Support artist career progression.** Create funding pathways that support artists and their teams to progress based on evidence of audience engagement, upskilling and career development.
- **Increase ambition and reach.** Support career artists with demonstrated momentum to pursue larger audience opportunities in New Zealand and internationally.
- **Deliver public value.** Target investment where there is evidence of audience impact, cultural value and potential for sustainable growth.
- **Create quality content –** support artists to create quality music, video content and associated tools in order to compete with international releases.

The new Music funding strategy relates back to the Strategic framework in this way: audience discovery and enjoyment (*Engage*), talent and capability development (*Enable*), evidence-based investment (*Inform*), adaptive funding models (*Respond*), and increased scale and reach (*Elevate*).

The strategy in detail

Development Funding

New Music Development (NMD) - $220,000[2]
New Music Pasifika - $110,000
New Music Pan-Asian - $110,000
New Music Māori - $110,000

Development funding is clearly needed for emerging artists to record and release a song supported with video content, marketing and promotion.

We expect that these four funding streams will provide a more explicit entry-level pathway for emerging artists.

We recognise that the Pasifika and Pan-Asian focus rounds have been successful at increasing engagement with NZ On Air funding for these under-represented groups. With New Music Pasifika and New Music Pan-Asian, we are resetting the intentions of these rounds to be more purposeful about **supporting new artists to develop**. In addition, we are adding a Māori development round in response to the recommendation in the MMIC report, without the language focus of Waiata Takitahi.

[2] Note that this funding stream differs from a previous New Music Development funding scheme offered with COVID funds and targeted at music producers.

There will be one annual funding round for each of the four funding streams within Development. There will also be minimal entry criteria requirements (the artist has released at least two songs and has a social media profile) and funding will be for artists who have not received New Music Single or New Music Project funding when they first apply. An applicant can only receive a development grant twice (across New Music Development, New Music Pasifika, New Music Pan-Asian and New Music Māori), as the aim is to support them in building their audience to a stage where they will then be able to tick at least 10 of the 30 criteria to apply for New Music Single.

As the artists receiving this funding will be relatively early in their career, the recipients will receive dedicated wrap-around support:

- Two compulsory Music Manager Forum Aotearoa (MMF) mentoring sessions.
- Compulsory webinars with the NZ On Air Music Team and Accountants around contracting and budgeting.
- Additional upskilling webinars with industry partners.

New Music Focus rounds

New Music Kids - $110,000

Waiata Takitahi - $75,000 (co-fund** with **Te Māngai Pāho)

These two funding rounds will remain with the same criteria, with New Music Kids remaining as a pathway to New Music Project Kids, and Waiata Takitahi a co-fund with Te Māngai Pāho for artists who are interested in recording and releasing a bilingual single with 25% te reo Māori.

New Music Single (NMS)- $660,000

This tier of funding has traditionally been the core of NZ On Air funding but was also the area where the vast majority of stakeholders believe change is needed. A stand-alone single release is not enough to build an audience or cut through in the streaming space. NZ artists are competing for streaming and radio airplay with big international artists, who are releasing singles as part of a comprehensive album release strategy and plan. While many funded singles have achieved strong results across both mainstream and niche audiences, industry feedback was clear that the volume of singles, and the way they are assessed, has created scattergun results, with some singles released not achieving results.

What changes:

- NMS will be reduced to two rounds per year. There will be 30 grants each round of $11,000, totalling 60 grants per year.
- Application and assessment criteria for NMS will be revised. Currently, assessment panels are asked to assess only on the song quality and potential broadcast outcome. This revised tier will require assessors to take account of the team the applicant is working with for the release and the release plan and growth metrics.
- The entry criteria for NMS will be revised to give a clear distinction between NMD and NMS. These details will be published closer to the funding round changes.
- Sound or visual social content creation, and international digital marketing are now eligible expenses.

New Music Project (NMP) - $2.7 million

This funding stream continues to be a key part of NZ On Air's music strategy. A NMP (essentially an album, EP or multi-single release) provides a body of work for an artist to promote and grow their audience.

We are increasing our investment in NMP and retaining three rounds a year.

What changes:

- CD, vinyl sales and gig attendance (both domestic and international) will be performance measures that are taken into account for entry criteria and in the assessment. This acknowledges industry feedback that purchasing an album or attending a gig can be a more meaningful form of fan engagement than streaming alone.
- CD and vinyl manufacturing costs and social content creation are now eligible expenses.

New Music Project Touring (NMPT) - $500,000

NMPT was created as a pilot in 2025 in response to industry feedback that touring, which is a great way for artists to grow audiences, develop their craft and promote their music, had become a prohibitive financial risk.

What changes:

- NMPT will increase to three rounds a year, aligned with the NMP funding rounds. This will provide more flexibility with artists' release and touring plans.
- The maximum funding amount per application is reduced to $40,000 (up to 50% of eligible expenses), which is in line with the maximum grant that has been allocated to date, and will allow us to fund more applicants.

Global Promotion - $300,000

This is a new funding stream aligned with the *Elevate* pillar of our Strategic Framework, aimed at increasing ambition, scale and reach of NZ music. It is a response to demand from the music industry and supports the ambition for more global success for local artists.

Key features:

- Available to artists who have received NMS or NMP funding and have a confirmed international release or an international 'moment ', i.e. a song has gone viral and requires additional investment to amplify and support the opportunity.
- Funding will be for up to 50% of eligible expenses for international marketing and promotion only, and for activity that is 100% confirmed. The applicant will need to provide evidence of the international release or opportunity, team and proof of expenses.
- A bespoke contestable quick response funding stream, open all year.
- Further details will be available in Expression of Interest and application criteria.

New Music Project Kids (NMPK) - $220,000

This annual funding stream is to be retained, as it provides valuable entertainment and education content for tamariki audiences. In the FY 2027/2028 it will be moved in the funding calendar to align with the New Music Kids round to allow for both Children's Music funding streams to be assessed together.

Music Features (MF) - $700,000

The new strategy places greater emphasis on aspects beyond the content itself - artist development, audience growth, the team and delivery plans. This requires a different approach to Music Features delivered through radio and other partners.

While these features provide valuable exposure to the individual radio station's audience, local artists and songs continue to unsuccessfully compete with international content, resulting in limited progression to regular playlist inclusion.

A portion of the Music Features budget has been redirected towards digital and social media activity that can support building local audience engagement across multiple platforms, and support the awareness of the Music Features songs on radio.

Next Steps

Changes to the Music funding rounds will be rolled out incrementally.

The following changes will be implemented in the period January to June 2027.

- New Music Project – updated pre-application criteria, guidelines, increased budget
- Global Promotion – new funding stream
- New Music Project Touring – increases to three times a year
- New Music Development – new funding stream
- New Music Pan-Asian and New Music Pasifika changes
- Final New Music Single with current criteria

The following changes will be implemented in the FY 2027-28 (after 1 July 2027).

- New Music Single – two rounds a year with new criteria
- New Music Project Kids round moved to be aligned with New Music Kids
- New Music Māori – new funding stream

NZ On Air's Strategic Framework

TĀ MĀTOU ANGA RAUTAKI
Our Strategic Framework

Irirangi Te Motu NZ On Air

Our Vision
TĀ MĀTOU KITENGA

New Zealanders connected through our stories and songs

Our Purpose
TĀ MĀTOU KORONGA

To reflect and develop New Zealand's identity and culture

	ENGAGE	ENABLE	RESPOND	INFORM	ELEVATE
Our Pillars Ā MĀTOU POU	Audiences discover, value and enjoy diverse New Zealand content	Invest in the people and skills that power New Zealand's creative future	Ensure funding models are adaptive, fit-for-purpose and accessible	Deliver trusted insights that enable New Zealand content to flourish	Increase the ambition, scale, and global reach of New Zealand content
Our Goals Ā MĀTOU WHĀINGA	**Increase audience connection with local content through:** • investment in a strong and diverse slate of content; and • strategic discoverability plans across all funded content.	**Strengthen and diversify the creative talent pipeline by:** • supporting quality content creation at different budget levels; and • supporting career pathways and skills development.	**Reduce barriers to accessing funding by:** • streamlining processes; and • adapting to emerging formats and industry needs.	**Position NZ On Air as the authoritative source for local audience and industry insights by:** • collecting, analysing and publishing content performance data, audience intelligence, and sector trends; and • using insights to guide strategic funding decisions and industry wide strategies.	**Increase the quality and ambition of funded content by:** • encouraging co-investment and co-production to scale local content with international ambition; and • supporting partnership pathways to support local and international success.
Funding Streams NGĀ AHO PŪTEA	**Creation** **Discoverability**	**Creation** **Capability**	**Discoverability**	**Insights**	**Creation** **Discoverability** **Capability**