



**NZ On Air**

**Briefing to Incoming Minister  
November 2020**



Production Still: [Origins](#) – Greenstone TV in collaboration with Scottie Productions

## What is NZ On Air?

NZ On Air/ Irirangi Te Motu (the Broadcasting Commission, an Autonomous Crown Entity) is New Zealand's public media funder. While we are an arm's length agency, as Minister you are accountable for us in Parliament and we engage with you as we prepare our Statements of Intent and Performance Expectations. We brief you on our activities, as and when you require, through Manatū Taonga, the Ministry for Culture and Heritage.

NZ On Air supports New Zealand public media made by many different providers for many different audiences. The content has cultural impact – through seeing and hearing our own stories and songs. It also has economic impact – supporting thousands of creative jobs, and other work that depends on the screen and music sectors in particular. Collectively public media enriches and informs New Zealanders and contributes to informed debate and inclusion. **NZ On Air aims to connect and reflect Aotearoa.**

## Operating environment

New Zealanders are using all kinds of platforms, large and small, and all kinds of media services in an environment of constant change. NZ On Air strives to keep abreast of these profound changes, to understand what drives audience engagement and ensure what we are funding is reaching intended audiences. Audience fragmentation is proving the biggest challenge for all media organisations.

Whilst founded over 30 years ago, the foresight and flexibility of the Broadcasting Act has allowed our agency to continue to evolve to meet the changing needs of our audiences. Our [New Zealand Media Fund strategy](#) enables us to be nimble in the midst of these changes.

The speed and impact of media fragmentation is most starkly evident among young New Zealanders (under 30 yrs) as shown in our [Where Are The Audiences 2020](#) and [Children's Media Use 2020](#) research. Off the back of this research we are reviewing our strategies to ensure we do not permanently lose these audiences and future generations from the positive benefits of local content.

We collaborate where possible to magnify the impact of public funding – with the likes of Te Māngai Pāho, RNZ, NZ Film Commission and Creative NZ.

While much of the most high-profile content we fund is for screens, NZ On Air is **far more than a screen agency**. We have four funding streams - Scripted, Factual and Music are open and contestable. Platforms is a closed fund providing operating funding to entities which provide a wide range of local public media, many for audiences not served well by the mainstream media. These services reach into every community in New Zealand. We also provide sector leadership through the timely provision of data and insights.

## Scripted and Factual

We partner with hundreds of entities and creatives each year to provide a diverse slate of screen content, both Factual and Scripted, made for many different audiences. Our requirement for a commissioning platform ensures a path to audience, and in turn supports those platforms with important local content they could not otherwise afford. New Zealanders can now find local funded content on a wider range of platforms than ever before – expanding from the traditional broadcasters to digital platforms such as Stuff, NZ Herald, The Spinoff and Coconet.tv.

Within our Factual stream we support **news and specialist current affairs** through the funding of various programmes and initiatives such as *The Hui*, *The Nation*, *Q & A*, *Local Democracy Reporting*, and investigative journalism (*Stuff Circuit*, *Patrick Gower On...*). Our experience in this space has created both a funding framework and the relationships necessary to ensure we can quickly move to implement new funding mechanisms to more widely support journalism in the future.

### Music

We fund 100's of new music singles every year as well as multi-single projects (e.g. albums and EPs) and work with the radio networks, streaming services and other industry bodies to encourage airtime and promotion for a diverse range of Kiwi artists. We also work with industry bodies to develop new artists and equip them with the skills to succeed. In the past year we have been very pleased to see airtime for local music rise up again to around 20% after a few years at lower levels.

### Platforms

Our closed platform stream serves diverse New Zealand audiences on a range of different platforms including Radio New Zealand, Pacific radio, 12 community access radio stations which broadcast and podcast in more than 40 languages, and five student radio stations. We fund broadcast captioning and audio description for audiences with hearing or vision disabilities (and increasingly used by ESOL New Zealanders), and content discovery websites for screen (NZ On Screen) and music (AudioCulture), as well as HEIHEI for primary aged children.

### Leadership

We publish important public data on media trends: for example, our widely referenced research series *Where Are The Audiences?* most recently published in September 2020. Our wide reach means we can initiate and encourage sector collaboration. We are expert advisers on media policy development as it relates to resourcing and outcomes. We run an efficient agency, and are expert in funding assessment; careful allocation; and effective contract management of public funds. We consult widely as we develop new policy and approaches and are seen as 'honest brokers' in the industry.

## Our achievements

Being flexible means we can both respond rapidly to change, and reallocate resource to better meet the needs of shifting audiences, tastes and needs.

Our just published [Annual Report 2019/20](#) notes high public support for NZ On Air's mission:

- 79% of NZers agree that NZ On Air supports local content that is important to New Zealanders
- 78% agree NZ On Air supports television programmes and activities that are important to New Zealanders
- 77% agree it is important for NZ On Air to support local music and artists
- 76% believe it is important for NZ On Air to support community broadcasting
- 72% of New Zealanders say they value the diversity of the local content NZ On Air supports.

We have a clear audience focus, concentrating on audience outcomes, not industry outputs. Nonetheless our investments have a wide cultural and sector impact.

- Public media on many different platforms stimulates thought and debate, and fosters inclusiveness.
- We ensure New Zealand stories and songs are present on the most-used free-access platforms so intended audiences have local choices amid limitless foreign content.
- All our content is digital (either exclusively or in addition to broadcast) – it must be online so audiences can watch, listen and share at their convenience.
- Contestability provides the fairest way to source the best available creative ideas for the most appropriate platform.
- We have simple processes to minimise red tape.
- We have a no waste system - over 99% of our funded content is completed and released, one of the highest success rates for creative content in the world.
- We are highly transparent, so it is easy to see where we are investing and with whom.
- We administer ring-fenced funding for RNZ, to ensure a high degree of separation between the Crown and this important public media entity, and to encourage funding synergies.
- Our carefully-selected investments support skilled jobs in the creative and production sectors, and contribute to economic growth.

NZ On Air's funding strategy is designed to enable us to have simple and flexible responses to a rapidly shifting media landscape where linear broadcast is just one option to enjoy content.

## Opportunities

We were extremely grateful for an increase of \$25m over four years for investment into vital public media platforms in Budget 2020. A number of other COVID-19 related funds were also incredibly appreciated including an increase to our music funding to support musicians hard hit by the inability to perform live, and Screen Production Funds to assist productions impacted by COVID-19.

We continue to work with our sister agencies the NZ Film Commission and Te Māngai Pāho alongside Manatū Taonga the Ministry for Culture and Heritage on the Screen Production Fund for International Audiences.

Looking further ahead we see three important opportunities for the agency.

1. Continue to deliver strong public media content for diverse audiences from our baseline funds.
2. Grow support for journalism, targeting at risk content on digital and broadcast platforms.
3. Changes to the Screen Production Grant (SPG) to allow local producers the opportunity to access NZ On Air funds alongside SPG funds.

### *1. Strong public media for diverse audiences*

There are significant opportunities to better reflect our changing demography by expanding content for and by New Zealanders of a range of ethnicities, appealing to children and youth, and to provide a wider range of drama. We need to ensure that our transparent, contestable funding model can continue to lead public media thinking and improve diversity of choice for audiences.

The landscape is quickly changing. NZ On Air continues to deliver quality content to the various diverse audiences of Aotearoa, however media fragmentation is making it more challenging to meet the various demands of audiences, platforms and content makers. We have a number of projects underway in response to these changes. These include a review of The New Zealand Media Fund,

established three years ago to provide a flexible means of funding content across various platforms, our Children's content strategy and work on data and insights to better determine the outcomes of our investments.

We have seen a significant increase in applications for funding over recent years. We are currently receiving more than 100 screen applications per funding round of extraordinary quality and diversity. We are able to support less than a third of these (down from over seventy percent four years ago). Of concern is the need to spread funds thinly, meaning both a lack of critical mass of content (which aids audience discovery) and some audiences being less well-served.

We are committed to the Strong Public Media work stream and working with our partners TVNZ and RNZ alongside the Ministry, to ensure the best possible content outcomes for audiences. In the current challenging commercial environment it is more vital than ever that we bring a whole-of-sector view to the table. We are in a unique position to do this, as a result of constructive working relationships across both public and commercial media.

## *2. Grow support for journalism*

NZ On Air has increasingly been called on to support more strategically-focused specialist journalism, whether national or regional. Within our Factual funding stream we support Local Democracy Reporting, regional journalism and award-winning investigative stories, as well as various current affairs shows and children's news.

We have been able to support a modest growth of the Local Democracy Reporting scheme in the current year, with the extra one-off Budget allocation left over from 2019. It is likely that we will need to review the overall mix of funded Factual content as pressure on funding and value for money concerns intensify. There is no question that funded Factual content serves important public media outcomes. The sharing of funded content through public media platforms, such as RNZ and Māori Television, with private media players, such as Stuff, ensures this content reaches even more New Zealanders.

We stand ready to swiftly implement a new funding framework for Targeted Sustainable Journalism to support a wider range of journalism, at risk in the tough commercial media environment. This represents a significant opportunity to support the media sector and will require quality framing and clear and quantifiable outcome measures.

## *3. Changes to policy in relation to NZSPG-NZ (Screen Production Grant)*

The NZSPG-NZ is a non-discretionary scheme that provides a grant worth 40 per cent of qualifying expenditure once a production is complete, up to a cap of \$6 million per production. On current settings feature films are able to access this grant alongside NZFC funds. Children's and animated content is also able to access this grant alongside NZ On Air funds, however series dramas are excluded. Series dramas represent a significant opportunity for premium productions that are of interest to local and potential international audiences and employ large cast and crew. A single local premium drama (generally funded to a budget level of \$5-6M) employs between 100-150 people over the course of the production.

The freeing up of the policy settings for the NZSPG-NZ to allow for series drama to access NZ On Air funds would deliver more local content, employ more creatives and allow our discretionary funding to go further in areas such as factual.

We look forward to discussing options with you at your convenience.

## Staffing and Governance

### Board members

Board Member	Original Start Date	Expiry date of present term
Dr Ruth Harley (chair)	1 June 2018	30 April 2021
Helen Grattan	1 January 2016	20 April 2022
John McCay	1 May 2016	30 June 2021
Linda Clark	1 May 2019	31 March 2022
Philip Broughton	1 June 2019	31 March 2022
Sarona Aiono-Iosefa	1 September 2019	31 July 2022

### Key staff

Cameron Harland	Chief Executive	<a href="mailto:cameron@nzonair.govt.nz">cameron@nzonair.govt.nz</a>	027 535 2829
Allanah Kalafatelis	Head of Communications	<a href="mailto:allanah@nzonair.govt.nz">allanah@nzonair.govt.nz</a>	021 585 538
Clare Helm	Head of Corporate Services	<a href="mailto:clare@nzonair.govt.nz">clare@nzonair.govt.nz</a>	021 614 114
Amie Mills	Head of Funding	<a href="mailto:amie@nzonair.govt.nz">amie@nzonair.govt.nz</a>	027 203 5616
David Ridler	Head of Music	<a href="mailto:david@nzonair.govt.nz">david@nzonair.govt.nz</a>	021 246 3606

**\* Note that all phone numbers will be redacted prior to website publication and further distribution.**



Dr Ruth Harley (Chair)



Cameron Harland (Chief Executive)