

MCH, 2022

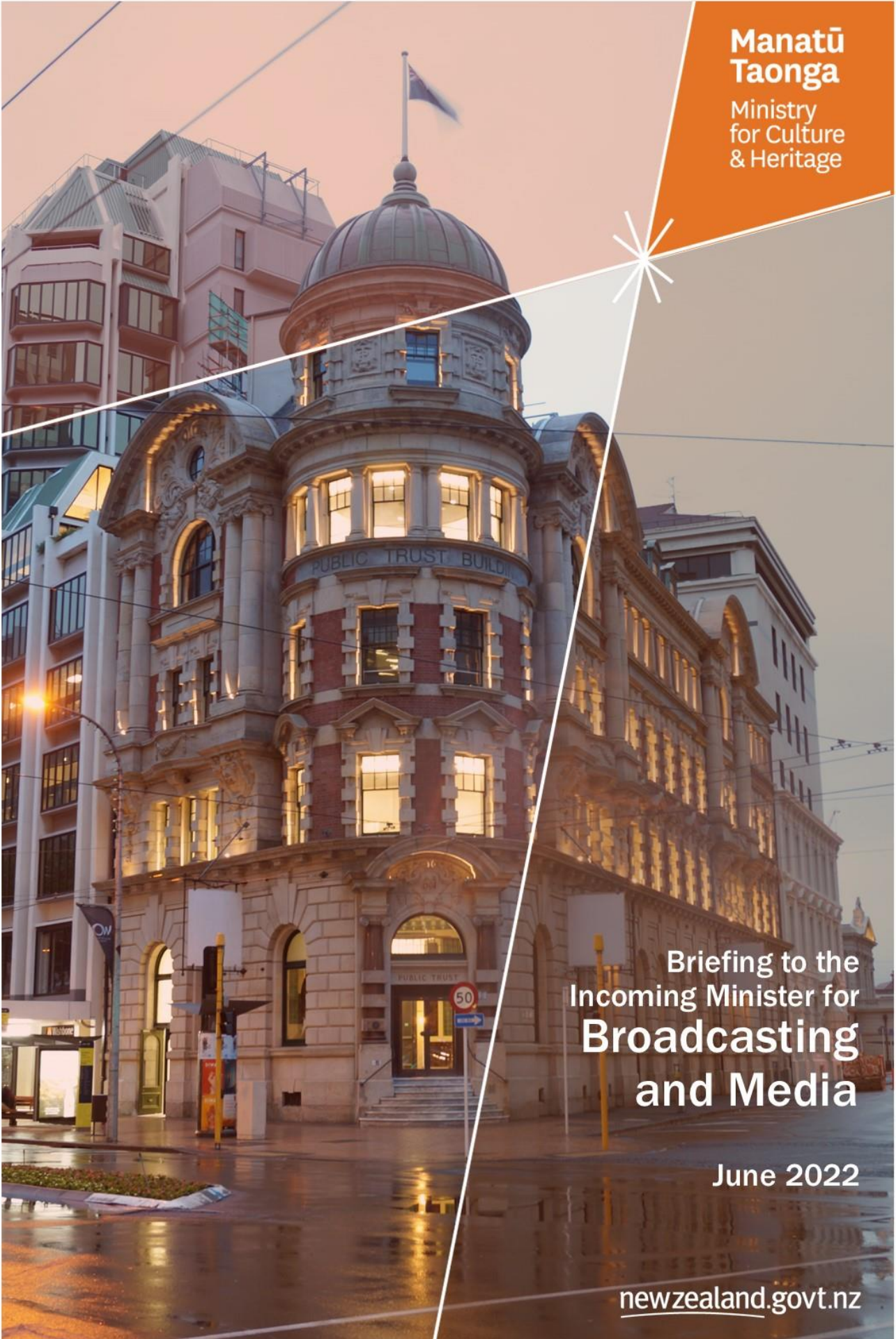
**Manatū  
Taonga**

Ministry  
for Culture  
& Heritage

Briefing to the  
Incoming Minister for  
**Broadcasting  
and Media**

June 2022

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## Introduction

E te Minita, nau mai haere mai ki te kohinga mō te pāpāho, mō te whakawhiti whakaaro, mō ngā pae pāpāho matihiko anō hoki.

Anei e whai ake nei ko ngā whakamōhiotanga e pā ana ki te ao pāpāho, me ngā pae pāpāho matihiko i tō kohinga hou. Ko te Manatū Taonga te manatū e ārahi ana i ēnei rāngai.

Minister, welcome to the Broadcasting and Media portfolio.

This briefing provides information on the Broadcasting and Media portfolio. Manatū Taonga, the Ministry for Culture and Heritage, is the lead agency for this sector.

Your key contacts are listed below:

| Key contact         | Position  | Contact details                                       |
|---------------------|---|---|
| Bernadette Cavanagh | Tumu Whakarae / Secretary for Culture and Heritage, and Chief Executive               | 9(2)(a) [redacted]<br>bernadette.cavanagh@mch.govt.nz |
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## Portfolio overview

The broadcasting and media sector includes a range of services, both local and global, that provide news, information, and entertainment content delivered across television, radio, digital platforms, and print media.

Media is a major driver of innovation, economic activity, independence, and vibrancy of the nation. The media, as an economic segment, employs approximately 14,000 people. It directly contributes \$2 billion Gross Domestic Product and up to \$4.7 billion to the wider economy, with the vast majority from commercial media.

Media provides jobs and supports economic activity across New Zealand, and in the regions through newsrooms, advertisers, radio broadcasters and production companies. The transition to digital and on-demand media creates tremendous economic growth potential. More New Zealand media content can be consumed more conveniently by more people, not only in New Zealand but also throughout the world. There is also an emerging demand for, and growth in, Māori language media content and news.

Manatū Taonga acts as a collaborator and enabler of success to support Māori media, working with those across the Māori Media sector, such as Māori Television, Iwi Radio, Te Mangai Paho, along with Te Puni Kōkiri. Manatū Taonga has a duty to fulfil its role in ensuring the success of the Māori media system through ongoing support for Māori journalism and journalists, recording and archiving, supporting the revitalisation and use of te reo Māori me ngā tikanga Māori, and working with Māori content creators to support Māori storytelling.

A vibrant commercial media, with many independent voices, plays a key role in fully realising New Zealanders' freedom of expression. A vibrant commercial media also drives innovation and helps to meet peoples' cultural and entertainment needs, providing information on the platforms that people use, when they need it.

The Crown supports public broadcasting services through public funding of content and platforms, and through regulation of the media system. Broadcasting Crown entities and policy work are funded through Vote Arts, Culture and Heritage.

The Broadcasting and Media portfolio complements the wider Arts, Culture and Heritage portfolio and contributes to the Ministry's strategic framework, Te Rautaki o Manatū Taonga (see Appendix 1).

Te Rautaki focusses on how Manatū Taonga is positioned to support the cultural sector, including broadcasting and media, to thrive. Our vision in Te Rautaki is:

***Ki te puāwai te ahurea, ka ora te iwi - when culture thrives, the people are well***

## Portfolio responsibilities

A significant part of your new role will involve working with a range of Crown entities and Crown-funded organisations that will deliver much of your strategy and priorities.

As Minister for Broadcasting and Media, you are responsible or share responsibility for five Crown entities or Crown-funded organisations, including RNZ, TVNZ, NZ On Air, the Broadcasting Standards Authority (BSA) and the National Pacific Radio Trust (NPRT). Further information about the monitored entities in this portfolio is in Appendix 2.

The Crown Entities Act 2004, along with enabling legislation, outlines your responsibilities for oversight and management of Crown entities. As TVNZ and RNZ are Crown entity companies they are monitored by the Treasury; the Minister for Broadcasting and Media and the Minister of Finance are shareholding Ministers.

The Minister for Broadcasting and Media has responsibility for the Voluntary New Zealand Music Content Agreement 2021, which is an agreement between the Government and the Radio Broadcasters Association. The Code provides a voluntary commitment of 20 percent of contemporary popular New Zealand music on commercial radio and complements other interventions that support New Zealand music.

The media and broadcasting portfolio is responsible for the Broadcasting Act 1989, the Television New Zealand Act 2003, and the Radio New Zealand Act 1995.

## Key industry stakeholders

Your portfolio also covers key industry groups including, the Media Council, the Radio Broadcasters Association, the News Publishers Association, the Community Access Radio Alliance, and the Advertising Standards Authority.

Digital platforms such as Google and Meta (formerly Facebook) have become critical to the success of the New Zealand media sector and to addressing the risks of misinformation online. Regular meetings and correspondence with global digital platforms have become a feature of the portfolio responsibilities.

## Connections with the Arts, Culture and Heritage portfolio

Government funding for broadcasting entities such as NZ On Air, RNZ, NPRT and the BSA is allocated through Vote Arts, Culture and Heritage. The Arts, Culture and Heritage portfolio holds responsibility for policy areas that align with broadcasting objectives.

In the Arts, Culture and Heritage portfolio, Manatū Taonga advises on film policy and funds and monitors the New Zealand Film Commission. MBIE and Manatū Taonga jointly fund the New Zealand Screen Production Grant (NZSPG), which is administered by the New Zealand Film Commission. It funds larger-scale international and domestic screen productions. Manatū Taonga is lead agency in negotiating government-to-government film and television co-production agreements with other countries, and relevant components of Free Trade Agreements (with MFAT).

The film and television sectors make up a single screen industry. Collaboration between these sectors is vital to ensure Government policy is leveraging the wider benefits of its investment in the screen industry.

Music policy sits within the Arts, Culture and Heritage portfolio as well. Arts agencies such as NZ On Air, Creative New Zealand, and New Zealand Music Commission all fund aspects of the popular music ecosystem. RNZ in turn supports performing arts organisations like the New Zealand Symphony Orchestra.

Ngā Taonga Sound & Vision is a charitable trust that serves as New Zealand's national audio-visual archives. It holds key broadcasting archival collections, including the RNZ and TVNZ Archives. Ngā Taonga is working closely with the National Library of New Zealand and Archives New Zealand (both part of the DIA) as part of the documentary heritage sector, a sector the Ministry contributes to through its websites, Te Ara (The Encyclopaedia of New Zealand), NZ History and others.

## Strategic context

### **The media is critical to our democracy and society**

An independent, well-functioning and resilient media is a critical component of an open, participative democracy and has a vital role in supporting our ways of life in Aotearoa New Zealand. It provides information to engage people, encourage debate and holds political and business players to account.

A well-functioning media system contributes to wellbeing and social cohesion. It helps create a social identity and connection for the many peoples of Aotearoa New Zealand. It provides a platform to enable te reo Māori to be valued by Aotearoa whānui as a central part of national identity and to strengthen Māori tikanga and engagement.

### **Digital technology has fundamentally altered the media system**

New Zealand audiences are consuming less media content from linear and traditional mediums such as radio, newspapers and television and are consuming greater amounts of media from digital mediums such as video-on-demand, online video, streaming platforms, and informal digital media.

Increased competition from international content providers, declining revenues, and a transformation in audience behaviour are resulting in a fragile media system with a reduced ability to meet the needs and interests of New Zealanders.

While audiences have more ways than ever before to watch, listen to, read, and experience media, the increased global competition from international content providers has contributed to declining revenues. These factors are challenging the viability of traditional media models, particularly television and print media.

### **New Zealand media organisations are facing fundamental challenges to their viability**

New Zealand media firms are now in direct competition with global digital platforms, which has dramatically reduced the funding they have traditionally relied on for content production.

Media companies are attempting to shift to a digital environment, but their digital products provide only a fraction of the revenue previously provided by traditional operating models. For example, between 2011 and 2020 newspaper advertising revenue in New Zealand fell from \$533m to \$219m, while digital advertising expenditure more than tripled to \$1.6 bn.

The cost to produce content combined with reduced income has resulted in declining profits for media businesses, a loss of market value, a halving of the number of journalists, and a reduction in output. Local and community news, investigative journalism and local reporting on international news has been particularly hard hit.

Census data reveals that the number of journalists employed fell from 4,284 in 2006 to 2,061 by 2018. More recently, the New Zealand Media Ownership Report estimated that during 2020, approximately 637 jobs disappeared from the New Zealand media industry.

The ongoing risk is that media companies can no longer support certain types of journalism, such as regional based journalism, investigative journalism, local democracy, and courts reporting, which is often cost intensive and difficult to monetise.

Traditional newspaper publishers are facing immediate cost and supply chain pressures for newsprint. This is due to a combination of factors including the closure of two of the three Norske Skog mills servicing Australasia, as well as the war in Ukraine and post-COVID supply chain issues.

Printed newspapers are very important for most newsrooms, accounting for 75-100 percent of revenue. Newspaper publishers are implementing initiatives to try and manage pressures (for example, using lower quality paper and reducing circulation frequency), however these are unlikely to be sufficient on their own. Publishers are also concerned that by compromising quality they will ultimately lose readers (including paying subscribers) and advertisers, undermining their long-term sustainability.

9(2)(f)(iv)

**Misinformation is on the rise**

Misinformation, domestically and internationally, is emerging as a critical threat to the free exchange of ideas. There is emerging evidence of a global misinformation phenomenon. Misinformation is often created by nation state actors, political or social groups, or to make money through “clicks” and advertising.

Misinformation is amplified and spread widely by social and digital media and through messaging apps and becomes problematic when organisations, commentators, or social media influencers deliberately act in bad faith and elevate misinformation

At a time where misinformation, dis-information and mal-information are on the rise, a strong media system is needed. Māori, Pasifika, and ethnic communities are particularly vulnerable to the impact and harm of misinformation in Aotearoa Zealand.

**Work is underway to support a sustainable future for the media system**

The transformative changes being experienced in the sector have created a need to consider ambitious policy reforms, including legislative settings and structural arrangements to ensure the regulatory settings for media remain fit for purpose.

To ensure the unique experiences and voices of Aotearoa New Zealand can continue to be heard, new policy and regulatory levers need to be developed.

Manatū Taonga wants to ensure a vibrant media system that can meet the diverse needs of all New Zealanders, to ensure that content can be delivered to people on the platforms that they use, when and where they need it.

You will have the opportunity to shape the future of the media sector in Aotearoa and Manatū Taonga is looking forward to supporting your priorities for the portfolio.



## Priority topics

### Long term sustainability of the media sector

The COVID-19 Response and Recovery Fund established a tagged operating contingency of \$77m total across three years for broadcasting initiatives [CAB-20-MIN-0328.01 refers]. \$55m was used to invest in public interest journalism through NZ On Air and was designed to build a critical bridge between the short term COVID relief provided to the media sector and the longer-term initiatives for which Cabinet has already agreed funding (i.e., the Strong Public Media Programme, the Māori Media Sector Review). The Fund was successful in sustaining public media and public interest journalism through the pandemic.

In acknowledgment of the need for long term sustainability of the media sector, \$2m of the fund was drawn down for Manatū Taonga to develop a Strategic Framework to support the media sector to transition to long-term sustainability.

### The strategic framework for a sustainable media sector

In August 2020, Cabinet agreed to the development of a Strategic Framework (the Framework) for a sustainable media sector in New Zealand and subsequent policy work to support longer-term sector viability.

The Framework aligns with key government priorities and aims to reflect the shared goal of a sustainable, innovative, and agile media system, recognising the respective roles and contributions of public media, private media, communities, and the Government. It promotes accessible content that celebrates Aotearoa's New Zealand's diverse communities, cultures, and stories, elevates many voices, and supports social cohesion within and across those communities.

The Framework is forward looking and guided by our vision for a:

**“... vibrant, trusted and diverse media system that fulfils the information, education, entertainment, and cultural aspirations of all New Zealanders”**

The Framework outlines specific work, initiatives, and activities to enable delivery of a well-functioning and sustainable media system, one that meets the following three central and complementary objectives:

**A thriving, vibrant and sustainable media system** that is growing revenue, is a strong contributor to economic and social wellbeing and is resilient and adaptable to future trends.

**An independent, trusted media system** that reflects Aotearoa New Zealand's values and serves the public interest.

**A diverse media system** that contains many different voices, creating a range of content, that supports social cohesion and accounts for the uniqueness of our communities.

Manatū Taonga is currently consulting with Crown entities and key stakeholders on the draft Framework and have attached a copy for your information (Appendix 4). Manatū Taonga will require your decisions on the final public release of the Strategic Framework and officials would like to discuss the process with you at an upcoming meeting.

## **Strong Public Media**

Cabinet has agreed to establish a new public media entity built on the best of RNZ and TVNZ. The new entity will be expected to:

- provide quality public media content to all New Zealanders, including groups who are under-served or under-represented, through delivery of a statutory charter
- be editorially independent and provide independent, reliable, and accurate news and information
- use a range of platforms to reach audiences how they want
- have obligations that recognise and respect the Crown's responsibility to give effect to the principles of te Tiriti o Waitangi/the Treaty of Waitangi
- collaborate and support the wider New Zealand media sector where appropriate.

Legislation to support the establishment of the new entity, the Aotearoa New Zealand Public Media Bill, is likely to be introduced to the House around 23 June 2022.

Alongside the legislative process, work is underway to consider the detailed operating model design of the new entity, the change management process and detailed funding and monitoring arrangements.

This work is being delivered by an Establishment Unit within Manatū Taonga and is being overseen by an Establishment Board, chaired by Hon Tracey Martin, that reports to you as a Ministerial advisory committee.

The Establishment Board's responsibilities include advice to the Minister for Broadcasting and Media on the entity's financial model, monitoring framework, and any other matters for the Responsible Minister to consider. The Establishment Board will also advise the incoming entity board on operational matters, oversee the development and implementation of a change management plan, and implement an engagement strategy to sit alongside the Board's work programme – which will largely be carried out by the Establishment Unit, given the likely availability of the Board

Manatū Taonga will require your decisions on the approach to the entity's funding model and monitoring framework in due course.

Next steps include the introduction of the Aotearoa New Zealand Public Media Bill to the House, followed by the first reading and consideration by Select Committee. Cabinet has agreed to propose that the bill be referred to the Economic, Development, Science, and Innovation Committee, at first reading. Current timeframes would see the bill passed by December 2022, with commencement 1 March 2023. Manatū Taonga

will support you in your role as Minister responsible for the bill, including providing you with material to support the first reading. Please note your first reading speech seeks a specific date for select committee report back on the bill, this is to ensure the tight timeframes outlined above can be met.

**Supporting media companies to bargain with digital platforms**

There is a strong consensus among New Zealand media companies that digital platforms are using news content to drive engagement and advertising towards their platforms without fair negotiation or compensation.

Media organisations are attempting to reach commercial arrangements with digital platforms over the use of their content online, particularly for the use of headlines, short blurbs and images used on Google News and on Facebook or Instagram.

However, there is a bargaining power imbalance between news media and large multinational digital platforms that prevents news media organisations from negotiating commercial arrangements for the use of news content.

While some agreements have been reached, overall progress has been slow, and the terms are weighted in favour of the digital platforms. Smaller rural or regional publishers are at risk of missing out on deals completely. These organisations are important sources of information for regional and local communities and are critical to countering misinformation.

The Commerce Commission has stated that “there is evidence of a bargaining power imbalance” and “maintenance of the status quo would maintain this bargaining power.” Without intervention, the ongoing sustainability of news media is at risk, particularly for smaller regional or rural media services.

9(2)(f)(iv)  
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**Reviewing and Updating the Broadcasting Act**

The Broadcasting Act 1989 (the Act):

- provides minimum programme standards for radio and television
- prescribes complaint processes for those programmes
- includes specific rules for electoral broadcasting, and

- establishes and governs the Broadcasting Standards Authority, New Zealand on Air and Te Māngai Pāho.

The Act has been amended on an ad hoc basis over the last three decades, and substantial tracts have been repealed. Large parts of the Act are no longer fit for purpose and are posing critical limitations on the ability of entities such as NZ On Air to operate effectively in a digital environment.

Officials are aware of some issues that could be solved through relatively straightforward change, for instance broadening the Act's scope to manage on-demand content. Other questions are likely to require more substantive, cross-agency and entity consideration, for instance around the blurring lines of traditional and digital media and the relationship and division of functions between New Zealand On Air, Te Māngai Pāho and the New Zealand Film Commission.

Alongside these policy questions are structural issues. Media regulation is fragmented, and even without a substantive review further changes to the Act are likely to be made through initiatives such as the new public media entity, the DIA-led review of content regulation, and the Māori media sector shift led by Te Puni Kōkiri. Questions around funding for the entities governed by the Act, and for the media sector more generally, will continue to be raised as these initiatives progress.

Manatū Taonga is in the early stages of scoping options for a review of the Broadcasting Act 1989, including consideration of how it would intersect with various other workstreams. Officials will brief you on options in due course, subject to any preferences you may have at this stage.

## Cross-portfolio priorities

### A Sustainable Māori Media Sector

Te Puni Kōkiri (TPK) is leading a programme of work to strengthen and ensure a sustainable Māori media sector through a focus on supporting Māori media entities to adapt to the changing operating environment, better serve audiences, and contribute to the revitalisation of te reo Māori. In addition to increased funding, the programme of work will modernise Māori media legislation and policy, as well as establishing more coordinated settings with mainstream public media. The scope of this work includes Māori Television Service, Te Māngai Pāho, and the iwi radio network.

Media is a key means of revitalising Māori language and culture. The Government is committed to supporting the advancement of the Maihi Karauna language strategy. Manatū Taonga has a lead role in achieving the strategy's Aotearoatanga outcomes. The strategy includes creating the conditions for te reo Māori to be valued by Aotearoa whānui as a central part of national identity. Media will have a role in contributing to this outcome by supporting more New Zealanders to engage with quality Māori language and content.

Manatū Taonga is working with TPK to ensure alignment in outcomes between the Māori Media Sector Shift and our own programme of work, including the Strong Public Media programme and the Strategic Framework.

### Content Regulatory Review

Manatū Taonga is supporting the Department of Internal Affairs (DIA) in a harm-minimisation focused content regulatory review. The review was initiated in May 2021.

There are significant gaps and inconsistencies in the current approach to content regulation, with the online environment being effectively unregulated. More traditional media organisations, such as linear TV broadcasters and radio, are also subject to outdated regulation under the Broadcasting Act 1989.

The aim of the review is to establish a new regulatory framework that comprehensively, and cohesively cover the content New Zealanders consume and which is flexible enough to respond to new forms of media and the risk of harm they pose, while upholding important rights such as freedom of expression.

9(2)(f)(iv)

[Redacted content]

9(2)(f)(iv)

9(2)(f)(iv)

## **Review of Government Investment into the Screen Sector**

On 29 November 2021, Cabinet agreed to a review of Crown support for the screen sector. The review was jointly announced by the Minister for Arts Culture and Heritage and the Minister for Economic and Regional Development on 9 December 2021.

The New Zealand Screen Production Grant (NZSPG) is the focal point for the review, although it also considers the settings for funding to the screen sector provided through the New Zealand Film Commission (NZFC). Funding provided to the screen sector by Te Māngai Pāho and New Zealand on Air is explicitly out of scope.

Aotearoa New Zealand screen sector is a globally recognised screen production centre with established infrastructure, technology, and human capital. However, the screen sector is changing both here in New Zealand and globally. These changes include how productions are filmed, edited, and watched, the impact of streaming platforms, and COVID-19. The review recognises there are opportunities to adjust settings to better address some of the challenges facing the sector and to maximise benefits. Four key

objectives have been developed to guide the review. These are outlined in more detail in the review Terms of Reference.

- Supporting the development of a balanced, resilient, and sustainable New Zealand screen sector.
- Supporting improved conditions, pay and career pathways for New Zealanders in the screen sector.
- Improving social cohesion by supporting the development of Aotearoa New Zealand cultural content viewed on screen.
- Maximising the benefit generated to the wider Aotearoa New Zealand economy from the screen sector.

The review will not introduce a funding cap to the sector (i.e it will not introduce a programme cap on the NZSPG). However, the review will explore options for increased fiscal sustainability that also increase benefits from government investment.

Engagement with the stakeholders across the sector is underway and a public consultation process will take place in the second half of 2022. Final decisions will be made by Cabinet by April 2023.

## **Public Interest Journalism Fund**

On 26 January 2021, Cabinet agreed to allocate \$55 million to provide targeted, short to medium-term protection of public interest journalism. The funding was allocated over three years (\$10.0m in 2020/21; \$25.0m in 2021/22; and \$20.0m in 2022/23) and under three pillars (Project funding – for tightly defined projects delivered to a deadline, Role-based funding – supporting newsrooms for the employment of reporters, clearly tied to content outcomes, and Industry development funding – including cross-industry cadetships, and targeted upskilling initiatives).

NZ On Air is responsible for managing the fund. So far, NZ On Air has allocated \$39m to cover 139 journalism roles, 11 training programmes and 45 projects across 49 media entities throughout the country. A significant proportion of the funding has been allocated to support Māori journalism outcomes.

According to NZ On Air's first PIJF tracking snapshot, local audiences have been engaging well with funded Public Interest Journalism. Up until 21 May 2022, the PIJF content accrued 20 million page views with more than 19,000 pieces of content produced.

Manatū Taonga conducts regular monitoring of the implementation of this fund, via key documents such as quarterly reports from NZ On Air and its Statements of Intent and Service Performance.

Funding for the PIJF ends in 2022/23. The fund is not expected to be extended as it is designed to provide for a period of transition between the short-term COVID relief provided to the media sector and the longer-term work to support the sustainability of the media sector.

## RNZ's long-term strategic approach to AM switch-off

In 2017, RNZ developed a long-term strategy to phase out AM transmission by 2032 (when current AM licences expire). Significant advances in technology, changing audience behaviours, and the cost involved in maintaining AM infrastructure across Aotearoa (in the order of \$14m in repairs and maintenance over the next ten years) has led RNZ to plan for the eventual retirement of AM transmission.

Under the strategy, three AM sites have been closed to date. Two AM transmission sites serving Queenstown, Arrowtown, Alexandra and Cromwell were closed in 2019 due to the low number of AM listeners and availability of FM coverage. A further site has been recently closed in Taranaki and 9(2)(ba)(i)

[REDACTED]

There are a range of factors that RNZ considers when taking decisions about the future of AM transmission, including audience impact, financial considerations, contractual commitments, alternative FM spectrum availability, property issues, and legislative obligations (under the RNZ Act 1995 and Civil Defence Emergency Management Act 2002).

9(2)(ba)(i)

[REDACTED]

[REDACTED]



## Upcoming decisions

These upcoming decisions are required within the first few months of your appointment. The Ministry will provide you with advice to support these decisions.

| Decision required  | Timing for decision |
|--|---------------------|
| <b>Policy decisions</b>  |                     |
| 9(2)(f)(iv) [Redacted]   | [Redacted]          |
| [Redacted]   | [Redacted]          |
| [Redacted]   | [Redacted]          |
| [Redacted]   | [Redacted]          |
| [Redacted]   | [Redacted]          |
| <b>Stronger Public Media</b>   |                     |
| Meet with the Strong Public Media Programme Director to discuss current state and timeframes   | TBC                 |
| Meet with the Chair of the Establishment Board   | TBC                 |
| Introduction of the Aotearoa New Zealand Public Media Bill to the House  | 23 June 2022 (TBC)  |
| <b>2022 Legislative Programme bid</b>  |                     |
| 9(2)(f)(iv) [Redacted]   | [Redacted]          |
| <b>Post-budget letters</b>   |                     |
| Manatū Taonga will provide you with Post Budget Letters (PBLs) 2022/23 for you to sign and send to Crown entity Chairs. By convention, Ministers issue annual PBLs to the funded agencies. The PBLs serve administrative purposes of confirming Crown funding amounts, the schedule of payments, and reporting requirements. | Late June 2022      |
| <b>Board appointments</b>  |                     |
| 9(2)(f)(iv) [Redacted]   | [Redacted]          |

|   |                                 |
|---|---------------------------------|
| <p>9(2)(f)(iv) [Redacted]</p>   | <p>[Redacted]</p>               |
| <p><b>Crown Entity Annual Reports</b></p>   |                                 |
| <p>You are required to present the 2021/22 annual reports for RNZ, NZ On Air, BSA and TVNZ to the House of Representatives. You are also required to present the Statement of Intent (SOI) and Statement of Performance Expectations (SPE) documents at the same time or before the presentation of the annual reports.</p> | <p>November/December 2022</p>   |
| <p><b>Funding decisions</b></p>   |                                 |
| <p>Budget 2023 processes and decisions from early November</p>  | <p>November 2022 – May 2023</p> |

## Suggested meetings

**Strong Public Media** – The Ministry suggests that you meet the chair of the Strong Public Media Establishment Board, Hon Tracey Martin, to discuss work underway to support the establishment of a new public media entity.

**TVNZ/RNZ** – As TVNZ and RNZ are key entities for this portfolio, you may like to meet with Jim Mather (Chair of RNZ) and Andy Coupe (Chair of TVNZ), a feature of those meetings would be to discuss how they are working with the SPM programme.

**Minister of Internal Affairs** – you may like to meet the Minister and discuss your joint approach to content regulation.

**NZ On Air Chair** – You may like to meet with Dr Ruth Harley to understand her assessment of and vision for the board, Strong Public Media, and wider sector developments and NZ On Air's support packages and funding for the sector.

**BSA Chair** – You may like to meet with the Chair Susie Staley to discuss her assessment of the BSA and the sector, including any issues or risks that are currently being managed.

**The News Publishers Association** – You may like to meet with the NPA to discuss collective bargaining with digital platforms and the issues news media publishers face trying to monetise content online.

**Other meetings** – The Ministry will support you to establish regular meetings throughout your term with Crown Entity Chairs and Chief Executives. Following initial meetings with Crown Entity representatives, the Ministry suggests you meet with major private media companies and independent production sector representatives. The Ministry will work with your office to prioritise these meetings.

# Appendix 1 Te Rautaki o Manatū Taonga

Manatū Taonga has recently developed Te Rautaki o Manatū Taonga, a 20-year strategic framework for the Ministry. Te Rautaki is a strategy focussed on how Manatū Taonga is positioned to support the cultural sector, including broadcasting and media, to thrive. Our vision in Te Rautaki is ***Ki te puāwai te ahurea, ka ora te iwi - when culture thrives, people are well.***

|   |  |
|---|--|
| <b>Te Rautaki o Manatū Taonga</b>   |  |
| <i><b>Ki te puāwai te ahurea, ka ora te iwi</b></i><br><i><b>Culture is thriving, the people are well</b></i> |  |
| <b>Te pūtake</b><br><b>Why we exist</b>   | <p><i><b>We support arts, heritage, media and sports so that culture in Aotearoa New Zealand thrives.</b></i></p> <p><b>Our role:</b> We are the government’s principal advisors on the cultural system.</p> <p><b>We are:</b> Te Tiriti partners, system stewards, custodians of taonga, navigators, leaders and experts.</p>   |
| <b>Te whāinga tāhuhu</b><br><b>Where we want to get to</b>  | <p><b>Success descriptors</b></p> <ul style="list-style-type: none"> <li>• Culture is inclusive and reflective, supporting people to connect and engage with each other, their community and society.</li> <li>• Iwi and Māori are supported to achieve their cultural aspirations and Māori culture is recognised, valued, and embraced.</li> <li>• People can access and are participating in cultural activities and experiences.</li> <li>• Cultural activity is valued, supported, and nurtured.</li> <li>• The cultural system is resilient and sustainable.</li> </ul>  |
| <b>Ngā Āheinga</b><br><b>How we will do this</b>  | <p><b>Demonstrably improving wellbeing through a joined up, whole-of-system approach with Te Arataki at its centre.</b></p> <p><i>Ngā whāinga</i></p> <p>Putting Te Arataki, our Māori strategy, at the heart of what we do – become an exemplar te Tiriti o Waitangi partner supporting Māori, hapū and iwi to achieve their aspirations through authentic partnership and whanaungatanga. Key to Te Arataki is: He ngākau titikaha, he Hononga tangata, he hononga Tiriti.</p> <p>Focus on system stewardship and relationships—lead and support the cultural system to achieve greater cultural impact through collaboration and improved ways of working.</p> <p>Build system capability—develop, mature, and improve the capability of the system so that it is fit for purpose, adaptive and enduring.</p> |

## Appendix 2 Monitoring of funded agencies

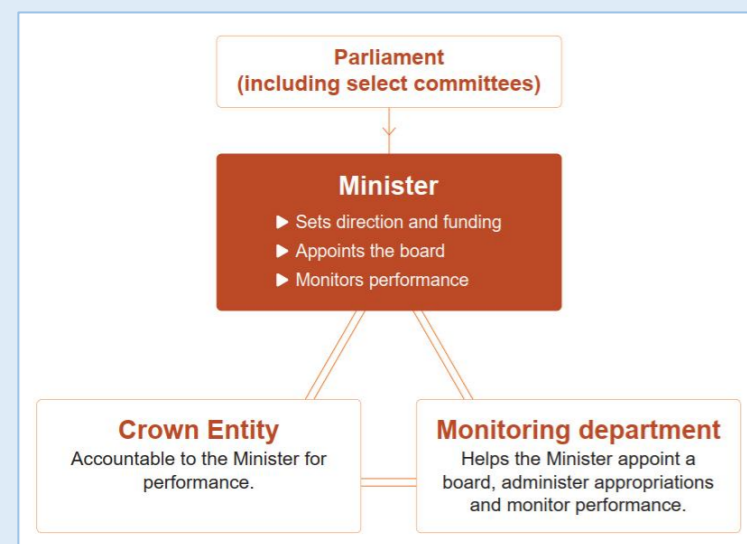
### Ministry's role

As stewards of the arts, culture, heritage, media and sporting sectors, the Ministry has a duty to advise Ministers on the sustainability, health and capability of the sector and the challenges and opportunities the sector faces. Our overall aim is to drive sector performance for the benefit of all New Zealanders. The Ministry's role as a monitor is to assist you as responsible Minister to carry out your role in:

- **Ensuring an effective board is in place** by appointing members to, and removing members from boards and determining remuneration of some board members
- Giving directions to entities to **give effect to government** policy (Crown agents) or have regard to government policy (autonomous Crown entities)
- **Reviewing** the operations and performance of the entity
- Requesting **information** from an entity
- Participating in the process of setting the entity's **strategic direction** and performance expectations
- **Monitoring** the entity's performance
- **Managing risks** on behalf of the Crown
- **Answering to Parliament** for the performance of the entity.

As monitor the Ministry is also responsible for

- Administering **appropriations**
- Administering **legislation**
- Tendering independent **advice to Ministers**, including advice on entities' performance



From 'It Takes Three' – Te Kawa Mataaho, Public Service Commission

| Organisation and purpose   | Funding  | Key personnel                                   | Monitor Role   | Minister's responsibilities and government expectations   |
|--|--|---|--|---|
| <b>RNZ – Crown Entity Company</b> <ul style="list-style-type: none"> <li>• New Zealand's independent public service broadcaster</li> <li>• Established under the Radio New Zealand Act 1995</li> <li>• Receives some contestable funding from NZ On Air.</li> </ul>  | <b>\$42.606m</b> operating funding from NZ On Air and <b>\$1.900m</b> from Vote Arts Culture and Heritage for RNZ Pacific in 2022/23<br><br>In addition, RNZ received <b>\$4.40m</b> in capital funding and <b>\$1.035m</b> in operating funding over 4 years in Budget 2022 for a new RNZ Pacific transmitter | Chair: Dr Jim Mather<br>CE: Paul Thompson       | Treasury and MCH jointly monitor<br>MCH lead on policy | <ul style="list-style-type: none"> <li>• Shareholding Ministers (you and Minister of Finance) determine appointments and (with discretion) removal of Board members</li> <li>• Minister has no power to direct (unless specifically provided for in another Act) but sets direction and annual expectations</li> <li>• Agency must comply with specified requirements of a Whole-of-Government approach if directed by Ministers of Finance and Public Service</li> </ul>                                 |
| <b>TVNZ – Crown Entity Company</b> <ul style="list-style-type: none"> <li>• New Zealand's national television and digital media company</li> <li>• Provides a range of content and services on a choice of delivery platforms while maintaining commercial performance</li> <li>• Governed by the Television New Zealand Act 2003</li> </ul> | <b>N/A</b> (TVNZ is not directly funded to provide any service, and almost all of TVNZ's revenue comes from advertising and non-Crown commercial sources)  | Chair: Andy Coupe<br>CE: Simon Power            | Treasury lead on monitoring<br>MCH lead on policy      | <ul style="list-style-type: none"> <li>• Similar responsibilities to that for RNZ but through Treasury; MCH provides wider policy advice</li> </ul>   |
| <b>NZ On Air – Autonomous Crown Entity</b> <ul style="list-style-type: none"> <li>• Independent government funding agency</li> <li>• Provides funding for scripted and factual content as well as platforms and music</li> <li>• Established under the Broadcasting Act 1989</li> </ul>  | <b>\$123.110m</b> from Vote Arts Culture and Heritage in 2022/23 (includes <b>\$19.950m</b> for the Public Interest Journalism Fund and <b>\$6.250m</b> in cost pressure funding for public media platforms)   | Chair: Dr Ruth Harley<br>CE: Cameron Harland    | MCH lead on policy and monitoring                      | <ul style="list-style-type: none"> <li>• Minister determines appointments and (with discretion) removal of Board members</li> <li>• Agency must 'have regard to' policy that relates to the entity's functions and objectives if directed by Minister</li> <li>• Minister sets direction and annual expectations but no direction can be given on cultural matters</li> <li>• Agency must 'give effect to' Whole-of-Government approach if directed by Ministers of Finance and Public Service</li> </ul> |
| <b>BSA - Independent Crown Entity</b> <ul style="list-style-type: none"> <li>• Oversees New Zealand's broadcasting standards regime; decides complaints about broadcasters</li> <li>• Publishes and conducts research on broadcasting standards.</li> <li>• Quasi-judicial tribunal established by the Broadcasting Act 1989</li> </ul>      | Jointly funded by government and through broadcaster levies.<br><b>\$0.609m</b> from Vote Arts Culture and Heritage in 2022/23<br><br>In addition, the BSA received a phased baseline increase of <b>\$1.200m</b> over 4 years from to address BSA cost pressures in Budget 2022                               | Chair: Susie Stanley<br>Acting CE: Helen Cruise | MCH lead on policy and monitoring                      | <ul style="list-style-type: none"> <li>• Advise Governor-General on appointments and removing Board members</li> <li>• Minister has no power to direct (unless specifically provided for in another Act) but sets direction and annual expectations</li> <li>• Agency must 'give effect to' Whole-of-Government approach if directed by Ministers of Finance and Public Service</li> </ul>  |
| <b>NPRT – Private trust (listed in Schedule 4 of the Public Finance Act 1989)</b><br><br>To serve New Zealand's Pacific community through maintaining the national Pacific radio network (Radio 531pi and Niu FM)  | <b>\$3.250m</b> via NZ On Air in 2022/23   | Chair: Saimoni Lealea<br>CE: Don Mann           | MCH lead on appointments                               | <ul style="list-style-type: none"> <li>• In consultation with Minister for Pacific Peoples, Minister determines appointments and (with discretion) removal of Board members</li> </ul>  |

## Appendix 3 About Manatū Taonga

The Ministry has responsibilities for three portfolios:

### Ministry portfolio responsibilities

#### Arts, Culture and Heritage

- Provides policy advice to support arts, culture and heritage objectives
- Delivers cultural programmes and initiatives, produces resources, and administers legislation
- Funds and provides advice on Crown-funded agencies performance, including advice on setting entities' strategic direction and priorities
- Provides advice on board appointments and governance issues
- Provides advice on draft agency planning documents

Funding for the Media and Broadcasting portfolio is via Vote Arts, Culture and Heritage. The responsible Minister is the Minister for Arts, Culture and Heritage and is administered by Manatū Taonga.

#### Broadcasting and Media

- Provides policy advice to support broadcasting and media objectives
- Provides advice on board appointments and governance issues
- Provides advice on draft agency planning documents and performance issues

As the Minister for Broadcasting and Media you have responsibility for two appropriations within Vote Arts, Culture and Heritage Vote, Public Broadcasting Services and Establishment of New Public Media Entity.

#### Sport and Recreation

- Monitoring agency of Sport NZ
- Provides advice on board appointments and governance issues
- Provides advice on draft agency planning documents and performance issues

Funding for Sport and Recreation is provided via Vote Sport and Recreation and is the responsibility of the Minister for Sport and Recreation. It is administered by Sport New Zealand.

### Te Kāhui Mataaho – the Ministry's leadership team

The Ministry is led by Bernadette Cavanagh, Tumu Whakarae / Secretary for Culture and Heritage, and Chief Executive.



**Bernadette Cavanagh**

*Tumu*

*Whakarae*

The Ministry's leadership team is made up of the five Deputy Chief Executives who lead the following core groups:



**Basil Keane**

*Pou Mataaho o Te Pae Huarewa (Taupua)  
Acting Deputy Chief Executive, Māori capability and engagement*



**Sarah Hardy**

*Pou Mataaho o Te Iho  
Deputy Chief Executive, Organisational Performance*



**Emily Fabling**

*Pou Mataaho o Te Aka  
Deputy Chief Executive, Policy and Sector Performance*



**Joe Fowler**

*Pou Mataaho o Te Aka Tūhono  
Deputy Chief Executive, Investment and Outcomes*



**Neill Atkinson**

*Pou Mataaho o Te Hua (Taupua)  
Acting Deputy Chief Executive, Delivery*

**About the Ministry**

Manatū Taonga - the Ministry for Culture and Heritage was established in 2000, by bringing together the Ministry of Cultural Affairs with the history and heritage functions of the Department of Internal Affairs.

Today, the Ministry has grown to an organisation with a headcount of 188 (180.9 full-time-equivalent employees) as of 31 May 2022. This includes permanent and fixed term staff but excludes casual staff, vacancies, and contractors.

Our primary offices are in the former Public Trust Building on Lambton Quay. The Strong Public Media programme is based in Plimmer Tower in Gilmer Terrace. We also have staff based at the Education Centre at the Pukeahu National War Memorial.

## Legislation administered by the Ministry

The Ministry administers three Acts that are central to the broadcasting sector.

| Legislation   | Overview   | Entities   |
|---|--|--|
| Broadcasting Act 1989 (Parts 1 to 4 and section 81) | <p>The Broadcasting Act 1989 establishes New Zealand's broadcasting standards regime and complaints process and regulates advertising hours and electoral broadcasting.</p> <p>The Broadcasting Act 1989 is administered by the Ministry, except for Part 4A, which establishes Te Māngai Pāho and is administered by TPK, and Part 6, which relates to electoral broadcasting and is administered by the Ministry of Justice.</p> | <p>The Act establishes three Crown entities:</p> <ul style="list-style-type: none"> <li>• BSA, to oversee the standards regime.</li> <li>• NZ On Air (Broadcasting Commission), to fund programmes that reflect and develop New Zealand culture and identity</li> <li>• Te Māngai Pāho (Te Reo Whakapuaki Iirangi), to fund programmes that promote Māori language and Māori culture.</li> </ul> |
| Radio New Zealand Act 1995                          | The Ministry administers the Act but as a Crown Entity company, RNZ is monitored by Treasury   | RNZ  |
| Television New Zealand Act 2003                     | The Ministry administers the Act but as a Crown Entity company, TVNZ is monitored by Treasury  | TVNZ   |

## Other legislation administered by the Ministry

The Ministry also administers the Acts as part of the Arts, Culture and Heritage portfolio related to Crown entities, protected objects and taonga tūturu, symbols of national importance and nationally significant commemorations.



**Appendix 4 Draft Strategic Framework for a Sustainable media System**