

Employment and national GDP impacts of music, book publishing and film and television in New Zealand

This study highlights the economic contribution of New Zealand's music, book publishing and film and television industries in terms of employment, GDP and wider impacts

July 2014



Welcome

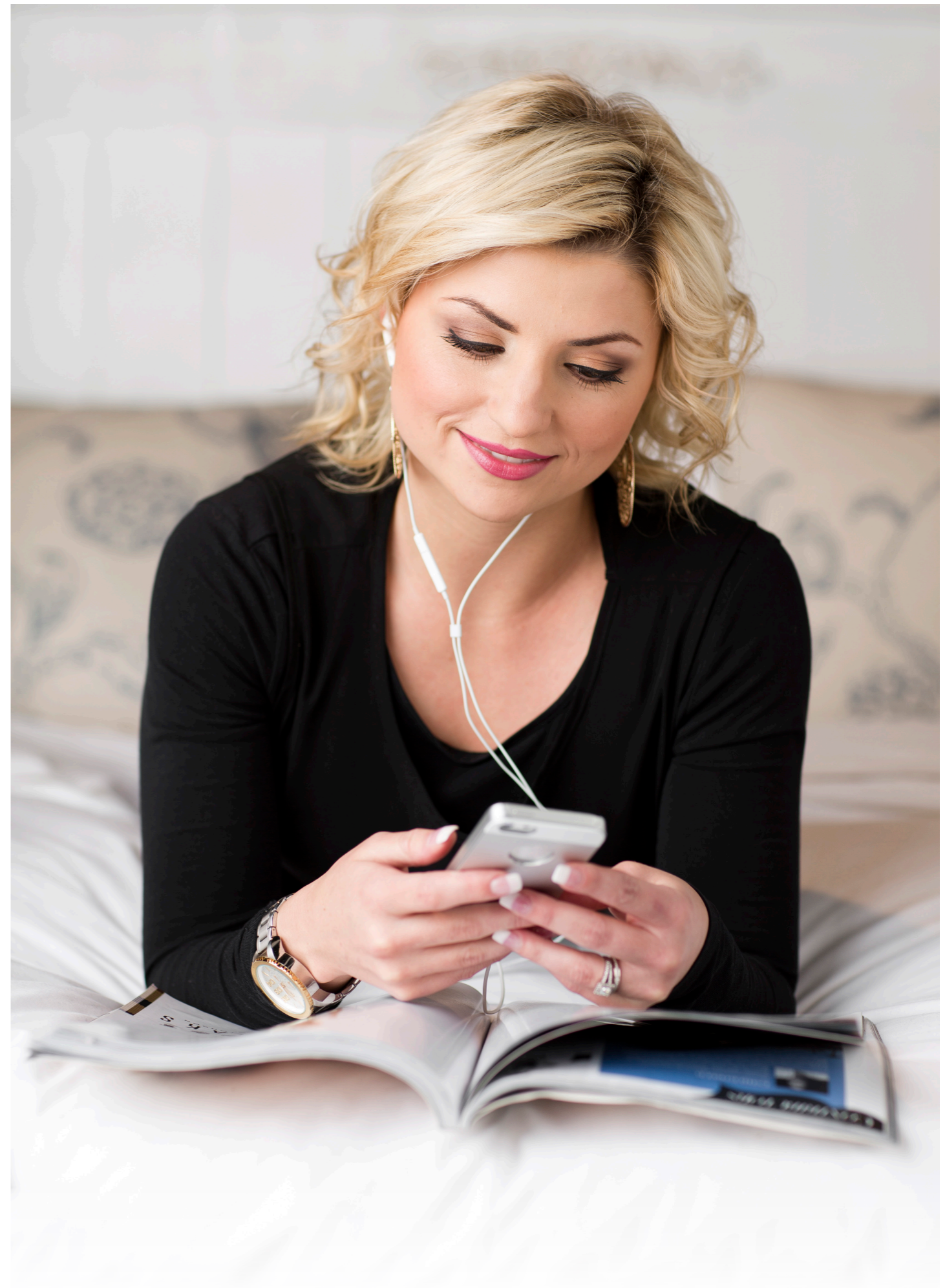
PwC has been commissioned by Recorded Music New Zealand, APRA/AMCOS, the New Zealand Music Commission, Copyright Licensing New Zealand, Publishers Association of New Zealand and the New Zealand Screen Association to estimate the economic impacts of the music, book publishing and film and television industries.

This document summarises the findings of these individual studies, and also provides an overarching view of the collective value of these creative industries to New Zealand.

Each of these industries is evolving in response to technological changes, and the consequent impacts on traditional distribution channels and the challenges associated with retaining control over copyrighted materials.

These industries continue to play an important role in the New Zealand economy, supporting the employment of more than 30,000 people, including direct employees, suppliers to these industries or through the expenditure of employees in the general economy.

Of course, in conjunction with other creative industries, music, books, film & television also play a broader role, particularly through the development of New Zealand's creative talent which helps build national pride and identity. The impact on New Zealand's cultural capital was outside the scope of our analysis. Similarly, we have not attempted to identify or quantify the value or impact of piracy on the music, book publishing or film and television industries.





Summary

Creative industries in New Zealand, including music, book publishing and film and television are important components of New Zealand's culture as well as contributing towards selling New Zealand overseas. Additionally, these three industries contribute significantly to New Zealand's national GDP and employment.

Employment impact of music, publishing and film and television

Direct impact	Total impact
14,918 FTEs	30,599 FTEs


Music industry

1,694 jobs   4,124 jobs

Book publishing industry

2,940 jobs   5,160 jobs

Film & TV industry

 
 
 21,315 jobs

 = 500 FTE staff

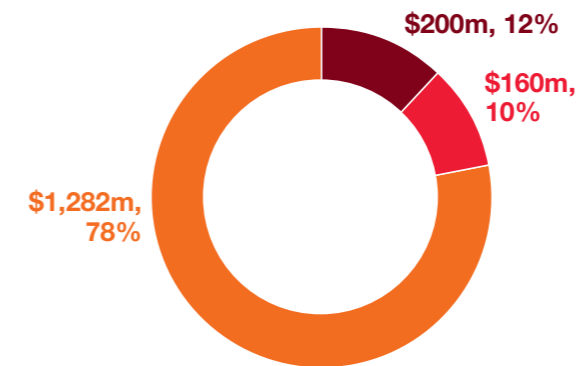
1. Book publishing and music are presented for 2012 years however film is presented for 2011 which is the most up to date report.
2. The total GDP and employment impacts could have a small upward bias as it is possible that some direct impacts in one industry may be captured and double counted in the total impacts of another industry. This possibility is not likely to be material.

GDP impacts by industry

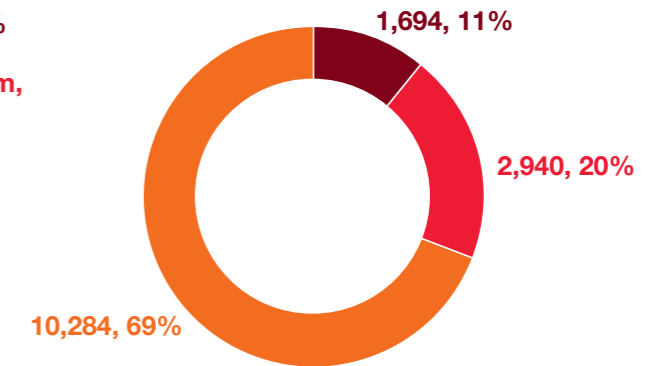
Direct impact	Total impact
1,642 million NZ\$	3,597 million NZ\$



Direct GDP contribution



Direct employment contribution



 Music industry  Book publishing industry  Film & TV industry





Music industry

Despite the impacts of illegal music use, New Zealand's music industry remains a significant contributor to national GDP and employment.

2013 employment impacts of New Zealand's music industry

Direct impact

1,670 FTEs

Total impact

4,077 FTEs

Retail

203 jobs   | 446 jobs

Communication & public performance

132 jobs   | 313 jobs

Music radio broadcasting

846 jobs    |         | 2,158 jobs

Live music

471 jobs   |         | 1,117 jobs

Synchronisation

19 jobs | 45 jobs

 = 200 FTE staff

1. Communication rights and public performance refers to the royalties earned by record companies, music publishers, songwriters and recording artists
2. Synchronisation refers to revenues earned through the licensing of music for use in advertisements, games, films and television programmes

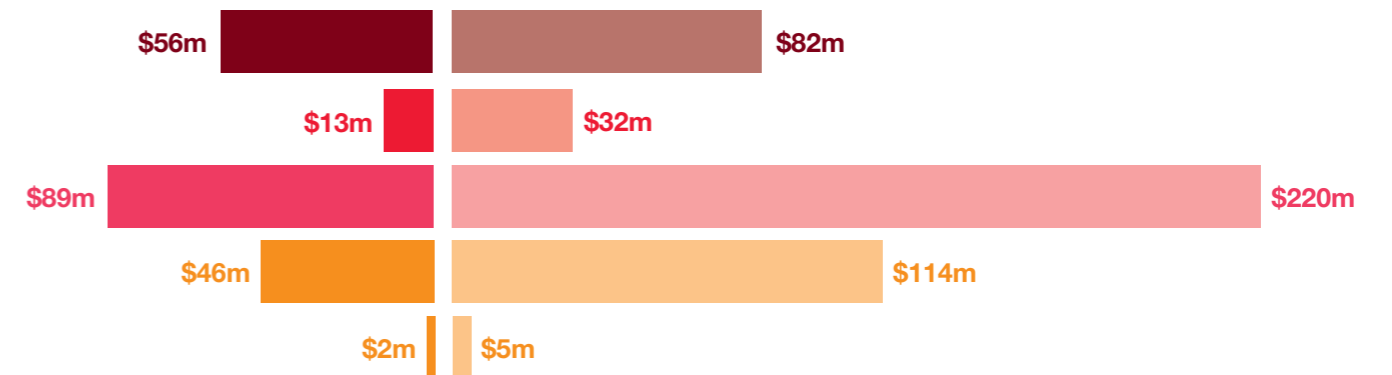
2013 music industry GDP impacts, by channel to market

Direct impact

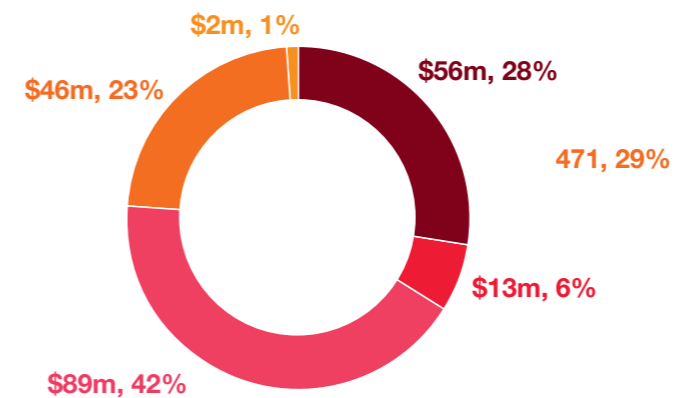
205 million NZ\$

Total impact

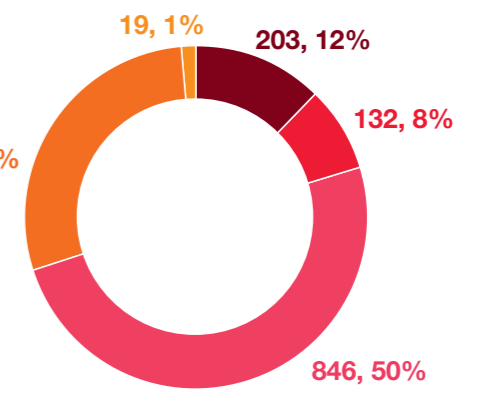
452 million NZ\$



2013 Direct GDP contribution



2013 Direct employment contribution



 Retail
  Music radio broadcasting
  Synchronisation
 Communication & public performance
  Live music



Book publishing industry

The book publishing industry is gradually adapting to the impacts of digitisation. Online and Ebook sales are gaining a foothold in the market and it is anticipated that these sectors will become more influential on the industry's impact on national GDP and employment.

2012 employment impacts of New Zealand's book publishing industry

Direct impact **2,940** FTEs
Total impact **5,160** FTEs

Store-based sales of physical books

2,250 jobs | | 3,540 jobs

Trade sales to libraries and educational institutions

70 jobs | | 160 jobs

Online sales of physical books

30 jobs | | 60 jobs

Educational publishing

300 jobs | | 710 jobs

Ebook sales

40 jobs | | 90 jobs

Other sales (rights sales, non-traditional sales)

250 jobs | | 600 jobs

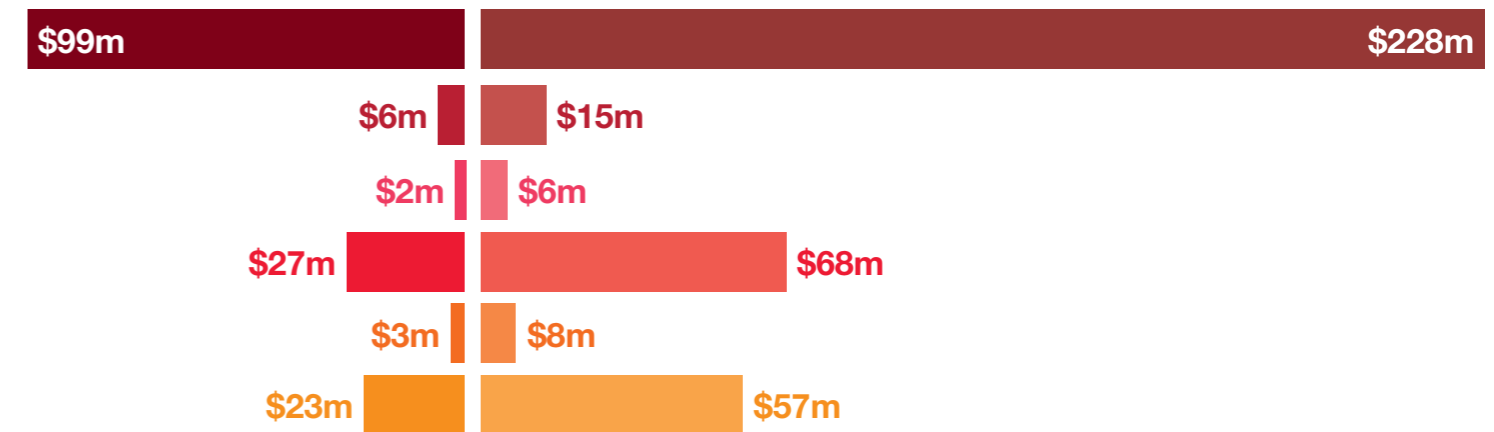
= 200 FTE staff

* Excludes employment in libraries

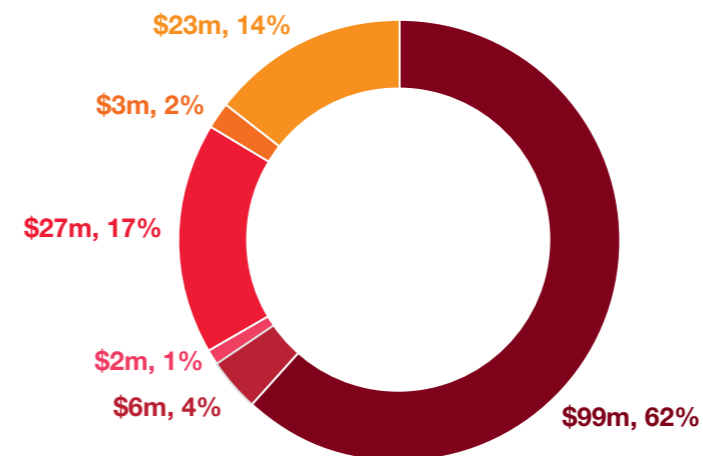
2012 book publishing industry GDP impacts, by channel to market

Direct impact
160 million NZ\$

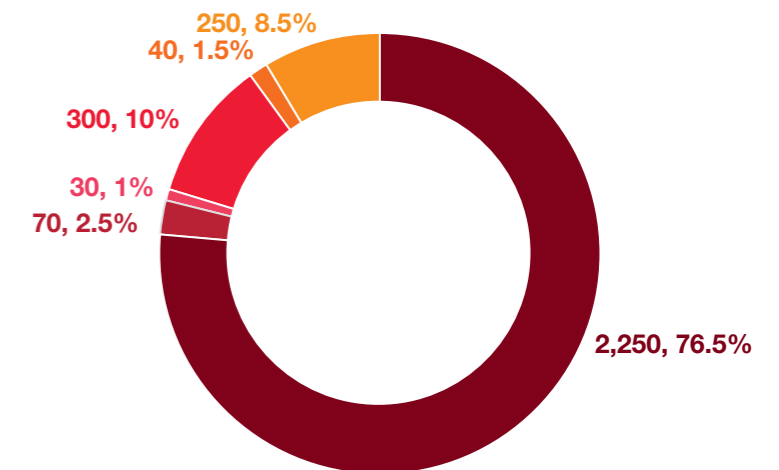
Total impact
382 million NZ\$



2012 Direct GDP contribution



2012 Direct employment contribution



Store-based sales of physical books
 Trade sales to libraries and educational institutions

Online sales of physical books
 Educational publishing

Ebook sales
 Other sales (rights sales, non-traditional sales)



Film and TV industry

The New Zealand film and television industry is a high-productivity and high-wage sector that accounts for a significant portion of national GDP and employment.

2011 employment impact of New Zealand's film and television industry

Direct impact¹
10,284 FTEs

Total impact²
21,315 FTEs

Film industry³



Television industry



Home entertainment⁴



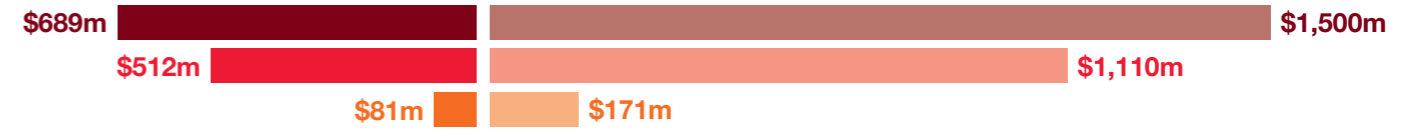
= 500 FTE staff

1. Employment occurring directly within the film and TV industry.
2. Consists of the direct contribution in addition to spillover effects of film and TV spending on other industries.
3. Consists of screen production and post-production, distribution, and film exhibition.
4. Comprises home video rental and retail.

2011 Film and TV industry GDP

Direct impact
1,282 million NZ\$

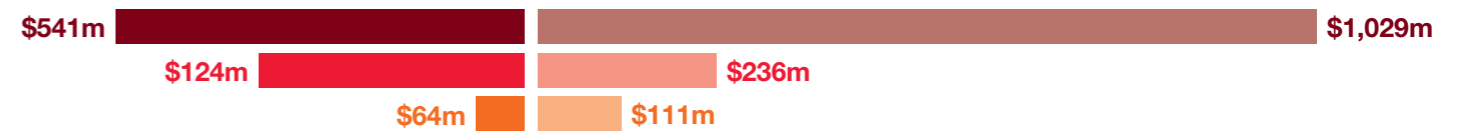
Total impact
2,781 million NZ\$



2011 Film and TV industry labour income

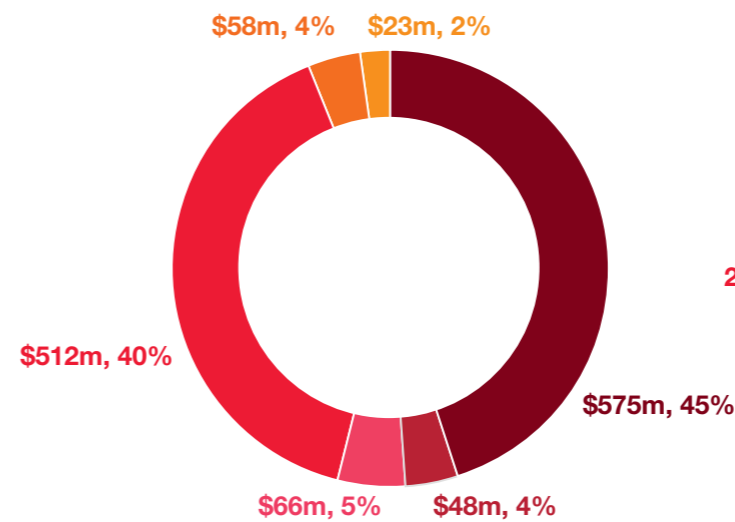
Direct impact
729 million NZ\$

Total impact
1,376 million NZ\$

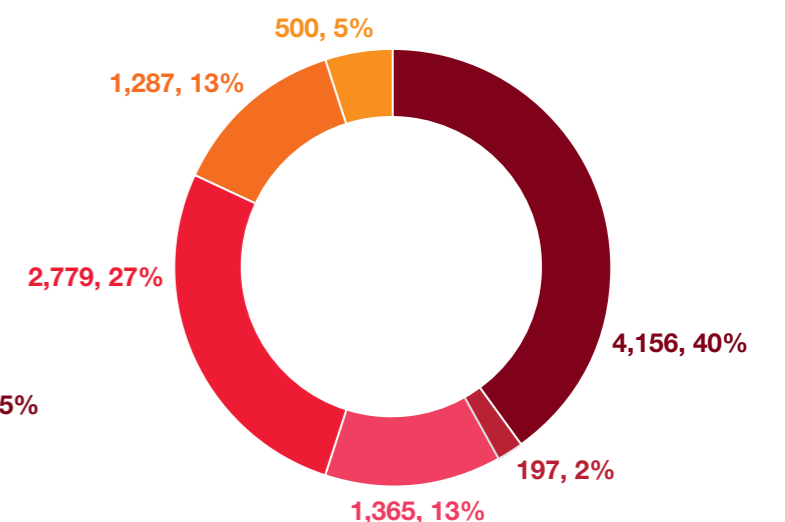


Film industry³ Television industry Home entertainment⁴

Direct GDP contribution



Direct employment contribution



Film production Film exhibition Home video rental
 Film distribution TV broadcasting Home video retail



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This summary report is based on the findings of the following three reports: “Economic contribution of the New Zealand music industry, 2012 and 2013”, June 2014, “Economic contribution of the New Zealand publishing industry”, June 2014; and “Economic contribution of the New Zealand film and television industry”, August 2012. Each of these reports includes detailed background, key assumptions and disclaimers.

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