



MP for Dunedin South

Minister of Broadcasting, Communications
and Digital Media

Associate Minister for ACC

Minister for Government Digital Services

Associate Minister of State Services (Open Government)

Dr Ruth Harley
Chair
NZ On Air
PO Box 9744
WELLINGTON

Dear Dr Harley

PUBLIC MEDIA FUNDING FROM BUDGET 2018

This letter sets out my expectations for the Broadcasting Commission (NZ On Air) in relation to the use of contingency funding for public media set aside in Budget 2018. This letter should be read in the context of:

- my February 2018-2019 Letter of Expectations for NZ On Air
- the need to share outcomes with RNZ for a portion of the contingency funding.

This Government firmly believes that in all healthy democracies the media plays a critical role in holding public and private institutions to account. This funding is to ensure that New Zealand continues to have a public media system that fulfils this function. It is also to ensure that the public media system contributes to our national identity and serves a wider audience.

As you know, Cabinet has agreed to allocate the \$15 million set aside for public media purposes in Budget 2018 based on advice from the Ministerial Advisory Group on Public Media. In summary, the allocation is as follows:

- NZ On Air will receive an increase in funding of \$4 million for 2018/19 to support the production of more diverse local content and to boost NZ On Air's reach to under-served audiences.
- \$6 million has been allocated for 2018/19 to a new joint NZ On Air and RNZ innovation fund to pilot a new type of sector-wide collaboration that will see RNZ commissioning content in a joint venture with NZ On Air. The intention is that content developed with this funding will initially air on RNZ platforms and be commissioned from the commercial sector using NZ On Air's existing funding processes and capability for managing contracting processes. For NZ On Air, the innovation fund will provide a new platform on which to place programming for minority audiences that are not currently well served.
- RNZ will receive \$4.5 million for 2018/19 to extend its multi-media services to reach more people in different ways. This will enable RNZ to take initial steps towards the fully multi-platform service known as "RNZ+".

- The remaining \$500,000 will be used by the Ministry for Culture and Heritage to fund research on the capacity for media collaboration and the levels of funding needed to ensure the long-term sustainability of New Zealand's public media system.

Content decisions will rest with NZ On Air (jointly with RNZ in relation to the innovation fund) in accordance with your statutory decision-making independence. I understand that NZ On Air and RNZ have indicated to the Ministerial Advisory Group that new funding would be used to generate additional content for currently under-served audiences, such as:

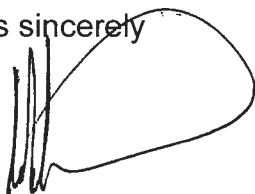
- Māori audiences
- Pacific audiences
- regional audiences
- children and young audiences.

This is a material increase in your funding, and I would like to see the increase reflected in NZ on Air's 2018/19 Statement of Performance Expectations (SPE) outlining how the new funding will be used. I look forward to you providing me with the amendments. I consider that the Statement of Intent does not need to be updated at this point.

As the innovation fund will be managed jointly by NZ On Air and RNZ, I expect the two agencies will agree a protocol for how the fund will be administered. I would like to see progress reports on implementation of the innovation fund included as part of your regular quarterly performance reports. I have asked RNZ to do the same and you may wish to discuss with RNZ ways to streamline these progress reports.

I would like to take this opportunity to thank NZ On Air for working so constructively with the Ministerial Advisory Group to date. I am excited about the opportunity ahead for a new type of collaboration between NZ On Air, RNZ and the production sector that can be built upon in future years.

Yours sincerely



Hon Clare Curran
Minister of Broadcasting, Communications and Digital Media

cc Jane Wrightson, Chief Executive, New Zealand On Air
Paul James, Chief Executive, Ministry for Culture and Heritage