

Auckland Council proposed Annual Budget 2023/2024 OneMusic Response.

1. Summary

Auckland Council has announced a forecast budget shortfall of \$295 million for the financial year 2023/2024. The proposed cost-cutting initiatives contradict Auckland Council's responsibility to the arts and cultural development of Tāmaki Makaurau.

In recognition of the proposal to decrease expenditure, OneMusic, as part of the music sector, urges Auckland Council to undertake financial due diligence to fully understand the economic impact these proposed cuts will have on the creative, music, tourism, retail, accommodation, and hospitality industries; and threaten the cultural well-being of our communities and the overall liveability, vibrancy, social cohesion, and identity of Tāmaki Makaurau Auckland.

Reductions in operating costs across Auckland Council and Council Controlled Organisations, Tātaki Auckland Unlimited, Eke Panuku, Regional Services, Local Board Initiatives, Contestable Grants, will impact employment, limit revenue streams and the future prosperity for Aucklanders and their businesses.

2. Legal Obligation

Since 2013 at OneMusic's conception and prior, under APRA AMCOS and Recorded Music NZ (previously PPNZ Music Licensing Limited), Auckland Council has held a licence for its premises and events. This licence facilitates the Council's legal obligations for the Public Performance of music specified under the New Zealand Copyright Act (1994).

The revenue from licensing is distributed as music royalties (less our administration costs of approximately 13%) to songwriters, composers, music publishers, recording artists, and record labels. Giving our community opportunities to develop their career and generate income that they wouldn't be able to do on their own.

In addition to the Copyright Act (1994), Auckland Council is obligated by the Local Government Act (2002) to provide for democratic and effective local government that recognises the diversity of New Zealand communities. And to play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach.

Without Auckland Council aiding in the facilitation of Events and our bricks-and-mortar facilities, this directly contradicts Council obligations, as the delivery of Arts and Culture programmes depend on Council funding. Moreover, it poses an immense and imminent risk to prosperity and opportunities for Aucklanders and their businesses, which will have a consequent economic effect nationally on our talent pipeline and the international reputation of Aotearoa.

3. Investing in music

Auckland City of Music [outlined in their 2023 Strategy](#), "Auckland is one of the most diverse cities in the world. Its 1.72 million residents span more than 220 ethnic groups, and four in ten Aucklanders were born overseas. It is also home to a large Pacific population and 60 per cent of Māori live in Auckland and surrounding regions. The creative sector is an integral part of Tāmaki Makaurau's economic prosperity, contributing 3.6% of the city's GDP and employing 32,000 people. Forty-nine percent of people employed in New Zealand's creative sector reside in Auckland."

Having a strong creative economy supports a broad range of revenue streams, from those directly employed, be them music creators, managers, professionals, technicians, trade workers, clerical and administrative workers, sales workers, marketing, machinery operators and drivers, labourers, choreographers, dancers. And those indirect employment opportunities for Hospitality, Retail, Accommodation and Tourism industries, with revenue streams generated from the supply of food, refreshments, to parking or transportation, accommodation, merchandising and gift or souvenirs, even childcare.

Without Auckland Council's continued investment, growth will be limited and therefore limiting the current and potential income that music and cultural expression brings. In reflection with our neighbours, [The Economic and Cultural Value of Live Music in Australia study](#), found that there was a 3:1 cost-benefit ratio for contributions to live music in Australia; essentially, for every dollar spent, \$3 of benefit is returned to the wider community.

For Aotearoa, in 2019, Infometrics estimated that New Zealand's core night-time economy was worth almost [\\$10 billion in economic activity and supported over 180,000 jobs \(7% of total employment\)](#).

A Council which allows our diverse communities a platform to celebrate their differences and come together, ensures the well-being and inclusiveness of our colourful city including and beyond economic value. Auckland Council's own, [Toi Whītiki - Auckland's Arts and Culture Strategic Action Plan](#), reports 88% of Aucklanders believe that the arts are good for you, 86% agree the arts help to improve society and 90% agree that they learn about different cultures through the arts.

4. Conclusion

Our city has a rich and storied heritage that has produced world-class musicians, producers, organisations, and events. The ecosystem that supports this success is fragile. It requires concerted effort and ongoing investment from both the sector and Auckland Council to ensure that our music ecosystem is resilient, sustainable and future-proof.

The proposed cuts to arts and culture funding would stifle the music ecosystem and the benefits that music provides. Our concern reflects those of the music sector, and we urge Councillors to:

- **Reject this current Budget proposal;** specifically, the cuts proposed to Auckland Council and Council Controlled Organisations, Tātaki Auckland Unlimited, Eke Panuku, Regional Services, Local Board Initiatives and Contestable Grants.
- **Reconsider the proposed approach to addressing the current shortfall.** We request that Council considers a different mix of financial levers other than decimating community investment (such as targeted rates increases, borrowing and/or asset sales) when preparing a revised budget.
- **Undertake robust analysis** of the impact that any revised proposal will have on the long-term prosperity and prospects of all Aucklanders.

A city is more than its infrastructure – and now is the time to invest in the recovery, and future resilience and prosperity of Tāmaki Makaurau Auckland and its people.

As a representative music organisation, we welcome the opportunity to provide further feedback on the Budget and note that we are willing and able to discuss with Auckland Council how music can play a vital part in achieving Council's long-term aspirations.



Greer Davies,
Director, OneMusic