

## Summary

### **the heart of the nation a cultural strategy for aotearoa new zealand**

For the Prime Minister and Minister of Arts, Culture and Heritage  
By the Heart of the Nation Strategic Working Group

June 2000

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## SUMMARY

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### 1. PURPOSE

The *Heart of the Nation* is a project initiated and resourced by the Government which aims to facilitate the development by the cultural sector of a strategy embracing:

- cross-sectoral goals and the principles which underpin these;
- objectives for the sector to achieve by 2010 which will contribute to the New Zealand economy and society;
- strategies for achieving these goals and objectives; and,
- a related issue agenda.

### 2. DEFINING THE SECTOR

The cultural sector comprises two diverse but inter-related spheres of productive activity:

- **Cultural Enterprises** – the arts sector, in its broadest definition, where creativity embraces expressive and communicative purposes and where profit or commercial gain is not a primary motivator.
- **Creative Industries** – a range of commercially-driven businesses whose primary resources are creativity and intellectual property and which are sustained through generating profits.

Within these categories are a range of activities which have their origin in individual creativity, skill and talent. These include design (including craft and fashion), advertising, film, broadcasting (television and radio), multimedia, the recording industry, the performing arts, heritage, visual arts, literature.

### 3. INTEGRATED DEVELOPMENT

These domains of productive activity are symbiotic; and a major purpose of the strategy is to ensure that their development occurs in an integrated manner.

### 4. TREATY RESPONSIBILITIES

The present Government has acknowledged that it has specific Treaty of Waitangi duties in relation to Māori culture and heritage. For our part, we affirm the centrality of Treaty principles to the development of cultural policy and resourcing and the need for Māori sovereignty/rangatiratanga over the development of Māori cultural resources.

## 5. CULTURAL POLICY RESPONSIBILITIES

The arts and cultural policy announced by the Government demonstrates concern for the development of both Cultural Enterprises and Creative Industries. Their policy purposes are:

*'... to nurture and sustain vibrant arts and cultural activities which all New Zealanders can enjoy and through which a strong and confident cultural identity can emerge ...*

as well as to:

*... back a strong creative industry sector which provides sustainable employment and is able to contribute to economic growth and prosperity'.*

If these policy settings remain constant for the ten year planning period within which we are working (2000-2010), the implementation of our proposed strategy will generate growth within both cultural enterprises and creative industries

## 6. A CONCEPTUAL MODEL

The essential elements within our strategic framework are:

**Heritage:** We see heritage not as remote and moribund but as a current cultural resource, continually reinvented to meet present needs.

**Identity:** Awareness of heritage sustains the identities we define; and these identities represent primary cultural assets. These identities constitute the drivers of creative processes and the impulse behind cultural policy programmes that have developed over time.

**Development Policies:** Present policy programmes underpin an array of investment strategies – investing in creativity, strengthening infrastructure, developing cultural and creative industry products and services, and building domestic and international markets. These programmes and new initiatives and structures need to be better resourced and targeted more effectively if our strategic objectives are to be realised within the period 2000-2010.

**Dynamic Cultural Economies:** The outcome of these investment strategies, if appropriately resourced and calibrated, will be dynamic cultural economies in regions, urban centres and rohe whenua.

**Product Development and Investment Partnerships:** The productivity of these cultural economies will be enhanced by inputs of two types from external sources:

- local and international resources combined to develop flagship events and projects which enhance the cultural positioning of a particular locality and contribute to the vitality of its cultural economy; and,
- international investment attracted by the depth of the cultural skillbase to locate their own projects within New Zealand or to finance New Zealand production.

**Cultural and Economic Returns.** Dynamic cultural economies produce a variety of returns:

- a cultural return from New Zealanders' experience of their own culture – this reinforces identity and assists in building social cohesion; and,
- an economic return from both local and international consumption of cultural products and services.

## **7. MARKET PROSPECTS**

### **Within The Domestic Market**

- Interest in cultural goods and services is high but participation rates are lower, suggesting an untapped potential audience for many attractions.
- Within all household types the proportion of expenditure devoted to cultural goods and services is also reasonably uniform.
- However, two relatively affluent market segments are more significant for marketing purposes because of their greater:
  - frequency of attendance;
  - spending power; and,
  - mobility.
- These market segments will become more significant during the planning period to 2010 as their share of spending power increases. They will also age.
- Competition from within the leisure sector for this discretionary expenditure is already strong and the cultural sector has not been performing well against this competition.
- Factors that should lead to better performance by the cultural sector include:
  - increased regional differentiation;
  - reversal of the 1990s imbalance of capital over programme funding by central and local government;
  - new product development; and,
  - complementarity between domestic and international markets.

### **The International Market**

- Foreign exchange earnings from cultural and recreational services amounted to \$70 million in 1999. This was an increase of 20% from 1998.
- Foreign exchange earnings from cultural goods amounted to \$33.4 million in 1999, 16% up on 1998.
- We estimate conservatively that around 5% of tourists spending may be directly on cultural products, amounting to some \$200 million annually.
- Combining the value of exported cultural goods, exported cultural services and visitor spending on cultural products suggests foreign exchange earnings by the cultural sector of some \$300 million annually.

### **Growth potential**

The Government has already recognised the potential for growth within this field, particularly in relation to the New Zealand film industry. Its new cultural budget announced on 18 May 2000 includes \$22 million to establish the New Zealand Film Production Fund. This will:

- Seek to attract matching funding including off-shore capital to support films on a larger scale than those generally assisted by the Film Commission.
- Provide a bridge for filmmakers between the highly subsidised low-budget first release films the Film Commission has traditionally backed and fully commercial productions.
- The strategy outlined in this report proposes applying a similar development model - involving the management of career pathways, and the development of new product articulated with new markets - to other fields within New Zealand's cultural enterprises and creative industries.

### **Growth In Domestic Demand**

Assuming that leisure spending maintains a constant share of present household spending and spending on cultural goods and services increases in proportion with spending in the wider leisure market, total domestic cultural expenditure would increase by \$328 million (a 15% increase) over 1998-2010, from the current to \$2.2 billion to the future \$2.6 billion.

Alternatively, if the cultural sector were to become more competitive in the period 2000-2010, growth over 1998-2010 may reach \$650 million. As a consequence, spending in the expanded cultural sector in 2010 would be \$2.8 billion, compared to the \$2.6 billion constant share projection.

In either scenario, increased spending growth will be from the 'older' occupier age group households. This increasing spending power of the 'mature' audience has implications for the cultural sector strategy; it suggests that future product/product mixes must be designed to appeal to this market.

## **8. CHANGED INVESTMENT PATTERN**

In the absence of effective strategic leadership within central government, local government and the cultural sector, an unbalanced and perhaps unintended pattern of investment has been consolidated over the past 10 years characterised by:

- An asset-driven approach to funding by central government – building up infrastructure, with a preference for bricks and mortar.
- The same focus on bricks and mortar largely holds true for local authority expenditure. In a sense, the greatest beneficiary of public investment in the cultural sector has been the construction industry.

## **Investing In Creativity**

Investment in people is probably the greatest impetus to creativity. However:

- The private sector (both individuals and corporates) rather than the public sector, represent the most significant economic factor for cultural enterprises and creative industries and currently purchase over 70% of all outputs.
- Many established charitable trusts have long-term relationships with particular clients - for example sports and welfare agencies. An exception is represented by the energy trusts, which cover the country and might collectively be positioned as a source of national support for the cultural sector.
- There is potential synergy between the notion of 'energy' and the creative drive that underpins the cultural sector. This is an opportunity that should be grasped.

## **A Change of Direction?**

A change of direction in its pattern of investment is suggested if central government is committed to:

- nurturing creativity; and,
- developing sustainable cultural industries.

In terms of resource allocation, this implies a shift in focus from infrastructure to creative activity. Such a reorientation would have the added benefit of increasing:

- productivity of the creative sector; and,
- volume of production by the sector.

This will further develop the cultural sector's means of competing for a larger share of the domestic leisure market expenditure, and broadening the range of cultural product for export.

## **From Decade Of Construction To Decade Of Creation**

The emphasis in central government expenditure over the past decade has helped to make the period one of venue construction. Far less public expenditure has been spent on the creative people and programmes.

Investment in infrastructure is necessary and a stock of infrastructure assets has been built. However, people create cultural products, builders construct fixtures. A significant policy change now to redirect the majority of central government expenditure to people and creative industry should:

- Reinforce the private sector/public sector informal partnership.
- Build people skills and attract people to the creative industries.
- Improve production and export opportunities.
- Provide an enhanced skill base to encourage international purchases of "in New Zealand" goods, services and facilities.
- Enhance tourism returns.

## 9. OPPORTUNITIES FOR TAKE-OFF

### Growth Potential

Given the projections of market potential and investment levels outlined above, we expect the cultural sector will provide an increasing share of an increasing cake. The strategy we propose should help realisation of the cultural sector's potential. Specifically:

- It could lift its share of Gross Domestic Expenditure ("GDE") from around 5% in 1999/2000 to around 6% by 2010.
- Assuming the New Zealand economy sustains growth to 2010 at around 3% pa, then the combination of overall economic growth and securing the projected increased share of GDE will make the cultural sector about 60% larger in dollar terms by 2010 than it is today.
- Such a growth in performance over ten years would justify substantial investment – more than in other slower growth sectors of the economy.

### Increasing Investment Levels

- The Government has already tangibly demonstrated its belief in increased returns from the sector through its funding increases announced on 18 May 2000.
- Both local government and the private sector are also investing at an increasing rate.
- Although some of this investment is in the nature of a "catch-up of deferred maintenance" of the sector, present levels, if sustained, will be a significant contributor to realising the identified potential.

### Further Development

However, in terms of the strategy, **more can be done to encourage further investment and growth in the cultural sector** including:

- Artists and arts organisations improving their access to and share of corporate sponsorship.
- Artists and arts organisations improving their access to and share of philanthropic distributions.
- Expanding the pool of available investment funds by permitting the new energy trusts to distribute money to their community artists and arts organisations.
- Carrying out a comprehensive research study of the private sector philanthropic 'pool' including objectives, powers of distribution and financial position.
- Shifting central government and local government spending priorities on fixed and other infrastructure assets to spending on directly productive assets.

## 10. AN OVERHAUL NOT A TUNE-UP

The following cross-sectoral factors will, prevent the realisation of the sector's development potential over the next ten years unless addressed in a coherent strategy:

- Invisible Heritage
- Neglected Identities
- Under-developed Creative Resources
- Under-utilised Infrastructure
- Limited Strategic Capability
- Under-resourced Māori Culture.

We are optimistic about cultural sector development possibilities; but we are convinced of the need to start from the realisation that what is required to drive the sector forward is not a tune-up but a complete overhaul.

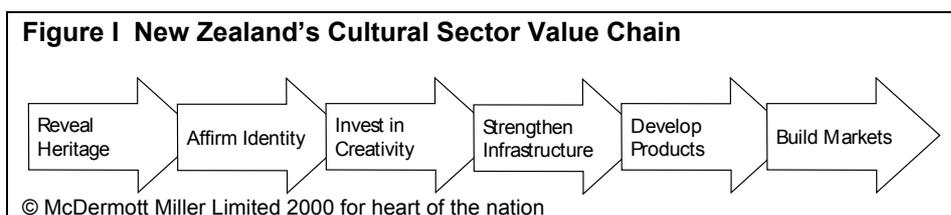
## 11. STRATEGIC OUTCOMES SOUGHT

The **outcomes** sought through the strategy therefore are:

- **Heritage Revealed**
- **Identities Affirmed**
- **Creativity Enhanced**
- **Infrastructure Strengthened**
- **New Products and Markets Developed**
- **Maori Culture Empowered**

## 12. STRATEGY FOCUS AND PROCESS

The focus of the proposed strategy embraces the *sources of creativity* – heritage and identity – as well as the cultural infrastructure. It is designed to support the creators of original cultural products and services – artists and cultural workers. It is also intended to strengthen the various skill bases associated with the work of 'creative intermediaries'– those with the skills to adapt and channel creative products into end-user markets. Among this group may be included scriptwriters and editors and film industry producers; heritage interpreters and product developers; publishers; cultural entrepreneurs and specialist creative industry marketers. Also crucial is the need to ensure an easy flow of skilled people between the cultural professions and creative industries. We therefore conceive of strategy in terms of an extended value chain:



### 13. STRATEGY PRINCIPLES

The strategy we propose is based on a series of partnerships and, to succeed, will need the endorsement of central and local government, the private sector, artists and creative industry producers. These suggested partnerships are based on the following essential principles:

- **Recognising that the sector is at present sustained by an extraordinary mix of individual philanthropy, corporate sponsorship, central and local government subvention, earned income, both in domestic and international markets, and voluntary labour**, this strategy celebrates culture as the heart of the nation: an essential resource for our common future.
- **Recognising that the creative individual is at the heart of the whole process**, this strategy suggests a separately focussed approach to the needs of artists and creative workers throughout their careers.
- **Recognising the value of both not-for-profit Cultural Programmes and the for-profit Creative Industries**, the strategy proposes new approaches, structures and support systems designed to ensure the interdependent development of these complementary resources.
- **Recognising the centrality of the Treaty of Waitangi**, the strategy argues that a strong cultural policy leadership capacity be built within the Ministry of Arts, Culture and Heritage and the Ministry of Māori Development/Te Puni Kokiri.
- **Recognising that cultural development responsibilities should lie where strategic capability is strongest or might best be developed**, the strategy foreshadows the progressive introduction of new policy and resourcing partnerships:
  - between central government and local government or local government agencies;
  - between central government agencies, iwi or other Māori agencies; and,
  - between central government agencies and producers on a sector by sector basis.
- **Recognising the capacity of the private sector to contribute to the development of the cultural sector**, the strategy also proposes new partnerships between central government heritage agencies and private sector providers, based on successful international models, particularly in relation to the digitisation of access systems to our heritage assets.
- **Recognising the skill and capacity of existing public and private sector agencies**, a strategic purpose will be to enhance and empower those services that presently contribute to cultural development rather than to duplicate them.

## 14. THE PROPOSED STRATEGY

The **vision, outcomes, goals and objectives that form the strategy** proposed for the cultural sector are summarised below.

### VISION STATEMENT

**To give form and substance to the creative community as a national ideal.**

### ***OUTCOME SOUGHT: Infrastructure Strengthened – Maori Culture Empowered***

#### **Goal I: Create An Equitable And Effective Public Cultural Infrastructure**

To ensure that central government structures for the cultural sector enact Treaty principles.

#### **Objective 1: Use Treaty principles to drive structural reform in the public cultural sector**

- Establish a Cabinet Committee on Cultural Development, convened by the Prime Minister and including the Minister of Arts, Culture and Heritage and Minister of Māori Affairs.
- Ensure that cultural and heritage policies and structures:
  - Recognise that kaitiakitanga of Māori culture and heritage rests with whanau, hapū, Iwi, and Māori;
  - Provide for the retention, protection and development of mātauranga Māori (traditional Māori knowledge) in Māori culture and heritage;
  - actively protect Māori culture and heritage;
  - support Māori culture and heritage as a unique part of our New Zealand culture and heritage which benefits all New Zealanders; and,
  - recognise that Māori will continue to develop their culture and heritage, and this will contribute to the evolving national cultural identity.
- Reaffirm the prime importance of the ministerial portfolio of Arts, Culture and Heritage in implementing the Heart of the Nation Cultural Strategy.
- Establish the portfolio of Associate Minister of Māori Arts, Culture and Heritage and a Ministry (which may be part of Te Puni Kokiri) to have policy and resourcing responsibilities for agencies and programmes with a 'by Māori, for Māori' focus.
- Strengthen the policy role of the present Ministry of Arts, Culture and Heritage.

***OUTCOME SOUGHT: New Products and Markets Developed***

**Goal II: Develop Creative Industries**

To maximise the economic and cultural returns from creative industries within New Zealand and abroad.

**Objective 2: Invest in Creativity**

**Actions:**

- Establish Creative Industries Development Agency and Creative Resources Foundation.
- Research skill base strengths and shortfalls across creative industries.
- Prepare creative individual development strategy.
- Upskill artists, cultural workers and creative industry personnel.
- Develop pathways into creative industries for talented professionals.
- Tap new sources of investment (eg Energy Trusts).

**Objective 3: Promote Innovation through Cluster Development**

**Actions:**

- Facilitate industry-based cluster formation.
- Resource product research and development.

**Objective 4: Build Markets**

**Actions:**

- Develop integrated brand identity for New Zealand creative industry products and services.
- Use domestic market as proving ground for product and service development.
- Develop integrated export promotion strategy for New Zealand creative industry products and services.

**OUTCOME SOUGHT: Identities Affirmed – Heritage Revealed**

**Goal III: Become Visible**

To ensure that New Zealanders exhibit and benefit from the cultural confidence and creativity that arises from an appreciation of their heritage and from a strong sense of identity.

**Objective 5: Ensure richer representations of New Zealanders identities and cultures through public broadcasting media**

**Actions:**

- Introduce changed philosophy of broadcasting as recommended in this report.
- Introduce a youth radio network on public radio.
- Strengthen Māori broadcasting resources, particularly those devoted to Māori language.
- Introduce dedicated arts and cultural news staff on public radio and television.

**Objective 6: To provide access to and contribute to better understanding of New Zealand's heritage resources/taonga tuku iho**

**Actions:**

- Establish New Zealand Heritage On-line and empower them to co-ordinate the digitisation of New Zealand's heritage resources by 2010.
- Develop co-ordinated strategic and technical plan.
- Contract with appropriate private sector partner and implement programme.
- Establish Heritage Commission with pathways, product development and market development brief.
- Develop integrated brand identity for New Zealand heritage products and museum services.
- Use domestic market as proving ground for product and service development.
- Develop integrated export promotion strategy for New Zealand heritage industry and services.
- Develop a curatorial function and active public programme for National Archives and make collections available for other agencies.

**Objective 7: To foster among Māori and Non Māori positive attitudes and beliefs about Māori language so that Māori English bi-lingualism becomes a valued part of New Zealand society**

**OUTCOME SOUGHT: Creativity Enhanced**

**Goal IV: Upskill and Consolidate Cultural Enterprises**

Support and facilitate professional development and employment in the arts and cultural enterprises.

**Objective 8: To maximise creative potential through education training and strategic creative individual development customised to the needs of cultural enterprises**

**Actions:**

- Establish the Creative Resources Foundation.
- Establish Creative Industries Development Agency.
- Research skill base strengths and shortfalls across creative industries.
- Develop programmes for artists and creative workers support.
- Establish programmes to increase and update skills of artists and creative workers.

**Objective 9: Secure National Institutions**

**Actions:**

- Resource New Zealand Symphony Orchestra and Royal New Zealand Ballet and other national institutions at a level that allows them to fulfil their national functions.

**OUTCOME SOUGHT: New Product and Market Development**

**Goal V: Empower Regional Cultural Development**

Stimulate dynamic cultural economies within regions, metropolitan centres and rohe whenua.

**Objective 10: Consolidate distinctive cultural regions as a basis for building differentiated product and market development strategies**

- Amend the Local Government Act to empower regional councils and Territorial Local Authorities to undertake cultural and creative industry development initiatives.
- Develop criteria for the devolution of local institutional funding through new or existing local government agencies.
- Implement and monitor joint central/local government support programmes for professional theatres, orchestras, performing arts institutions museums and arts galleries.
- Establish and support a cultural presenters network based on underutilised regional cultural facilities.

**Objective 11: Develop cultural management skills at national local and regional levels and within Māori agencies and communities**

**Actions:**

- Identify and build partnerships with existing agencies.

## 15. THE STRATEGY IN SUMMARY

The strategies and actions to achieve the outcomes sought are summarised in the following chart:

Figure II Cultural Sector – Strategy Goals and Objectives

Strategy	Reveal Heritage	Affirm Identity	Invest in Creativity	Strengthen Infrastructure	Develop Products	Build Markets
	Heritage on-line	Embrace differences	Recognise value	Secure assets	Recruit talent	Local
	Product development	Become visible	Build capacity	Add value	Promote Clusters	Mobile metropolitan
	Branding and Marketing	Achieve success	Capitalise on risk	Build commercial skills	Control quality	Export
<b>Actions</b>	Digitise collections	Regional focus	Ground creative practice through schools arts curriculum	Increase investment in key arts institutions	Prepare HR development plans to support creative industry initiatives	Ensure continuity of supply
	Establish new structures	Maori Language	Develop post-tertiary study opportunities	Develop presenters network based on under-utilised community facilities	Promote innovation, capacity building and critical mass through clusters	Differentiate
		Youth radio	Establish easy access to (non-commercial) creative venture capital	Develop 'IPR commercialisers' through new Creative Industries Commission	Involve producers in defining and supporting consistent brand attributes	Seek Off-shore investment partners for export initiatives
		"Pluralist" television	Establish new structures			
<b>Conditions</b>	Existing structures reformed	Broadcasting quotas	Existing structures reformed	Existing structures reformed	Establish new structures	Establish new structures

<b>KEY</b>	Regional Development	Become Visible	Structural Reform	Cultural Enterprises	Creative Industries	Strengthen Maori
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## 16. STRUCTURAL CHANGE

**In order to implement the strategy the following accountabilities and structures need to be recognised within central government:**

**Cabinet Responsibility.** Ultimate accountability for both the strategies and structures that operate in the public sector is identified with the Prime Minister and Cabinet.

**Cabinet Committee on Cultural Development.** Given the economic, social and cultural significance of the cultural sector, it is recommended that a specialist Cabinet Committee on Cultural Development, convened by the Prime Minister, be established to authorise, oversee and monitor implementation of the proposed strategy.

**A Specialist Policy Analyst with a Cultural Brief within the Department of the Prime Minister and Cabinet.** The status and complexity of cultural enterprises and creative industries is further acknowledged by this appointment which should include responsibility for policy integration involving other portfolios with cultural concerns – the Ministry of Education, the Ministry of Economic Development, the Ministry of Foreign Affairs and Trade, the Ministry of Justice and the Department of Internal Affairs, for example.

**Minister of Arts, Culture and Heritage.** The Prime Minister should discharge overall responsibility for this portfolio, but be assisted by an Associate Minister of Arts, Culture and Heritage and an Associate Minister of Māori Arts, Culture and Heritage.

**Two Ministries.** Separate Ministries are proposed for Māori and non-Māori cultural and heritage matters each with a policy and resourcing role. The model depicted here envisages the Māori Ministry operating within the Ministry of Māori Development/Te Puni Kokiri. The advantages and disadvantages of this approach will need to be debated.

**Cultural Budget.** A single budget for Culture and Heritage should be struck and appropriated through the Ministry of Arts, Culture and Heritage, on the joint recommendation of senior officials from both Ministries and the Associate Ministers.

**Respective Responsibilities.** Each Ministry would assume funding and policy responsibility for appropriate existing agencies and be engaged in sustaining, preserving existing assets and developing new structures and programmes to enable the cultural sector strategy to be implemented.

**In the case of the Ministry of Māori Arts, Culture and Heritage,** its primary responsibilities would involve agencies with a 'by Māori, for Māori' focus, such as:

- Te Mangai Paho
- Te Taura Whiri I Te Reo Māori
- Aotearoa/New Zealand Performing Arts Festival
- Te Waka Toi
- A Māori Heritage Foundation.

The ultimate fate of these organisations would depend on decisions taken regarding the merits of establishing a broad-based Māori Cultural Foundation to act as a service delivery agency with diverse responsibilities.

Regional and local links would be established through partnerships with iwi and hapu.

**In the case of the Ministry of Arts, Culture and Heritage**, policy and funding responsibilities would continue for such agencies as:

- Te Papa
- The Royal New Zealand Ballet
- The New Zealand Symphony Orchestra
- The New Zealand Film Archive
- Creative New Zealand's Pacific Islands Committee.

It would also nurture the proposed new **Creative Resources Foundation**, a specialist agency for the support and training of the creative individual.

**Creative New Zealand.** A major change is envisaged in this area, involving the transformation of Creative New Zealand into a variety of other arrangements that seem more appropriate for the twenty-first century and the strategic priorities within the sector.

**Local Government Partnership.** Chief among these would be the development of partnerships with local government agencies to support regionally based cultural institutions such as the present regional orchestras and theatre companies. This initiative exemplifies the principle that cultural development responsibilities should lie where strategic capability is strongest or might best be developed. To allow this to happen, new statutory powers and institutional arrangements may be required.

**Other Moves** would see the **creation of:**

The **Creative Industries Development Agency**, with responsibilities for developing career pathways, product development and market development in the following industry areas:

- Recorded Music
- Heritage
- Film
- Broadcasting
- Literature
- Urban Design and Architecture
- Design (including crafts, fashion and product design)
- Visual Arts
- Dance, Music, Opera and Theatre (also incorporating a touring function)
- Digital Interactive Media.

The **Creative Industries Development Agency** would also have a strategic development planning relationship with the existing creative industry support agencies:

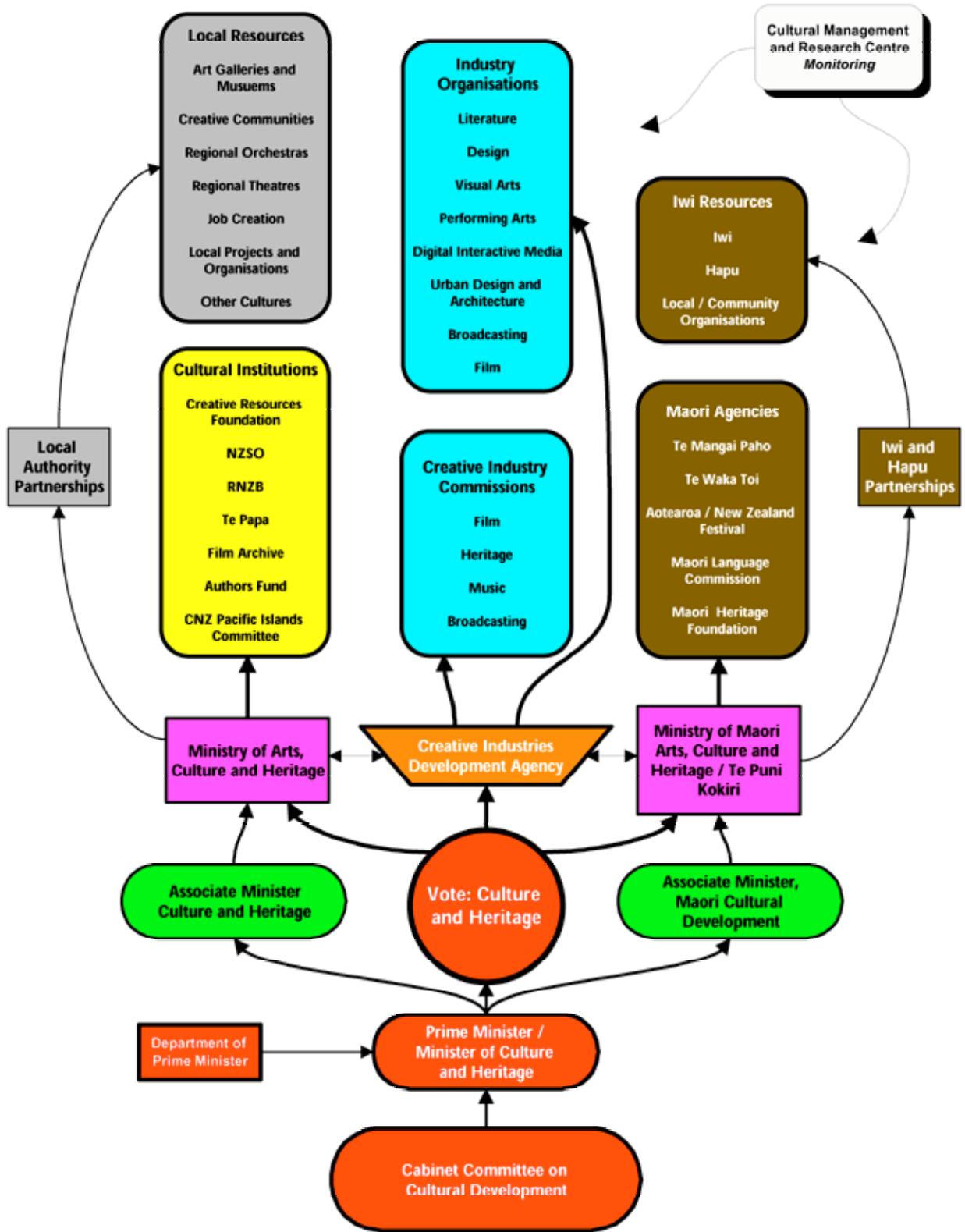
- New Zealand Film Commission
- Broadcasting Commission (NZ on Air)
- The new Music Commission

In addition it would work through the proposed new agencies described below:

- **The Heritage Commission** – a product development and marketing agency for the museum and heritage sector focussed on domestic and international cultural and heritage tourism development.
- **New Zealand Heritage On-line** – dedicated to assisting New Zealand collecting institutions to develop integrated on-line access to their heritage collections by 2010.
- **The Cultural Management and Research Centre (CMRC)** – a non-government agency, but one that could be contracted to undertake a monitoring and research role in relation to the strategy – a new expression of the ‘arms-length’ principle.

This revised **Machinery of Government for the Cultural Sector** is depicted in **Figure III** over:

Figure III Cultural Governance – Revised Machinery



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## **17. COOPERATION WITH EXISTING AGENCIES**

These changes are not intended to usher in a new free-standing cultural bureaucracy. Instead we see these agencies working on the following basis:

- developing partnerships with existing agencies in the public and private sector to implement their support and assistance programmes;
- facilitating the empowerment of creative enterprises and cultural industries rather than performing functions on their behalf;
- providing direct services only where gaps presently exist and until these services may be assumed by other agencies; but,
- maintaining a strategic overview of present and future requirements.

## **18. MEASURING STRATEGY IMPACTS**

To prove the strategy and ensure that an independent cultural monitoring function is maintained, implementation should include resourcing for a contract of service to develop the 'arms-length' research of the proposed Cultural Management and Research Centre (CMRC).

## 19. RECOMMENDATION

The Strategic Working Group for the Heart of the Nation project **recommends** that:

- i. the Minister of Arts, Culture and Heritage **receive** the strategic working group's report and **note** the strategy proposed for the cultural sector;
  - ii. the report on the Heart of the Nation project be **referred** to the Cabinet **for consideration** and **endorsement of the outcomes (ref. 11 above) and underlying principles (ref. 13 above) of the strategy** proposed for the cultural sector;
  - iii. the Government **release** the report publicly and **invite**, through the Heart of the Nation website, comments and support in principle from individuals and organisations in the cultural sector;
- and,
- iv. pending assessment of public responses to the proposed strategy, the Government **initiate as a priority** feasibility studies of the four new "cornerstone" cultural institutions proposed to drive the strategy:
    - the Cabinet Committee on Cultural Development
    - the Ministry of Māori Arts, Culture and Heritage within Te Puni Kokiri
    - the Creative Resources Foundation linked to the Ministry of Culture and Heritage, for the support and training of Creative Individuals
    - the Creative Industries Development Agency responsible for co-ordinating and promoting product and market development by creative industries
  - v. the Government **adopt** in whole, or with appropriate modification, **the strategy and related structural changes** (ref. 14 and 16 above) proposed for the cultural sector, once it has assessed sector responses and considered the feasibility of the new cultural institutions.