



Rt Hon Jacinda Ardern  
Hon Grant Robertson  
Hon Carmel Sepuloni  
Hon Kiritapu Allan

27 January 2022

Tēnā koutou Prime Minister and Ministers

### **AOTEAROA MUSIC INDUSTRY – URGENT COVID-19 SUPPORT REQUESTED**

We are writing on behalf of Aotearoa’s contemporary music industry: our artists and songwriters who write, perform and record; and the many workers and organisations who support them and our world class music sector.

We are urgently requesting assistance from government. The change in the settings for the COVID Protection Framework has had an immediate and potentially devastating effect on the music industry.

All imminent significant size shows, festivals and events have been cancelled or postponed, with no certainty on whether any event will be able to safely proceed in the coming months, which is already having a significant impact on the lives and livelihoods of artists and the entire music sector.

#### **Our specific request is that the government:**

- **Urgently reinstate the Resurgence Support Payment for music sector businesses and sole traders**
- **Urgently reinstate the Wage Subsidy for music sector businesses and sole traders.**

We ask that this is implemented whenever the New Zealand health response requires a move into the Red setting of the COVID Protection Framework.

The music sector is very grateful for the targeted assistance from the government to date, and we support the government’s health response to protect all New Zealanders. However, as is often noted, the live events sector is the first to close and the last to open – which has repercussions for the entire music industry.

The move to Red in the COVID Protection Framework sees the music sector in the most precarious position it has been during the pandemic. During both 2020 and 2021, the summer festival and touring period proceeded – which accounts for the majority of annual live music income and provides a financial buffer for the rest of the calendar year. The 2022 ‘earning season’ has been significantly reduced, and many have already depleted their reserves surviving the uncertain times, particularly prior to the Ministry for Culture and Heritage and the Ministry of Business, Innovation and Employment event support schemes being introduced. Artists, songwriters and live music workers may have little, or no, opportunity to work in the coming months.

Events ceasing due to the COVID Protection Framework Red setting has a cascading effect across almost all music businesses and workers, regardless of whether they are involved in live music themselves. The loss of summer touring and festival income essentially stops the revenue flow for the entire music sector, and even those not involved with live music will feel the impact – i.e. loss of revenue for live music means lower studio bookings, musician fees, local media spends, investment in publicity and marketing, manufacturing and production which flows on to music retail, management and agent companies etc.

The Ministry for Culture and Heritage Arts and Culture Event Support Scheme will greatly assist with registered events for smaller audiences, but not all events are eligible for this support. For the Ministry for

Business, Innovation and Employment Events Transition Support Payment scheme (ETSP) all profits and revenue are not eligible costs, and this revenue is what artists and music sector businesses need to pay wages, rent and other overheads. Additionally, through the ETSP only non-refundable talent fees (i.e. artist performance deposits) are eligible. As many large event performance contracts were executed prior to the certainty provided by announcement of the MBIE ETSP, and given the uncertainty of the past 20 months, some promoters and festivals had negotiated not to pay artist deposits in advance to protect their businesses. Both schemes rely on promoters and organisers to arrange support for artists, live music workers and suppliers – they are not individually eligible to apply.

A reinstatement of the Resurgence Support Payment and Wage Subsidy would assist almost all music sector businesses and sole traders, including the artists, to survive through this next phase of the government's health response for COVID-19. It would support artists and performers, music venues, live music workers and technical crew people, along with assisting the rest of the music sector who will be affected by the ensuing impact.

The Resurgence Support Payment and Wage Subsidy schemes are very effective tools which can be quickly and efficiently implemented for our sector. The eligibility criteria centred on decreases in revenue and income ensures the support is being targeted at the most affected people, and artists themselves can access both schemes. The music sector has numerous organisations, including government funded agencies such as the NZ Music Commission, who can provide assistance for verifying those who are active in the music community and should be considered part of the industry.

There are other future actions that can support the music sector as it navigates the ongoing effects of the pandemic. At this time, urgent action to reinstate the Resurgence Support Payment and Wage Subsidy scheme would provide immediate targeted relief where it is needed most.

We thank you for your support of our sector and stand ready to provide any further information you may need.

Noho ora mai

Anthony Healey, APRA AMCOS

Damian Vaughan, Recorded Music NZ

Teresa Patterson, Music Managers Forum Aotearoa

Dylan Pellett, Independent Music NZ

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