

STUDY ON THE CULTURAL & ECONOMIC IMPACT OF
SHORTLAND STREET

1992 | 2022





In May of 2022 New Zealand's most iconic serialised drama *Shortland Street* turned 30. Produced by us, here at South Pacific Pictures (SPP) for the entirety of that time, we often talk about the impact the series has had - culturally, economically and as a training ground for the wider New Zealand television and film industry. We know its contribution to Aotearoa New Zealand has been vast, but just how vast? There has never been an independent study on the impact of *Shortland Street* - until now.

The following report 'Study on the Cultural & Economic Impact of *Shortland Street* 1992-2022' was commissioned by SPP at the 30-year milestone of the show. International creative industries consultancy Olsberg SPI, who specialise in the global screen sector and who recently completed a report on the economic impact of the New Zealand Screen Sector, produced the study as a way to consolidate the anecdotal chat of the past 30 years and highlight *Shortland Street's* achievements.

Olsberg SPI's findings show that without any doubt *Shortland Street* has provided the template for screen production in New Zealand.

From NZD\$227 million in direct economic output over the last decade, to some of the most talked about 'water cooler' moments on NZ television, through to creating the infrastructure on which many other NZ productions are based, the results outlined in the report clearly support how important this production is to New Zealand - economically, culturally, and creatively.

The acting alumni of New Zealand - from Temuera Morrison through to KJ Apa and Thomasin McKenzie - have all been through the *Shortland Street* machine. They now command international acclaim for their performances in Hollywood Blockbusters and often bring the production of international content back to be shot here in NZ.

All of this achieved 5 days a week, 49 weeks of the year for 30 years. To all those that have passed through her hospital doors and all those who have watched through our partner TVNZ and beyond, we thank you for your service and loyalty.

Here's to the next 30 - we're certainly not in Guatemala now.

Kelly Martin
Chief Executive Officer

Andrew Szusterman
Managing Director

C O N T E N T

1. EXECUTIVE SUMMARY	4	3. ECONOMIC AND INDUSTRY IMPACT	24
1.1 Study Overview	4	3.1 Method and Overview	23
1.2 Cast, Crew and Workforce Development	5	3.2 <i>Shortland Street's</i> Economic Impact in New Zealand	26
1.3 The Economic and Industry Impacts of <i>Shortland Street</i>	7	4. SOCIAL AND CULTURAL IMPACTS	34
1.4 Social and Cultural Impact	9	4.1 Overview	35
2. CAST, CREW AND WORKFORCE DEVELOPMENT	11	4.2 Uniquely New Zealand Stories	38
2.1 Snapshot of Current Context: New Zealand Workforce	12	4.3 Te Wiki o te Reo Māori	39
2.2 <i>Shortland Street's</i> Reach: Cast and Crew Mapping	13	4.4 Sexuality and Identity	39
2.3 Workforce Training and Skills Development	15	4.5 Physical and Mental Health	40
2.4 Representative in the Workforce	18	5. Appendix 1 - Economic impact Methodology	44
2.5 Workforce Best Practices	20	6. Appendix 2: About Olsberg SPI	47
2.6 <i>Shortland Street</i> Alumni	21		

1.

EXECUTIVE SUMMARY

1.1. Overview

Shortland Street is a unique, landmark, long standing television series which began in 1992. Thirty years since its launch, South Pacific Pictures has commissioned Olsberg•SPI to undertake a research study into the varied and far-reaching impact of the series.

The study involved mixed method research, including an economic evaluation, consultations with key industry stakeholders, a survey of cast and crew alumni and a range of primary and secondary desk research.

The Outcome: *Shortland Street* punches above its weight in the New Zealand industry. It is the only locally produced scripted series primarily for local audiences that provides consistent opportunities for jobs, training and development for the workforce as well as significant industry and wider cultural benefits.



SHORTLAND STREET HOSPITAL

HOSPITAL

1.2. Cast, Crew and Workforce Development

Shortland Street has a significantly large footprint in the industry in terms of the cast and the crew workforce.

In 2021, it employed 65 core crew staff, 118 crew contractors and over 200 casual crew workers, who worked on the show for a short period of time. In the same year, the show provided opportunities for over 190 cast, including 21 core cast members who have long-standing roles in the show.

200
Casual Crew Workers

65
Core Crew Staff

118
Crew Contractors

190
Cast
Including 21 Core Cast

Figure 1
Shortland Street
Workforce Footprint,
2021



2022 - 30th Anniversary Cast Photo

“My time at Shorty formed the foundation of my career going forward as a freelancer. I don’t believe I would be operating a camera at the level I am at my age without that opportunity”

Mark Minors

Steadicam Operator

*America’s Cup, Power Rangers,
The Brokenwood Mysteries,
Shortland Street*



It provides an important training ground for the industry in New Zealand. *Shortland Street* identifies and supports the development of new talent, and the steady nature of the employment for many cast and crew enables them to hone their professional skills.

Over 80% of respondents to our cast and crew survey indicated that they developed new or improved creative and technical skills during their time working on *Shortland Street*. Of those surveyed, 87% reported they gained valuable knowledge for their career while working on the show and 74% gained more connections within the industry.

Skills, experience and networks gained on *Shortland Street* support the wider industry in Auckland and New Zealand, with 67% of those surveyed reporting that they have applied skills gained during their time on *Shortland Street* in projects after the show. Over half of respondents had a job opportunity as a result of a connection made through *Shortland Street*. There are many examples of *Shortland Street* alumni going on to successful careers within the New Zealand and global screen industries, including within New Zealand networks as well as working on high profile international productions such as *Mulan*, *Power Rangers*, *Riverdale*, *The Witcher* and *Lord of the Rings: Rings of Power*.

***Shortland Street* has been at the forefront of developing and implementing production best practices** in the New Zealand industry, as demonstrated through the intimacy coordination structure, which was designed specifically to deal with the intensity of the show’s production. Diversity and inclusion continue to be important issues that *Shortland Street* has sought to address through inclusive training programmes, such as their directors’ training programme which is geared towards developing, supporting, and furthering the careers of female directors.



1.3. The Economic and Industry Impacts of Shortland Street

Shortland Street delivers a consistent, significant economic impact throughout the industry, especially via its supply chain and through employees and contractors spending their wages within the local economy in Auckland and beyond.

The economic impact presented is the result of an Input-Output economic model consistent with the results for the full sector presented in SPI's recent report *Economic Impact of the New Zealand Screen Production Sector*¹.

Shortland Street consistently spent around NZD\$20 million a year between 2012 to 2021.

There was modest inflation-related growth over this time. This represents between 2.5% (in 2021) to 5% (in 2016) of the estimated overall production expenditure in all of New Zealand.

It has been the **consistency of expenditure** which has meant that *Shortland Street* punches above its weight in terms of overall impact in the sector.

Between 2011/12 and 2021/22, Shortland Street generated NZD\$227 million in direct economic output². The supply chain effects of production expenditure are significant in a production like this and the economic modelling undertaken for this study estimates that the indirect output (supply chain) effects of *Shortland Street* have been NZD\$262 million over the period. Also, NZD\$59 million in output was generated through the effect of those working on *Shortland Street* and its supplying spending wages within the economy.

¹ *Economic Impact of the New Zealand Aotearoa Screen Production Sector*. SPI, 6th July 2022.
<https://static1.squarespace.com/static/5f7708077cf66e15c7de89ee/f/62c85gob6beb8c39fo1b495e/1657297165157/Economic+Impact+of+the+New+Zealand+Screen+Production+Sector+-+Final+2022-07-06.pdf>

² Economic output is a measure of the results of an economic process available for sale or use elsewhere.



Gross Value Added (GVA) is a measure of additional economic value created by an activity, it aligns to the concept of Gross Domestic Product (GDP) and is the difference between gross output and the value of intermediate inputs. **SPI analysis indicates that Shortland Street is stimulating significant GVA.** Between 2011/12 and 2021/22, *Shortland Street* generated NZD\$221 million in GVA – including NZD\$69 million in direct GVA, NZD\$120 million in supply chain and NZD\$32 million in induced (caused by direct and supply chain employees spending in local economy).

There are no immediate, domestic comparatives for Shortland Street. This is because the New Zealand market is a small industry and could not sustain another production of this size. However, without *Shortland Street* there would be a substantial gap in the industry for skills development, jobs and other economic impacts. **The show's production structure is highly localised** with in-house vendors that feed into the show's set (through vehicles, equipment, props and so on). *Shortland Street* has become a creative ecosystem that is inherently representative of the domestic industry.

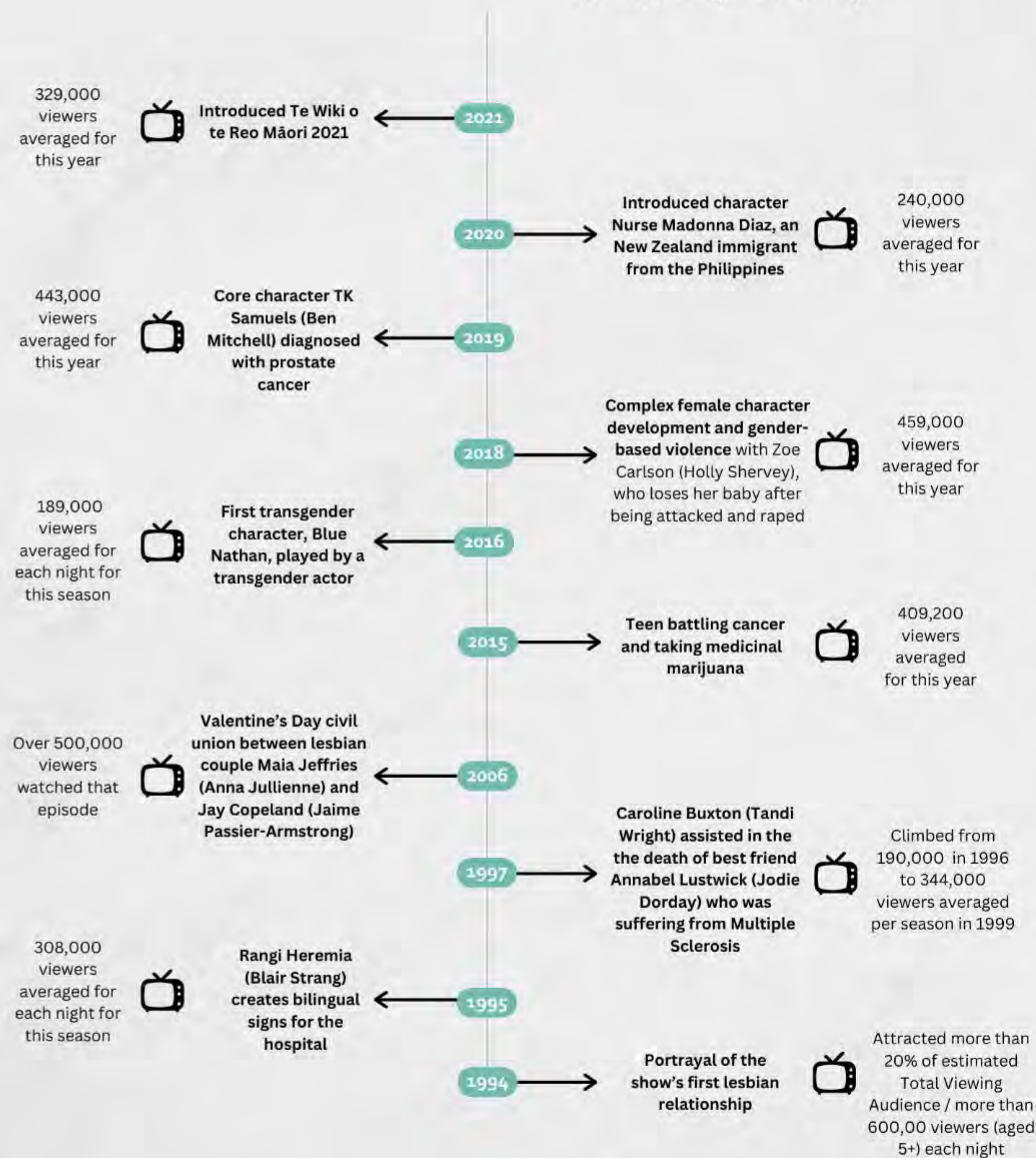
1.4. Social and Cultural Impact

Shortland Street has been forward-thinking from the beginning, speaking to socially impactful, stigmatised and often controversial topics, through the day-to-day trials and tribulations of the characters. **Ratings have remained, on average, steadily high** – considering the shift in audience preferences, alternative content platforms and changes in broadcasting globally. In the context of today, *Shortland Street* has shown its adaptability as it has been able to tap into popular culture content streams, appealing to newer audiences, for example with #shortlandstreet videos garnering around 4 million views on TikTok.

Shortland Street has had the ability to break through the “cultural cringe”, which can be a side-effect of notably localised content as it often utilises stereotypes and popular culture as key reference points for storylines. **As a result, the show has become a platform on which a range of New Zealanders are able to see not only themselves but also other representations of New Zealanders.**

Audiences from across the country, with varied socio-political, economic, and cultural backgrounds have been exposed to **socially prevalent topics**, including but not limited to gender dynamics in the workplace, sexuality, mental health, suicide, assisted dying, sexual violence, cultural representation and drug use.

Figure 2
Timeline of Socially and Culturally Impactful Storylines with Corresponding Linear Ratings



In 2023, *Shortland Street* will continue to utilise its **unique placement** to **lead conversations that take place in the homes of New Zealanders** as well as other territories where it can now be streamed or viewed. Currently, there are ongoing stories around very **timely topics** such as increasing gun violence, racism, the pharmaceutical industry, the fiscal crisis caused by increased inflation, the exodus from urban centres and the growing disparity between the rich and everyone else.



SECTION 2

CAST, CREW AND
WORKFORCE
DEVELOPMENT



2.

CAST, CREW AND WORKFORCE DEVELOPMENT

Shortland Street has a large footprint in the industry in terms of the cast and crew workforce. It provides an important training ground for the industry in New Zealand. Skills experience and networks gained on *Shortland Street* support the wider industry in Auckland and New Zealand. *Shortland Street* has been at the forefront of production innovation in New Zealand.

2.1. Snapshot of Current Context: New Zealand Workforce

The production workforce in Auckland is renowned for their **high competency and range of skills**. Training through an educational institution or programme, whether it be for crew or cast craft, is an important contributing factor to the preparing of the workforce for the industry. However, the practical nature of the industry lends itself to on-the-ground experience being key to executing and improving skills. On-set experience, such as internships and apprenticeships, as well as production focus on new talent development, is the main source of skills development for a portion of the workforce who have not or are unable to attend a secondary or tertiary education programme specialising in film and television.

**“Shortland Street is the only
place that offers full training of
my role and I’ve learnt so much”**

Hannah Rollinson

Script Supervisor

The Wildes

Runaway Millionaires

Serial productions are ideal environments for fostering cast and crew. In the case of *Shortland Street*, taking in and supporting new talent and then encouraging career growth within the show, the production company or further afield to the domestic and international industry, has been pivotal to the development of talent in the New Zealand market. By providing a steady source of employment for actors, writers, directors, and other crew members as well as new talent and established actors, *Shortland Street* has supported the establishment and the continuation of a pool of talent within the New Zealand screen sector. This has allowed the country to build a strong base of skilled professionals.³ This is vital to the overall sector in Auckland, as the production hub of the country, the city is in significant demand by the industry. A consistent and efficient source of crew skills and cast experience from a source such as *Shortland Street* is vital to feed and sustain industrywide growth.

³ 20 years on: *Shortland Street* crew keep up the daily grind. NZTECHO, Winter 2012.

<https://screenguild.co.nz/resources/Documents/NZTECHO%20Archive/NZTECHO%2053%20WINTER%202012.pdf>

(accessed 13th February 2023)

2.2. Shortland Street's Reach: Cast and Crew Mapping

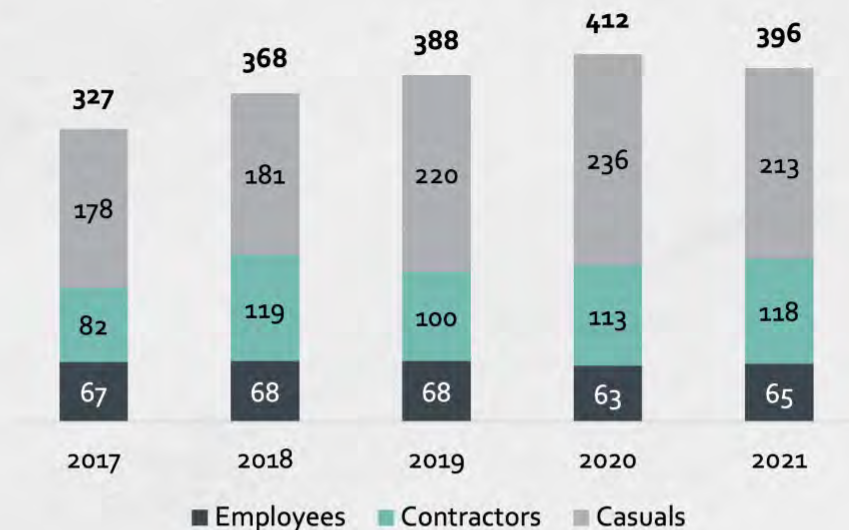
The production of *Shortland Street* supports hundreds of crew workers each year. Figure 3 displays data provided by South Pacific Pictures. It indicates how in 2021, the show employed 65 core crew staff, 118 crew contractors and over 200 casual crew workers, who worked on the show for a short period of time.

Over the course of five years between 2017 to 2021, *Shortland Street* supported 1,891 crew opportunities.

The production of *Shortland Street* has also supported a multitude of cast members, whether that is core cast, major guest cast or daily guest cast. Over the course of 2012 – 2021, *Shortland Street* has generated 1,595 cast roles, with an average of 159 roles per season. This includes around 20 core cast who have ongoing substantive roles in the show.

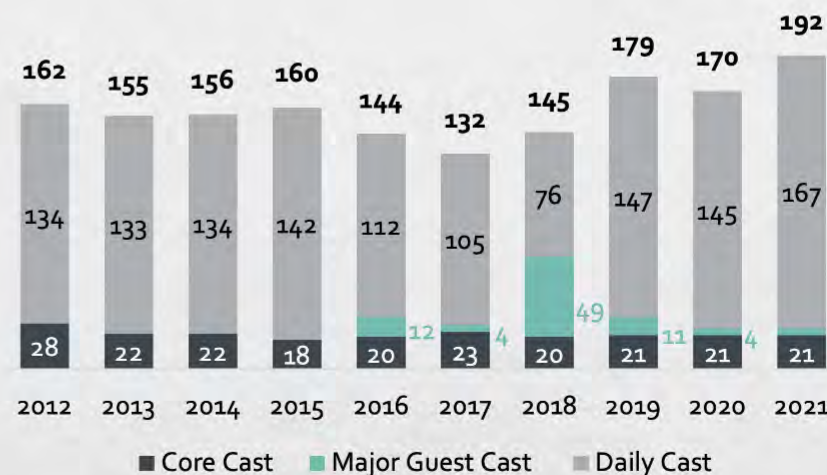
In addition to these cast roles, *Shortland Street* contracts over 3,000 extras a year.

Figure 3
Shortland Street Crew Breakdown 2017 – 2021



Source: SPI Analysis

Figure 4 -
Shortland Street Cast Breakdown 2012-2021



Source: SPI Analysis



"It would be safe to say that a significant proportion of people who currently work in NZ's film and TV industry have had at least some small experience of working and learning on Shortland Street over the course of its existence"

Kelly Martin
CEO of SPP

Figure 5
Career Stage in Which Crew
Responder Joined *Shortland Street*



Source: SPI Analysis

2.3. Workforce Training and Skills Development

Shortland Street has the reputation of being a **unique skills development ground for New Zealand's cast and crew**, to foster new talent and give them the experience and opportunity to advance their careers within and beyond the show's studio walls⁴.

SPI conducted a survey with Cast and Crew alumni from the past 10 years to provide insight into and evaluate the impact on their career development and trajectory. Crew paths and career trajectories are often haphazard as individuals at the early stages of their careers take up roles as assistants or apprentices on a project-to-project basis.

⁴ *Inside Shortland Street - NZ's Most Influential Production*. The Big Idea, 27th May 2022 <https://thebigidea.nz/stories/inside-shortland-street> (accessed 13th February 2023)

Although freelancers make up the majority of the production workforce, that mode of working is not particularly conducive to constructive and continuous skill development and training. Figure 5 highlights career stages of entry for crew.

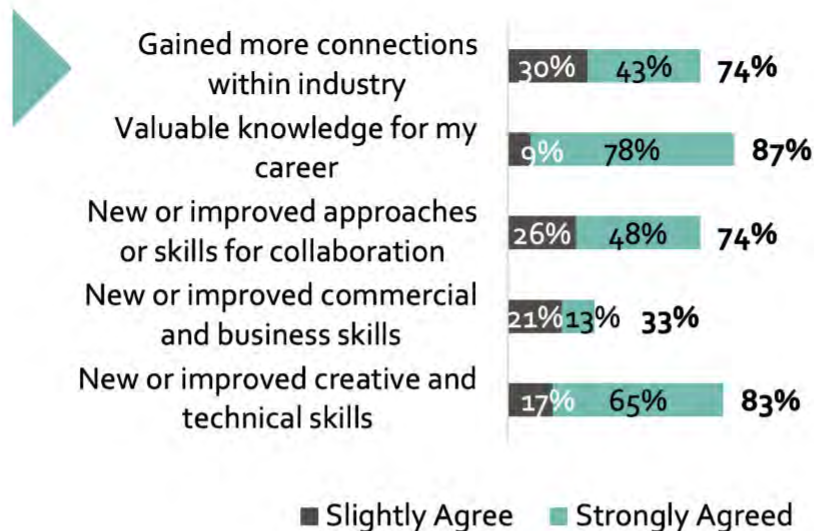
As these survey results indicate, 60% of the crew surveyed joined at the early stages of their careers, which points to the position that *Shortland Street* has a skills development base for new and developing crew talent. On-set experience is weighted as significantly valuable at the early stages of a career and this is heavily dependent on engagement with and support from an individual's department (such as camera, production, costume, art, etc.).

As a result of the show being a long-running serial format, *Shortland Street* provides a secure and structured position for new talent that freelancing and apprenticeships often lack.

The show capitalizes on this by ensuring that newcomers are guided by their heads of department, which allows for feedback on skills practice that is often not possible on shorter running productions.⁵

⁵ *Celebrating 30 years of Shortland Street*. Auckland NZ. 20th May 2022. Accessed at: <https://www.aucklandnz.com/film/news/celebrating-30-years-shortland-street>

Figure 6
Cast and Crew Responses to the
Question of if they Gained Specific Skills
From Working on *Shortland Street*



Source: SPI Analysis

Shortland Street provides an opportunity to teach and put into practice techniques that are not only specific to production but can also be niche skills that are not taught in detail through many production programmes. Often productions simply do not have the capacity to give incoming crew space to train while shooting. Multi-cam (the practice of using multiple cameras concurrently) is an example of this as it is implemented most often on television show sets but is a technique for both camera operators and directors that is often neglected at a film school level. For camera operators, it involves a level of teamwork that is not required in a single camera set-up, and, for directors, it requires spatial and movement understanding.

For both crew roles, there is a level of coordination and appreciation of the technique's efficiency that requires guidance and practice. This is one example of the new or improved creative and technical skills that 74% of survey respondents agreed (strongly and slightly) that they received from their time at *Shortland Street*. The department mentorship and structure of career progression that the show has built into the production process is further reflected by 87% of survey respondents agreeing with *Shortland Street* having provided them with valuable knowledge for their career.

"It was a huge deal to get a job there and be given the opportunity to learn and be nurtured and have support. I owe my entire career to Nicola Newman.* She was the one who hired me and encouraged me to go out into the world and do all the things. I wouldn't be where I am without her".

Katie Jones
Costume

Started at *Shortland Street* in 2007

*HOD Costume at *Shortland Street*.



"We have cast and crew who have learned their craft on the sets of Shortland Street who have gone on to do other amazing things both locally and internationally. We also have people who have learned their craft on these sets who still work for the show and now pass on their learnings to a new generation coming through the industry".

Kelly Martin
CEO of SPP

*Behind the Scenes,
Shortland Street 25th
Anniversary*

“Shortland Street gave me a framework for the basic struts of storytelling. It is the ground zero for how I continue to tell stories and problem solve”

Caroline Bell-Booth
Freelance Director

2.4. Representative in the Workforce

Training through the continuous, fast-paced nature of shooting a serial, in many ways mimics the teaching protocol of surgeons, tag-lined as ‘See one, Do one, Teach one’. As production runs for **49 weeks of the year, with episodes being shot as much as three months in advance**, this working environment is conducive to **on-the-ground learning and application as well as rapid rising in department ranks**. Directing up to 30 minutes of TV per day hones story-telling skills quickly. The style of shooting and use of multi-cam directing can pigeon-hole some directors into serial projects but, in the case of *Shortland Street*, there are many cases of crew alumni who have either leveraged those skills for opportunities in larger markets (such as the United Kingdom and Australia) or applied the core training principles in other formats, such as limited television series or films, and other genres, such as non-scripted television content or reality television.

The original formal directors training from 1992 resulted in directors who went on to contribute significantly to the greater domestic and international industry. These directors include but are not limited to, Laurence Wilson (director

on the UK serial, *Eastenders*), Murray Keane (director on the television show, *Power Rangers, Ninja Steel*) and Tony Simpson (director of award-winning film, *Kiwi Flyer*). Today we have directors who have gone on to further success, such as Curtis Vowell (working in the UK), Caroline Bell-Booth (*The Gulf, BBC’s Mystic, 800 Words*), Ian Hughes (*Home & Away Australia*), Keil McNaughton (AMC’s *Good Grief, Princess of Chaos*).

With the show’s range of multi-dimensional characters as well as storylines that promote conversations about socially and culturally relevant topics, *Shortland Street* proactively saw gaps in diversity for writers and directors who were able to appropriately develop and deliver these narratives. *Shortland Street* was unique in building in intense and emotionally charged storylines from the start, meaning that writers and directors need to maintain the rapid delivery of the show while ensuring accurate delivery of weighted stories. When there was a particular gap in female directors across New Zealand television crews, *Shortland Street* was able to assist in creating change by mandating equal numbers of male and female directors working on the show.⁵

⁵ Women behind the camera: ‘There is a real push for it’. RNZ. 11th July 2018. Accessed at: <https://www.rnz.co.nz/news/national/361626/women-behind-the-camera-there-is-a-real-push-for-it>

DIRECTORS TRAINING PROGRAMME

New gaps emerged for female directors and more diverse representation within the directing group. The training scheme sought to address this to ensure that storylines were being led by people with a wide and varied viewpoint.

At present, *Shortland Street* has Mia Blake and Ghazaleh Golbakhsh in director training.

Mia Blake was previously a cast member on *Shortland Street* and expressed an interest and eye for work behind the camera.

Ghazaleh Golbakhsh is an Iranian-New Zealand writer and director, who highlights this process as an opportunity to hone her directing skills through the experience of consistently shooting.

“Learning to work within a multi-camera, fast turnaround format is an invaluable experience and the perfect place to hone your directing skills as you get to direct regularly. I’m also really proud of what Oliver Driver and the team at Shorty are doing with actively supporting and encouraging more representation behind and in front of the camera”

◀ **Ghazaleh Golbakhsh**⁷
Trainee Director

⁷Director Ghazaleh Golbakhsh: How I Got Started in the Industry. 22nd September 2022. Accessed at: <https://www.deganz.co.nz/director-ghazaleh-golbakhsh-how-i-got-started-in-the-industry/>

Kiel McNaughton
Directing



2.5. Workforce Best Practices

With the global trend of television breaking the previous confines of what had been deemed by broadcasters as acceptable content, actors are being asked to take on scenes and storylines that can put them in vulnerable and uncomfortable positions. **Intimacy coordinators** are advocates for actors and are relatively new additions to production sets. They are **mediators between actors and production crew** with the aim of ensuring actors, of any age or gender **have full autonomy when entering a sensitive scene**, which can range from an intimate love scene to an emotional or physically violent scene.

The New Zealand screen industry has been one of the fastest globally to adopt this new crew position and the structures set out by an Intimacy coordinator. *Shortland Street* is leading the charge through their implementation of intimacy protocols that were developed and written with the input of the show's production crew and cast in 2020. The use of intimacy best practices ensures the show is in keeping with international standards of best practice. It is also valuable to mitigate any discomfort or potential misconduct, allowing the portrayal of a range of storylines without compromising the wellbeing of cast.

A high pace of work can often undercut such nuanced personal issues, so having these protocols implemented by a coordinator works to ensure that cast can deliver a scene effectively and the production of such scenes is done with consideration.

The experience and on-going integration of the intimacy coordination framework is the foundation from which other issues of cast and crew wellbeing can be tackled. Burnout and fatigue are significant challenges for cast and crew across sets, especially for longer running formats. *Shortland Street* is primed with their existing best practice work to tackle similar challenges, showing further opportunity to make their workforce structure sustainable.

2.6. Shortland Street Alumni

Experience gained on *Shortland Street* is **regarded highly as a significant contributing factor and quality mark** for cast and crew career trajectories.

Considering the high level of new talent filtering into *Shortland Street*, in addition to practiced skills, the establishment of a network is an important take-away for alumni with 87% of survey respondents agreeing with the point that they are still in contact with a person they met onsite as well as 51% agreeing to having had a job opportunity as a result of someone from their *Shortland Street* network.

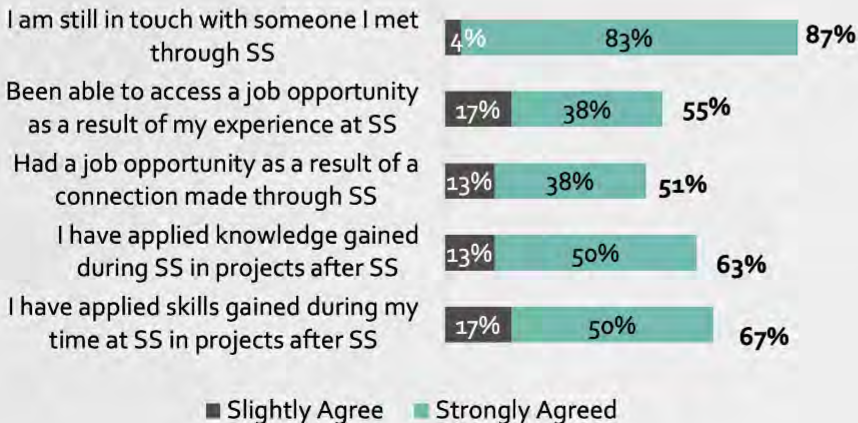
The show is noted as a springboard to projects closer to home, including further work for *Shortland Street*'s production house, South Pacific Pictures, as well as other work locally and further afield, including *Mulan*, *Power Rangers*, *Riverdale*, *The Witcher*, *Lord of the Rings: Rings of Power*, *My Life is Murder*, *800 Words*, *Westside*, *The Brokenwood Mysteries*, *Kiwi Flyer* and *Ninja Steel*.

Shortland Street has a significant impact on individuals' career trajectories. As an example, this can be shown through the large number of the show's alumni who have been acknowledged through local television awards. This highlights

the quality of skills attained by previous cast and crew as the NZTV Award's mandate is to recognize excellence in television and honour the special skills and unique talents.⁸

For example: Allanah Bazzard (Best Editing: Drama), DJ Stipsen (Best Cinematography), Nick Ward and Kim Harrop (Best Comedy/ Comedy Entertainment Programme) and Nancy Brunning (Best Actress) were all nominated in 2019 for their work on the dark comedy, *Fresh Eggs* - all are *Shortland Street* alumni.

⁸ NZTV Criteria. 2021-2022. Accessed at: https://www.nztvawards.co.nz/files/ugd/53460c_e50fdad7cceb442cc9149948f8ff24464.pdf



Source: SPI Analysis



Figure 7
Cast and Crew Responses About their Application of Skills After *Shortland Street*

The NZTV Awards also acknowledged the series when *Shortland Street* was awarded the Television Legend Award in 2019. Usually awarded to a professional or organisation who has made a significant contribution to the television industry in New Zealand, this is the only time a standalone television show has been honoured.

The show has also been a foundational platform for fostering acting talent. *Shortland Street* has boosted countless young actors' careers through various career paths. The show has a character development structure which takes new talent from supporting and featured extra roles through to main cast. Talent are supported by the show when moving into the wider New Zealand industry to explore other formats, such as limited television series or feature films, both domestic and international.

Figure 8
NZTV Nominees for 2018 and 2019, Including *Shortland Street* Alumni



Finally, *Shortland Street* has an impressive list of alumni who have cited the show as the beginnings of their now internationally acknowledged careers, these include:





Marton Csokas
Lord of the Rings
The Bourne Supremacy
The Amazing Spiderman 2
Into the Badlands

KJ Apa
Riverdale

Frankie Adams
The Expanse

Manu Bennett
Spartacus
The Hobbit

Kimberley Crossman
SMILF, The Great Indoors
M3GAN

Craig Parker
Reign
Lord Of The Rings

Thomasin McKenzie
Power Of The Dog
Life After Life

Beulah Koale
Hawaii Five-O

Karl Urban
Thor: Ragnarok
Star Trek

Martin Henderson
Virgin River
Greys Anatomy

Temuera Morrison
Aquaman
Star Wars: The Book of
Boba Fett

Robyn Malcolm
Rake
Top Of The Lake

Alex Tarrant
NCIS: Hawaii
Lord of the Rings:
The Ring of Power

Danielle Cormack
Wentworth
Underbelly

Lisa Chappell
McLeod's Daughters

Anna Hutchison
Underbelly
Robert the Bruce
Anger Management

Left: Michael Galvin / Chris Warner

Top: Craig Parker / Guy Warner

Right: Martin Henderson / Stuart Neilson

Bottom: Temuera Morrison / Hone Ropata



SECTION 3
ECONOMIC AND
INDUSTRY IMPACT

Behind the Scenes
Shortland Street

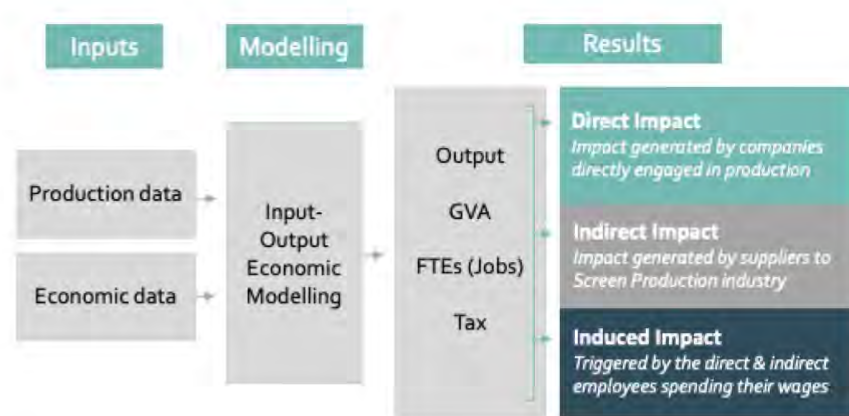
3.

ECONOMIC AND INDUSTRY IMPACT

Shortland Street delivers a consistent, significant economic impact throughout the industry via its supply chain and through employees and contractors spending their wages within the location economy in Auckland and beyond.

The New Zealand market punches above its weight but is still a relatively small market and there are no immediate domestic comparatives that match *Shortland Street's* level of impact.

Figure 9
Economic Impact
Modelling Approach



Source: SPI

3.1. Method and Overview

This analysis uses an Input-Output model of the screen sector in New Zealand. Full details of the methodology are detailed in *Appendix 1*. The model uses national statistics to map the interaction between the sector, other industries in the economy and wage effects.

It is consistent with the results presented in SPI's report *Economic Impact of the New Zealand Screen Production Sector*.⁹

⁹ *Economic Impact of the New Zealand Aotearoa Screen Production Sector*. SPI, 6th July 2022. <https://static1.squarespace.com/static/5f7708077cf66e15c7de89ee/t/62c8590b6beb8c39f01b495e/1657297165157/Economic+Impact+of+the+New+Zealand+Screen+Production+Sector+-+Final+2022-07-06.pdf> (accessed 14th February 2023)

The model uses expenditure data from *Shortland Street* to estimate the footprint of the production in terms of the economic output,¹⁰ Gross Value Added (GVA)¹¹ and Full-time equivalent (FTE) jobs¹². The direct, indirect and induced results are displayed – see Figure 9 for descriptions of these effects.

¹⁰ Output in economics is a measure of the results of an economic process available for sale or use elsewhere and is a measure of activity.

¹¹ Gross Value Added (GVA) is a measure of the value that is created by economic activity. It is the difference between gross output and intermediate inputs; at a national value, it aligns to Gross Domestic Product (GDP).

¹² Full-time equivalent (FTE) employment or jobs is a consistent measure of employment that accounts for part time and full-time working patterns and temporary or contract-based workers. This is based on a year-round and 'permanent' definition of FTE jobs. This means that if one person is working full time on a three-month contract, this would be counted as 0.25 job. SPI adopt this approach as it enables comparison across industries and countries.

3.2. Shortland Street's Economic Impact in New Zealand

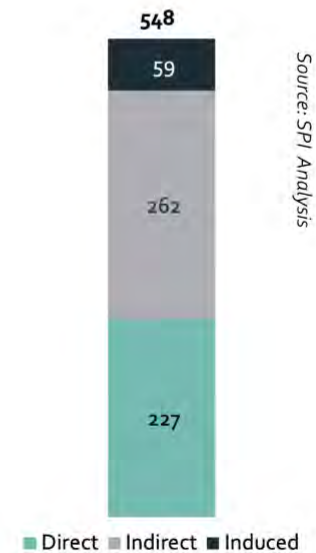
3.2.1. Expenditure and Output

The *Shortland Street* production has spent over **\$18 million a year every year since 2011/12**. This steady expenditure has led to **significant and consistent economic impact each year**.

Between 2011/12 and 2021/22, production expenditure grew slightly in nominal terms from NZD\$18 million in 2012 to NZD\$21 million in 2022. This increase was largely a reflection of inflation in the period. *Shortland Street* production expenditure was NZD\$20 million in 2021, 2.5% of the overall country's sector expenditure for 2020/21.¹³ The sector in New Zealand has been growing and had a bumper year in 2020/21, with the highest ever recorded expenditure figure of NZD\$985 million – including significant high profile international feature films, *Lord of the Rings* and *Power of the Dog*. In earlier years, *Shortland Street* represented a higher proportion of the sector spend in New Zealand, e.g. 5% in 2016. Nonetheless, it has been the consistency of expenditure which has meant that *Shortland Street* punches above its weight in terms of overall impact in the sector.

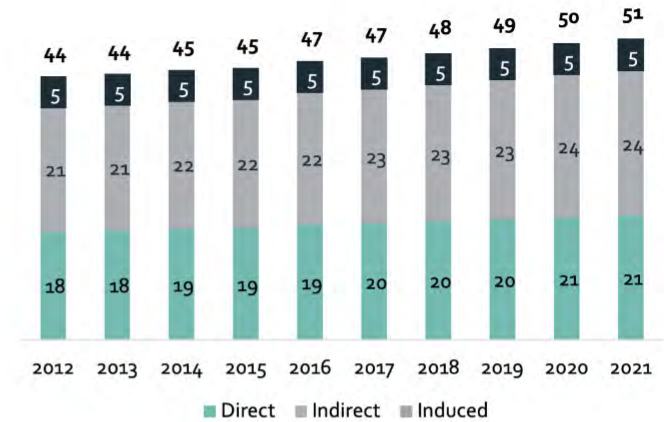
Economic output is a measure of the results of an economic process available for sale or use elsewhere and is a measure of activity. Between 2011/12 and 2021/22, *Shortland Street* generated NZD\$227 in direct output. The supply chain effects of production expenditure are significant in a production like this and account for an estimated \$262 over the period. NZD\$59 million was generated through the effect of those working on *Shortland Street* and its supplying spending wages within the economy.

Figure 10
Total Output Supported by Production
2011/12 and 2021/22
(NZD\$ million, real)¹⁴



¹³ *Economic Impact of the New Zealand Aotearoa Screen Production Sector*. Olsberg SPI. 6th July 2022. Accessed at: <https://static1.squarespace.com/static/5f7708077cf66e15c7de89ee/t/62c85gob6beb8c39f01b495e/1657297165157/Economic+Impact+of+the+New+Zealand+Screen+Production+Sector+-+Final+2022-07-06.pdf>
¹⁴ Real values used in this study reference the 2022 price year that is used in the analysis.

Figure 11
Output Supported by Production
2012 – 2021 (NZD\$ million, nominal)



Source: SPI Analysis

The nominal output of *Shortland Street* production over the period of 2012 to 2021 ranged from NZD\$44 million to NZD\$51 million. When taking inflation into account, the output generated by *Shortland Street* has remained consistent, with no significant change in output over the decade.

Most of the increase stems from the increase in payroll, which is likely to reflect wage inflation during the period.



3.2.2. GVA

GVA is a key measure of the additional economic value created by an activity. It is the difference between gross output and the value of intermediate inputs and it is aligned to the concept of Gross Domestic Product (GDP).

This analysis indicates that *Shortland Street* is stimulating significant economic value (GVA) within the production activities, supply chain and through spending of wages in the economy. Much of this impact will be centred around its Auckland production base.

Between 2011/12 and 2021/22, the total GVA created by the production of *Shortland Street* was **NZD\$221 million**. This includes a total of NZD\$69 million in direct GVA, NZD\$120 million in indirect GVA in the supply chain, and NZD\$32 million in induced GVA.

The nominal GVA of *Shortland Street* production over the period of 2012 to 2021 grew slightly from NZD\$18 million to NZD\$20 million. When taking inflation into account, *Shortland Street* has been able to continue to support a stable and significant GVA across the time period.

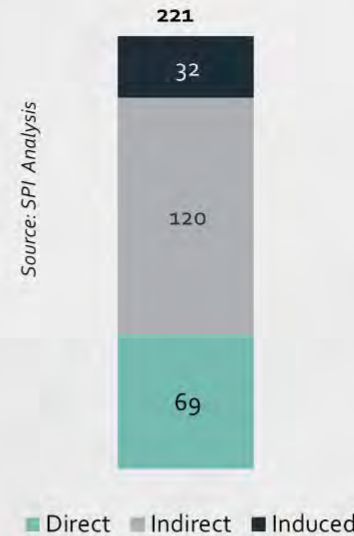


Figure 12
Total GVA Supported by Production 2011/12 and 2021/22 (NZD\$ million, real)

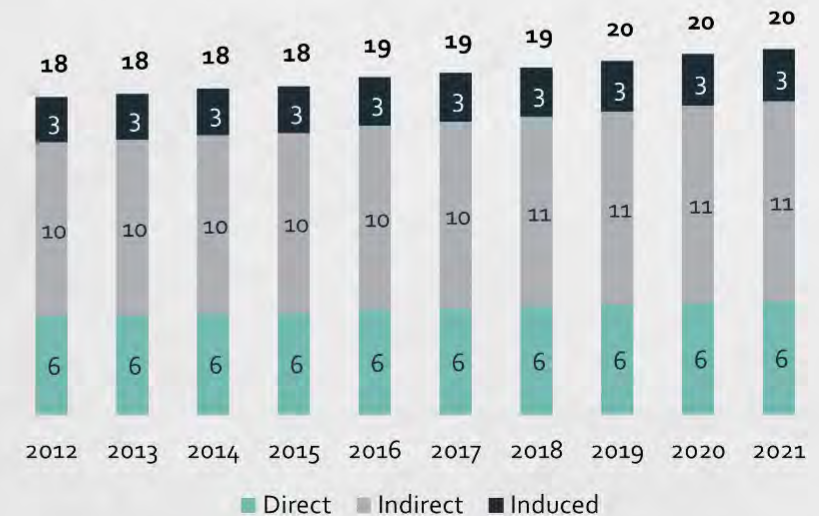


Figure 13
GVA Supported by Production 2012 – 2021 (NZD\$ million, nominal)

3.2.3. Jobs

There are various ways to measure employment in production activity. To account for the short-term nature of the sector and to make it more comparable to others, SPI calculates the headcount or full-time equivalent (FTE) figure. The headcount is an annualized jobs figure so a three month contract would be counted as 0.25 of a headcount job. Full-time equivalent also adjusts for part time working.

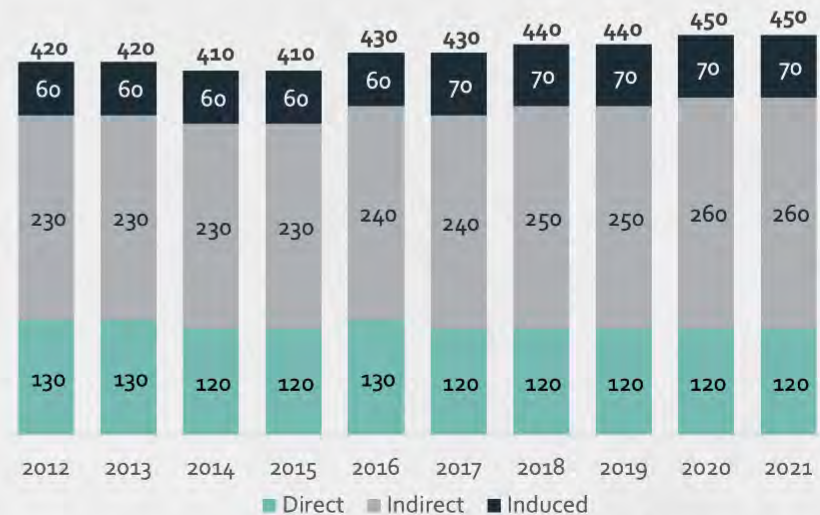
Employment estimates have been calculated using expenditure data from *Shortland Street* and running this through an economic model to get an FTE estimated. Note that this is a different approach to the headcount data displayed in section 2.2 as it is a result of an economic modelling process. Unsurprisingly the results are not exactly aligned as the economic model uses average industry data from national sources to estimate the direct, indirect and induced effects.

Overall, using this method, *Shortland Street* supported 440 total FTE jobs in 2021/22. The additional activity also leads to jobs in the supply chain (indirect effects) and moves through the economy by workers spending their wages in other businesses. **In 2021/22, *Shortland Street* generated 110 direct FTE jobs, 260 indirect FTE jobs and 70 induced FTE jobs.** Over the course of the 10 years, *Shortland Street* has consistently supported more than an estimated 400 FTE jobs each year.

“I was involved in writing around 3000 episodes and worked with very talented and highly skilled people. This kind of experience is unparalleled in New Zealand and hard to get worldwide”

Damon Andrews
Script Writer
The Tribe
Shortland Street

Figure 14
FTE Jobs Generated
by *Shortland Street* Production
2012 – 2021 (nominal)



Source: SPI Analysis

3.2.4. Tax

As well as the wider economic effect, *Shortland Street* also generates a consistent tax take. The tax estimates here are based on a tax modelling approach set out in the Appendix.

Shortland Street's production supported an **estimated NZD\$48 million in taxes from 2011/12 to 2021/22**. The production is associated with NZD\$15 million in direct taxes, with NZD\$26 million indirect (supply chain) and NZD\$7 million induced taxes.

The nominal taxes generated by the production of *Shortland Street* over the period of 2012 to 2021 grew from NZD\$5.5 million to NZD\$6.4 million, largely reflecting inflation during that period.

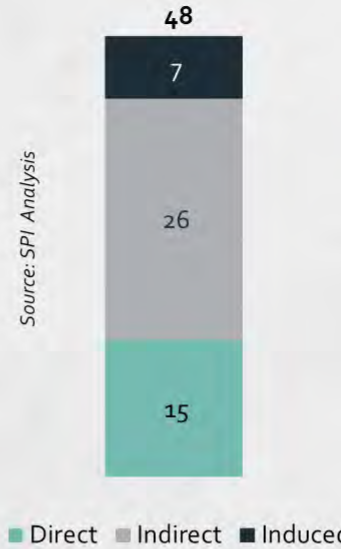
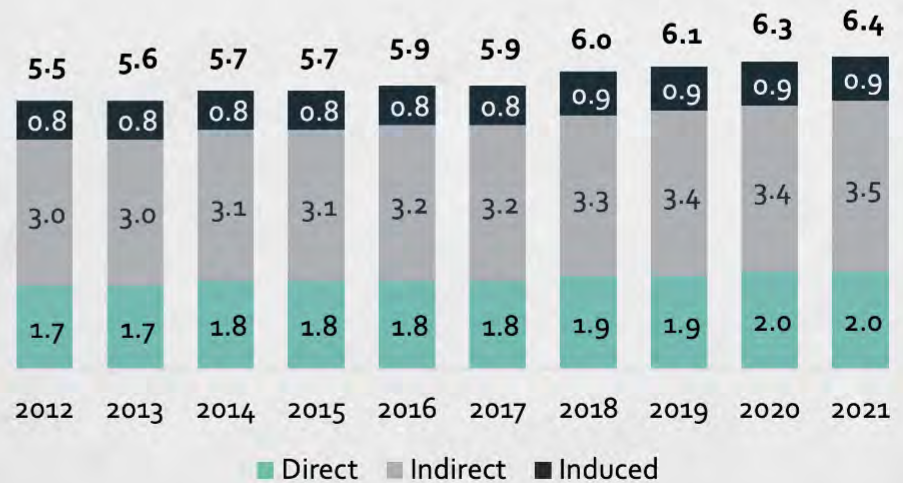


Figure 15
Total Tax Supported by Production 2011/12 and 2021/22 (NZD\$million, real)

Figure 16
Tax Supported by Production 2012 – 2021 (NZD\$million nominal)



3.2.5. Supporting Other Development

As well as the economic impact of the expenditure, **the consistency of production has enabled South Pacific Pictures and the wider New Zealand production sector to grow.** There are no immediate domestic comparatives for *Shortland Street*. The New Zealand market punches above its weight, but is still a small industry and could not sustain another production of this size. However without it, there would be a substantial gap in the industry for skills development, jobs and other economic impacts.

Local representation in the workforce is a key issue being addressed across the global screen sector. In New Zealand, mitigations (such as inclusive interventions and development programmes) have been put into place to address domestic workforce capacity and representation. While progress has been made there is still some way to go with instilling a sustained representative workforce behind the camera.¹⁵

¹⁵ *Economic Impact of the New Zealand Aotearoa Screen Production Sector*. Olsberg SPI. 6th July 2022. Accessed at: <https://static1.squarespace.com/static/5f770807cf66e15c7de8gee/t/62c8590b6beb8c39f01b495e/1657297165157/Economic+Impact+of+the+New+Zealand+Screen+Production+Sector+-+Final+2022-07-06.pdf>

Shortland Street has not only sought to do this through their inclusive crew training programmes but expand their mandate for inclusion through to their production structure, which includes highly localised in-house vendors. These are key goods and service providers that feed into the show (through vehicles, equipment, props and so on). By setting this precedent of locality, *Shortland Street* have generated a creative ecosystem that is inherently representative and inclusive.

The popularity of *Shortland Street* has raised the profile of the New Zealand industry both locally and internationally, showcasing the country's talent and capability to produce high-quality television content. This has helped to position New Zealand as a serious player in the global film and television industry.¹⁶

¹⁶ *Who is the most successful Shortland Street alumnus of all time?* The Spinoff, 26th May 2022. <https://thespinoff.co.nz/pop-culture/26-05-2022/who-is-the-most-successful-shortland-street-alumnus-of-all-time> (accessed 13th February 2023)

“The crew and cast are all wonderful people who keep the machine alive”

Vincent Le Hetet
Camera Assistant

CASE STUDY

OPEN DAY 2019

Shortland Street
Open Day 2019

In 2019, the usually closed studio set of *Shortland Street* was opened to the public and the response far exceeded anyone's expectations.

The Open Day, inspired by similar publicity events for other television shows, was brought about to engage with audiences in a new and interactive way. With shifts in audience trends as a result of increasing use of streaming platforms, this was an opportunity to show appreciation to long-time viewers by giving them the chance to see the set and characters that had long been a part of their lives. It was also an opportunity to appeal to newer audiences who were engaging with the show through more interactive means, such as social media. However, no one from the show or the network had expected a turn-out of over 20,000 people, with fans queuing at the studio's entrance from 6am.

The turn-out was not only notable in terms of its magnitude, but was a testament to the diverse fan base that the show has and continues to accumulate. Local fans travelled in and stayed overnight to be first in the queue along with others who made longer journeys from the likes of Levin, Napier, Rotorua, Australia and the United Kingdom.





Shortland Street
Open Day 2019³⁷

³⁷ Shortland Street, *long queue: Thousands of fans line up for studio open day*, 28th September 2019. Accessed at:

radio/116172553/shortland-street-long-queue-thousands-of-fans-line-up-for-studio-open-day

Many crew who were onsite to assist noted that the fans were surprisingly interested in the behind-the-scenes process of production and were not only drawn by the photo opportunity with celebrities.

Shortland Street is produced on a studio set, which has multiple in-house vendors and service providers feeding into running the show, beyond the cast and core crew. This includes but is not limited to catering, equipment, construction and props. The Open Day not only reengaged fans but also boosted morale on set by reminding all those involved in the production of *Shortland Street* the scope of reach the show has. Often people on a closed set exist in a 'bubble' and shooting stories months in advance can lead to them feeling distant from the effects of the final product on viewers. Crew onsite for the day noted the personal impact felt from fans commenting on the intricacy of the set designs to the elaborate lighting set-ups, which is feedback that most in the industry rarely get to hear.

This was in a way a more quantitative justifier to the importance of the industry. The unprecedented success of the Open Day also points to the spill-over potential of a show with such a following, which could include aspects of screen tourism, road shows as well as other format spin-offs (such as short-form and/or limited series for digital platforms).

“I didn’t fully get how important this was to people until then”

Michael Galvin
Dr Chris Warner

SECTION 4

SOCIAL AND CULTURAL IMPACTS



4.

SOCIAL AND CULTURAL IMPACTS

Shortland Street is renowned for taking key social and cultural themes and weaving them into their narratives and character arcs, bringing topical issues to the forefront of consideration and discussion in a range of New Zealanders' homes.

4.1. Overview

Shortland Street was **forward-thinking from the beginning**, speaking to **socially impactful, stigmatised** and often **controversial topics**, through the day-to-day trials and tribulations of the characters. Although the show did not debut to high ratings. By 1993, it was the top programme in the 7pm broadcast slot across the network and, the following year, 619,000 viewers on average tuned in to watch the third season.

In its first week of broadcast on TVNZ 2 in 1992, Nurse Jaki Manu (Nancy Brunning) pricked herself with a needle that had been used on an HIV positive patient, Deborah (Lisa Chappell). Across screens globally during the 1980-90's, television shows and film were beginning to confront the societal stigma around HIV and AIDS. This was extremely controversial at the time and often shrouded in stereotypes that disproportionately framed the homosexual community. It was challenging to include this topic on public broadcast channels or in major studio productions as many industry standard boards of that time considered homosexuality and any associated topics against their mandates.

The show has significant reach, beyond just Auckland, with a wider scope of demographics than most television productions. Audiences from across the country, with varied socio-political, economic, and cultural backgrounds have been exposed to socially prevalent topics, including but not limited to:

Gender dynamics in the workplace, sexuality, mental health, physical health and illness, postnatal depression, suicide, assisted dying, sexual violence, cultural representation, human rights and child welfare, drug use, financial pressures, and workplace bullying and harassment.

Shortland Street continued to engage with prominent issues throughout its 30 years of broadcasting and ratings have remained, on average, steadily high – considering the shift in audience preferences, alternative content platforms and changes in broadcasting globally.

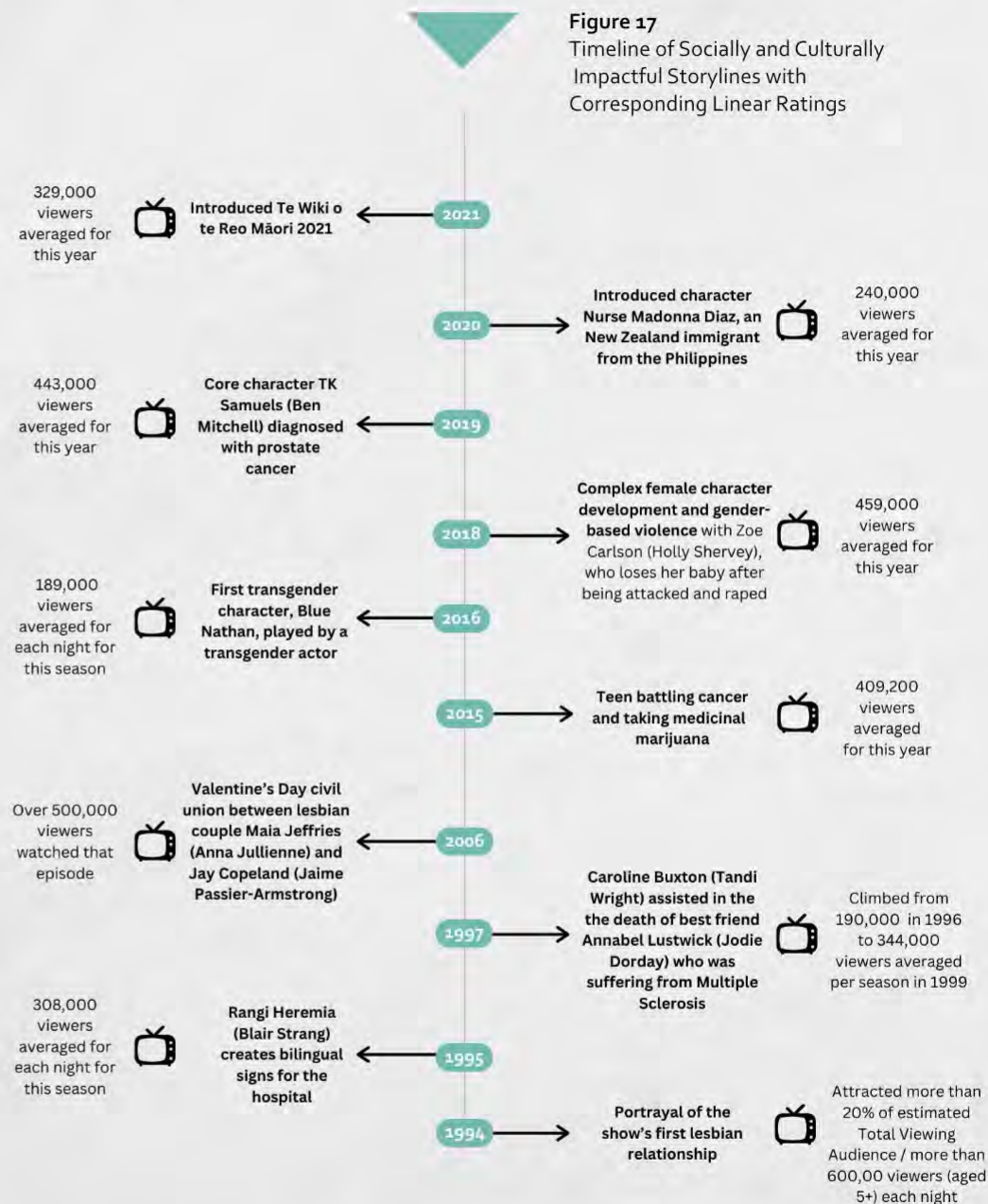
In the context of today, *Shortland Street* has shown its adaptability as it has been able to tap into popular culture content streams, appealing to newer audiences, for example with #shortlandstreet videos garnering around 40 million views on TikTok. The show's 2022 cliffhanger spoke to the issue of climate change with the episode set against a raging wildfire. This is the example of the show tackling new topic areas for new audiences, with climate change having been highlighted as a key concern for 'gen Z' demographics across content platforms.


The audience investment in these storylines is significant and continues to reflect in various forms of engagement, from ratings numbers through to social media. This was clear with the 1.6 million Facebook tributes in a week dedicated to Sarah Potts (Amanda Billing), who suddenly died after contracting a virus.¹⁸

Serial format shows or soap operas have an ability to reach large audiences consistently as with *Shortland Street*, holding the prime-time broadcasting slot for a network's channel.¹⁹

¹⁸ Shortland Streets *Memorable Characters*. 23rd May 2017. Accessed at: <https://www.nowtolove.co.nz/celebrity/tv/shortland-streets-25-most-memorable-characters-32549>

¹⁹ *Tune in, log on: Soaps, fandom, and online community* (Vol. 3). N.K. Baym. 2000. Sage.



A man and a woman are shown in a dark, cluttered environment, possibly a shelter or a makeshift home. They are both looking down at a baby they are holding together. The man is on the left, wearing a dark green shirt, and the woman is on the right, wearing a light blue denim shirt. The baby is wrapped in a dark blanket. The background is dark with some yellow plastic bags and other items scattered around. The lighting is low and focused on the family, creating a somber and intimate atmosphere.

"Shortland Street is able to contribute to the social conversation – a wonderful mirror saying that you are not alone"

Andrew Shaw

Previous Head of Commissioning, Production and Acquisitions at Television New Zealand



4.2. Uniquely New Zealand Stories

The show **leverages the impact of its audience reach**, as it can speak directly to people in their homes, **normalising conversations** about gender and sexuality, subverting stereotypes as well as weaving prevalent points of culture into dialogue between beloved characters. *Shortland Street* has had the ability to **break through the “cultural cringe”**, which can be a side-effect of notably localised content as it often utilises stereotypes and popular culture as key reference points for storylines. As a result, the show has become a platform on which a range of New Zealanders are able to see not only themselves but also other representations of New Zealanders.

In an episode in 1995, hospital receptionist Marj Brasch (Elizabeth McRae) refused to say “Kia ora” as a greeting when answering the phone. This resulted in a story arc of significant character development, ending in Marj incorporating te reo Māori into her daily job. This was a complex character arc that highlighted the personal process of exposing, understanding and finally accepting cultural differences. Marj’s character, as a middle-aged Pākehā woman, bridged the societal gap between cultural identities in New Zealand that was relatable to New Zealand audiences of a similar age and conservative background, at the time.²⁰

The audience grew with the show, as too did the show grow and change with the audience, which is reflected in the integration of language and other culturally significant considerations in the more contemporary seasons as well as the inclusion of varied storylines and spin-offs. For example, *Retribution* (shown across 2021/22), a spin-off on TVNZ OnDemand (now TVNZ+), appealed to a new *Shortland Street* audience as well as having the potential to attract audiences that may otherwise not have been brought across to *Shortland Street*.

²⁰ *Being Marj: A Shortland Street Family Bond*. Stuff. 7th November 2018. Accessed at: <https://www.stuff.co.nz/entertainment/tv-radio/108424980/being-marj-a-shortland-street-family-bond>

4.3. Te Wiki o te Reo Māori

In 2021, *Shortland Street* furthered the show's commitment to cultural representation through **Te Wiki o te Reo Māori 2021**. This was a **full week of episodes fully integrating one of the country's three official languages**, telling much of the story in te reo with subtitles in English. Although storylines involving te reo Māori cultural references or characters had taken place across episodes on *Shortland Street* from decades prior, this level of adoption and representation put the show on the frontlines for the inclusion of te reo Māori in the setting of popular culture.²¹ Te Wiki o te Reo Māori was once again featured in 2022, with plans to continue and further the language inclusion.

²¹ *How te reo Māori is becoming a normalised aspect of popular culture, and why it matters*. Stuff. 14th September 2022. Accessed at: <https://www.stuff.co.nz/pou-tiaki/300674297/how-te-reo-mori-is-becoming-a-normalised-aspect-of-popular-culture-and-why-it-matters>

²² *1994: Same-sex kiss between two women on Brookside, builds on first kiss between two men on EastEnders*. Stonewall. Accessed at: <https://www.stonewall.org.uk/our-work/campaigns/1994-same-sex-kiss-between-two-women-brookside-builds-first-kiss-between-two-men>

4.4. Sexuality and Identity

The early 1990's saw the introduction of gay, lesbian and bisexual characters to prime-time television globally, from *Roseanne* and *Friends* in the United States to *Brookside* in the United Kingdom.²²

Shortland Street was the **first prime time show in New Zealand to meet that international standard of representation** as in 1994, the show presented its first portrayal of a lesbian relationship with an onscreen kiss between Dr Meredith Fleming (Stephanie Wilkin) and nurse Annie Flynn (Rebecca Hobbs). This episode averaged more than 600,000 viewers (aged 5+) that night.

Only a year after legislation was passed allowing same-sex couples to enter into a civil union, for Valentine's Day 2006, the show featured its first civil union between Maia Jeffries (Anna Jullienne) and Jay Copeland (Jaime Passier-Armstrong). Over 500,000 viewers tuned in for this episode.

The Wedding of Maevie Mullins and Nicole Miller
2020



CASE STUDY

BLUE NATHAN



Blue Nathan, child of senior nurse Kate Nathan (Laurel Devenie) first appeared on *Shortland Street* in March 2016. The introduction of this energetic and complex character was another landmark moment for *Shortland Street* as it marked the first transgendered character to be played by a transgendered actor in a long-running storyline.

Ensuring that Blue's narrative was robust and representational as opposed to sensationalized or cliché was key for *Shortland Street* creatives. Not only was the actor playing Blue, Tash Keddy, engaged with the development of his character but so too was Cole Meyers, an established writer, who was brought on to consult on the character's storyline.

With both Keddy and Meyers having transitioned themselves and being active in the LGBTIQ+ community, Blue's character was built out from a knowledge base of experience and understanding as opposed to other presentations of trans characters that tended towards being over-dramatized or one dimensional. By curating the creative voices around this character's story, *Shortland Street* set a precedent for inclusion and representation both in front of and behind the camera.

Although socially significant, the true landmark of Blue's story in Ferndale was normalizing trans-peoples stories through his coming-of-age story as a teenager in the highly accessible format of a soap opera.

Blue's character development was complex, not only with him having decided to transition from Bluebell to Blue, but also having to mourn the loss of his girlfriend Ash Whitley (Ruby Lyon), which lead to him turning to self-harm.

With such coping mechanisms affecting teenagers from various backgrounds with ranging motivations, younger viewers were able to empathize with Blue on various levels. Blue's gender identity was rather a part of his character narrative as opposed to the crux of his story, allowing audiences to find their own connection with the character as a way to break through any prejudice or misunderstanding of gender identity.²³

²³ *Tash Keddy on first crashing into Shortland Street*. 9th June 2021. Accessed at: <https://www.nzonscreen.com/title/tash-keddy-on-crashing-into-shortland-st-2017/background>

"Blue shows you can be successful and funny and have friends but make mistakes and be a teenager. That's what I want to see - someone not defined by their gender identity"

Cole Meyers
Writer/Actor

4.5. Physical and Mental Health

Set against the backdrop of a hospital, *Shortland Street* has been primed for emotive and impactful storylines involving physical and mental health that have been centred around topics that are challenging to tackle, such as assisted suicide, alternative medication, and overall normalizing discussions around varied diagnosis.

In 1997, Caroline Buxton (Tandi Wright) assisted in the death of her best friend Annabel Lustwick (Jodie Dorday) who was suffering from Multiple Sclerosis. This was a challenging storyline across many levels: It addressed and drew attention to a disease that is estimated in 2020 to impact 2.8 million people globally but has minimal representation across popular culture platforms.²⁴

²⁴ Multiple Sclerosis Society. 2020 Accessed at: <https://www.nationalmssociety.org/About-the-Society/News/Updated-Atlas-of-MS-Shows-Over-2-8-million-People>

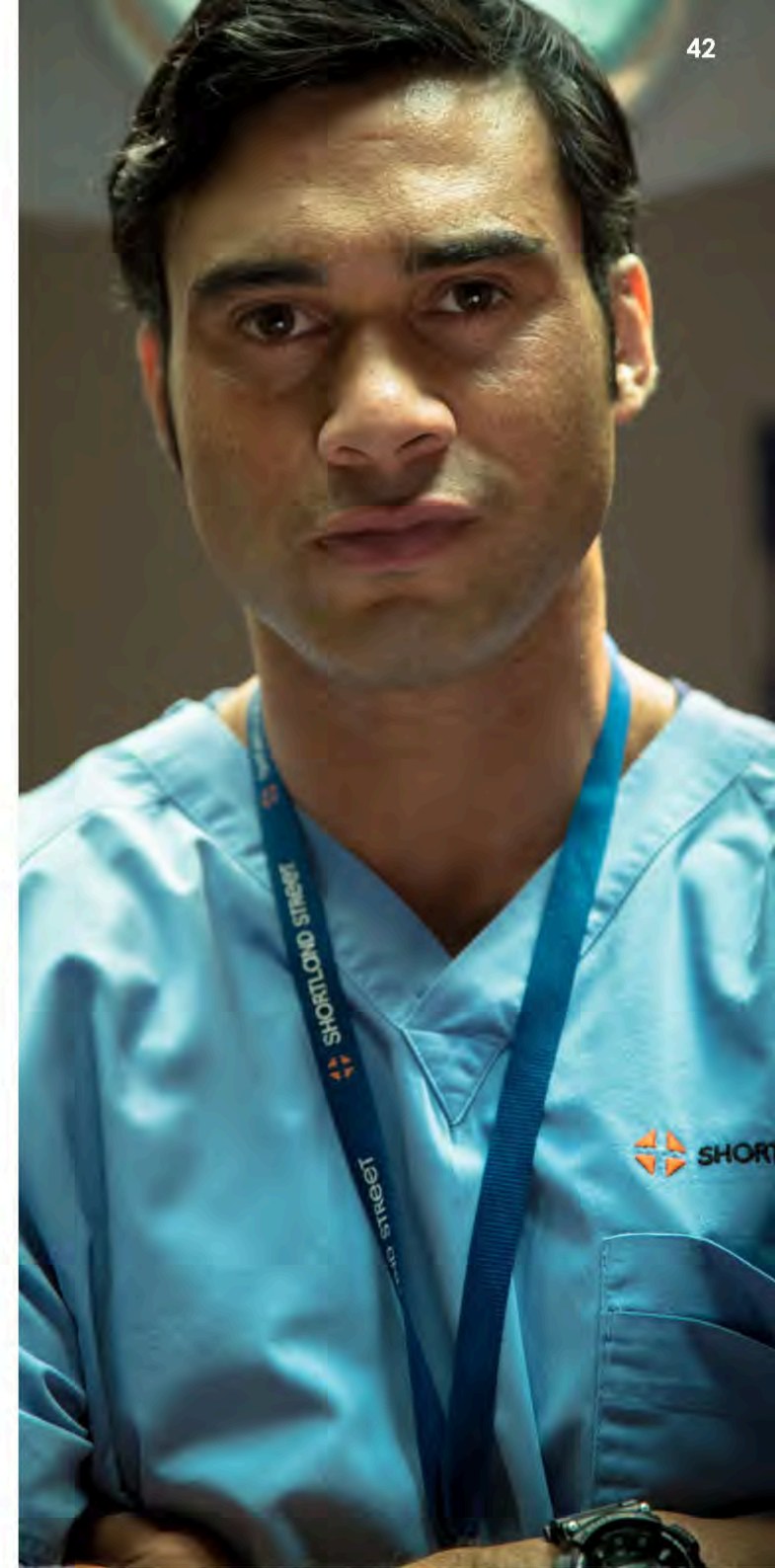
²⁵ Shortland Street Ratings Uncovered. 25th May 2017. Accessed at: <https://www.nzherald.co.nz/entertainment/shortland-street-ratings-uncovered-the-stories-that-gripped-new-zealand/PEXEXU7QSYEZOTBQUPFGOHW5TO/#:~:text=On%20average%2C%2034.4%2C000%20viewers%20>

It also tackled the topic of assisted dying (sometimes referred to as assisted suicide or the right to die), which is a long divided discussion across medical practitioners, associations, and individuals. In 2020 New Zealand was the first country to put euthanasia legislation to a referendum, which was supported by a majority of voters.

Through these narratives and the respective character's individual journeys, the show curated a discussion around suffering with illness and the barriers many patients face when trying to cope with their diagnosis.²⁵

Another example of this was in 2019, when one of the show's lead characters, TK Samuels (Ben Mitchell) was diagnosed with prostate cancer. With 443,000 viewers on average watching that year, the show gave the space for an alpha male character to emotionally come to terms with a disease that often goes undiagnosed.

Ben Mitchell
/ TK Samuels





5. APPENDIX 1 ECONOMIC IMPACT METHODOLOGY

5.1. Methodology

To develop this analysis, SPI undertook a series of key steps. The underlying model for this report is built on the model developed for the Economic Impact of the Aotearoa New Zealand Screen Production Sector report⁹, and updated where appropriate. The overall methodology is based on the approaches used for similar studies in a range of countries, including Ireland¹⁰, the UK, several US states¹¹, and Australia¹².

5.1.1 Production Expenditure

To assess the impact of *Shortland Street*'s production activity, the first step is to ascertain the overall production expenditure. The most complete data on production activity comes from the data stored by South Pacific Pictures, the producers of *Shortland Street*.

⁹ *Economic Impact of the Aotearoa New Zealand Screen Production Sector*. Olsberg•SPI, 6th July 2022. Accessible at: <https://static1.squarespace.com/static/5f7708077cf66e15c7de89ee/t/62c8590b6b6eb8c9f01b495e/1657297165157/Economic+Impact+of+the+New+Zealand+Screen+Production+Sector+-+Final+2022-07-06.pdf>

¹⁰ *Economic Analysis of the Audiovisual Sector in the Republic of Ireland*. Olsberg•SPI, 18th December 2017. Accessible at: <https://static1.squarespace.com/static/5f7708077cf66e15c7de89ee/t/60282e72c467c7682a04eff2/1613246069222/Olsberg-SPI-Analysis-of-the-Audiovisual-Sector-in-the-Republic-of-Ireland.pdf>

¹¹ *Economic Impact of the New Mexico Film Production Tax Credit*. Olsberg•SPI, 19th November 2021. Accessible at: https://nmfilm.com/assets/uploads/migrated/2021/11/NMFO-EconomicImpactStudy_NMFilmProductionIncentiveProgram_2021.pdf

¹² *Study on the Impact of Film and Television Production Incentives in Australia*. Olsberg•SPI, February 2023. Accessible at: <https://static1.squarespace.com/static/5f7708077cf66e15c7de89ee/t/63ea2c40edf4bc1e3b498576/1676291153210/ANZSA+Final+Report+February+2023.pdf>

This data set includes the following:

- ▶ The production budget of each season of *Shortland Street*, from calendar year 2012 to 2021.
- ▶ A breakdown between vendor spend and production staff payroll of the total budget.

5.1.2. Key Data Sets and Sources

The following data sets were accessed and analysed:

- ▶ New Zealand National Accounts – Input-Output (I-O) Tables: Year End March 2020
- ▶ New Zealand National Accounts – Industry Production and Investment: Year End March 2020, published 19th December 2021
- ▶ Economic Trends in the Screen Sector – Ministry of Business, Innovation & Employment, 2021.
- ▶ Linked Employer-Employee Database (LEED)
- ▶ Bespoke data request from Stats NZ – LEED data number for number of filled jobs in sector 55 (Motion picture and sound recording) annualised data for year to end March (2015-2020).
- ▶ Stats NZ estimation of full-time and part-time workers in sector.

5.1.3. Analysis of New Zealand I-O Tables

Quantitative analysis of these data was undertaken, predominantly using an input-output model developed through an assessment of the NZ I-O tables. From this, SPI calculated the matrix of coefficients and the Leontief Inverse Matrix for the whole economy. The calculations for Type I multipliers included only the industry, while the calculations for the Type II multipliers also included household income and expenditure. For a particular industry, the multipliers are the sum of the Leontief Inverse coefficients. Type 1 multipliers the final demand corresponds to the direct + indirect effects. For Type II multipliers, this final demand corresponds to direct + indirect + induced effects.

For this study, SPI have used the multipliers which correspond to ANZIC J55 'Motion Picture and Sound Recording Activities'. I-O data for New Zealand are only available for 2 digit ANZSICs, therefore it is not possible to calculate more specified multipliers.

The I-O analysis produces multipliers which allow us to assess the impact of spending associated with the sectors studied in three areas, reflecting the three phases of economic activity in a standard impact study:

- ▶ **Direct impacts** of the economic uplift in terms of the output, value created (GVA) and jobs within the film and television firms resulting from the increase in production expenditure.
- ▶ **Indirect impacts** of the economic uplift in terms of the output, value created (GVA) and jobs effects observed in sectors that supply goods and services into the film and television production sector.

► **Induced impacts** of the economic uplift in terms of the output, value created (GVA) and jobs uplift created because of the wage effects of those working in the film and television production sector.

Type I multipliers calculate the direct + indirect effect and Type II are used to calculate the total effect (direct + indirect + induced)

Figure 18 displays the key calculated multipliers.

Figure 18

Output, Income and GVA Multipliers for Motion Picture and Sound Recording Activities

	Type 1	Type 2
Output	2.16	2.42
Income	3.16	3.63
GVA	2.75	3.21

Other key metrics were determined from the IO tables including the turnover to GVA and turnover to employee compensation ratios.

5.1.4. Estimating Employment Effects

The estimation of employment impact is driven by the expenditure figures. An employment to output ratio was calculated by utilising Stats NZ data on the number of filled jobs a year and data from the I-O tables. This ratio was then applied to the expenditure figure to determine the direct employment effects.

Determining the employment multiplier involved a more complicated process as Stats NZ, unlike other data authorities in Australia, UK and others, do not publish employment information aligned to the ANZSIC sector data published in the IO tables. The most closely aligned information is from the Linked Employer-Employee Database (LEED) Quarterly Release 2019 for filled jobs up to March 2020. SPI aligned the published industry groupings with the ANZICs. In a similar approach to calculating output multipliers, a matrix calculation was undertaken to calculate the ratio of filled jobs to output (for each industry) with the Inverse Leontief Coefficient for each industry (ANZSIC J55).

The direct jobs figure was combined with the relevant multipliers to determine the indirect and induced jobs (see Figure 29).

Figure 19
Employment Multipliers for Motion Picture and Sound Recording Activities

	Type 1	Type 2
Employment	3.28	3.89

To determine the most accurate employment to output ratio for ANZSIC 551, SPI has used data from a customised data report from Stats NZ that estimated employment for ANZSIC 551 in the year March 2020, which estimated the total number of employed and self-employed people working in the sector. This provides a job per NZ\$1 million output of 6.2 which is in line with comparable data elsewhere in the world.

In addition, data from NZ Stats indicates that the relationship between full-time and part-time workers in the sector is around 75%:25%, therefore there is approximately 0.8756 FTEs for each one headcount job. This relationship has been used to estimate FTE jobs.

5.1.5. Application of I-O Multipliers

To begin determining the impact of screen production expenditure, SPI first used the output multipliers to determine the indirect and induced output effects. This approach effectively uses expenditure as a proxy for turnover.

GVA ratios and multipliers were applied to these results, allowing the determination of the value added in each of the phases of economic impact, and thus the direct, indirect, and induced contributions from the screen sector to the broader New Zealand economy.

Employment analysis was undertaken by first applying an employment-to-output ratio to the output generated by the sector which provided an estimate of the direct footprint associated with production expenditure. I-O employment multipliers were applied to the results of this analysis to determine the indirect and induced employment arising from this activity.

Income associated with this employment – which for the purposes of this analysis includes all wages and salaries, employer social actual and imputed security contributions, – was also calculated by reference to the output generated. Employee compensation-to-output multipliers were applied to the direct output, with income effect multipliers used to determine the indirect and induced wage outcomes.

5.1.6. Caveats and Limitations

This study uses best available methods for determining the footprint of *Shortland Street*'s production activity. As with all studies of this kind, there are limitations and caveats to the approach.

- ▶ The modelling is based on both estimated and actual production expenditure data of *Shortland Street*. While this is based on the best available data provided by the client, the estimation relies on a number of assumptions.
- ▶ The GVA was calculated using the relationship between output and added value for ANZSIC 55 in the I-O tables. SPI understands that this is not the perfect sector match for the production expenditure. The general approach taken by SPI is to err on the side of conservatism in our assumptions, therefore values will be underestimated rather than overestimated. SPI feel there is an argument that the GVA to output ratio would be higher for the production activity than for all activities in J55 – as jobs are more skilled and wages are higher in production than they are say cinemas. Therefore, this may lead to an underestimation of GVA.

6. APPENDIX 2 – ABOUT OLSBERG-SPI

Olsberg•SPI (“SPI”) is an international creative industries consultancy, specialising in the global screen sector.

SPI provides a range of expert consultancy and strategic advisory services to public and private sector clients in the worlds of film, television, video games and digital media. Formed in 1992, it has become one of the leading international consultancies in these dynamic creative screen industries.

The firm’s expert advice, trusted vision and proven track record create high levels of new and repeat business from a diverse group of companies and organisations, including:

- ▶ National governments, including culture and economics ministries
- ▶ National film institutes and screen agencies | Regional and city development agencies and local authorities
- ▶ Multi-national cultural funds and authorities
- ▶ National and regional tourism agencies
- ▶ Established studios and streamers
- ▶ Independent companies at all points of the screen business value chain
- ▶ National and international broadcasters
- ▶ Trade associations and guilds

- ▶ Training and skills development organisations
- ▶ Publishers and conference organisers.

With expertise in all areas of the fast-moving global creative sector, SPI offers a wide range of services, including:

- ▶ Analysis and strategic advice for building healthy and sustainable national and regional industries, and recommendations for public policies to support this
- ▶ Mapping and assessment of physical infrastructure, services and workforce
- ▶ Delivering economic impact studies of whole sector activity or of incentives
- ▶ Advice on the creation of fiscal incentives for screen productions
- ▶ Helping businesses and governments interpret the strategic implications of digital media innovations
- ▶ Business development strategies for content companies
- ▶ Feasibility studies, marketing and business strategies for small and large-scale studio facilities
- ▶ Evaluations of publicly-funded investment schemes
- ▶ Acquisition and divestment advice for owners or managers of SMEs
- ▶ International cost comparisons for small and large film and television productions

- ▶ Strategic advice on inward investment and exports for national and regional public bodies
- ▶ Analysing and explaining the links between growth in tourism and a nation’s film and television output
- ▶ Providing strategic advice for screen commissions, including business and marketing plans
- ▶ Keynote speakers at industry events.

Further information on SPI’s work can be found at www.o-spi.com and within the [SPI Company Brochure](#).

Please contact Emma Openshaw on emma@o-spi.com for further information about this study.



STUDY ON THE CULTURAL & ECONOMIC IMPACT OF
SHORTLAND STREET

1992 | 2022

7th March 2023

OLSBERG • SPI

The strategy consultancy for the creative industries