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## Hon Ginny Andersen

Minister for the Digital Economy and  
Communications

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## Hon Barbara Edmonds

Minister for Economic Development

# Tech investment lays foundations for future economy

- New 20 percent rebate for game development studios
- Apprenticeship-like models of training to get more people into tech careers
- Boosting innovation and growth in our industries

Budget 2023 lays the foundations for a low-emissions, high-wage economy with a major investment into our digital and technology sectors.

“The Chris Hipkins Government is backing New Zealand's growing game development sector and encouraging more Kiwis into tech jobs,” Ginny Andersen said.

“We know from looking at advanced economies like Germany, South Korea, Japan and Singapore that the best investments you can make in the future of your economy are in science, skills and infrastructure.

“Our digital technologies sector significantly helps lift New Zealand’s productivity and wealth. In 2021, the sector contributed \$7 billion towards New Zealand’s GDP and, since 2016, has grown at twice the annual rate of the wider economy.

“Our gaming sector is rapidly growing and is a strong contributor to New Zealand’s GDP – bringing in more than \$400 million in revenue in 2022.

“The sector is a creator of high-skill, high-wage jobs – aligning with our vision for a low-emissions, high-wage economy, helping to lift our productivity and wealth.

“This Government wants to partner with the game development sector to better support them grow and contribute to the economy.

“The 20 percent rebate will be available for game development studios who qualify and meet the minimum \$250,000 expenditure threshold per year. Individual studios will be able to receive up to \$3 million per year in rebate funding, and the scheme will be backdated to 1 April 2023.

“The rebate will help attract and retain gaming studios to operate in New Zealand and provide a long-term incentive to build their business here.

“We also want to make sure that we have the right people trained and ready to help grow the gaming and wider tech sector in New Zealand.

In addition to the Gaming Rebate the Government is investing \$27 million in a Digital Skills package that will focusing on growing our tech sector workforce under the Digital Technologies Industry Transformation Plan.

Funding will support the development of apprenticeship-like pilot programmes, which will include part payments for trainee wages, employer support and guidance, and will cover set up costs for trainees.

“The Government will support the piloting of apprenticeship-like models of training, so people can learn while they earn, and get industry experience while they study,” Ginny Andersen said.

“We also want to make pathways into the tech sector accessible, especially for underrepresented groups such as Māori, Pacific Peoples, women, and neurodiverse people.

“We’ll also be supporting in-school programmes and an internship-matching service to be delivered nationwide,” Ginny Andersen said.

This programme will integrate in school learning and work based learning with local employers, where students will gain NCEA level 1-3 credits and can work towards completing a Level 4+ Tertiary qualification in Information Technology.

### **Continuing support for industry transformation**

The Digital Skills package is one of a number of initiatives being funded across the Government’s programme of Industry Transformation Plans.

“Industry Transformation Plans are an important mechanism to increase productivity and performance in key sectors of the economy. These plans are developed and implemented alongside industry, government, business, workers and iwi,” Barbara Edmonds said.

“As the horticulture sector recovers from Cyclone Gabrielle, the Government is supporting industry to build foundations for future growth and improved productivity.

“Today’s package includes \$29.9 million to establish the Horticulture Technology Catalyst initiative, through the Agritech Industry Transformation Plan. This investment will allow horticulture technology experts to provide services such as business coaching and support to growers and the sector.

“We want to make it easier for New Zealand horticulture businesses to access global opportunities and share their knowledge with domestic partners.

“Through this initiative, services will be focused on improving industry connections, developing talent, working with firms and universities to tailor education to industry needs, and supporting businesses to commercialise their projects and research,” Barbara Edmonds said.

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