

Te Māngai Pāho

The Mouthpiece of the Airwaves



The design embodies our mission.

'Tuhia te hā o te reo Māori ki te rangi.'

The design represents the nurturing of te reo Māori.

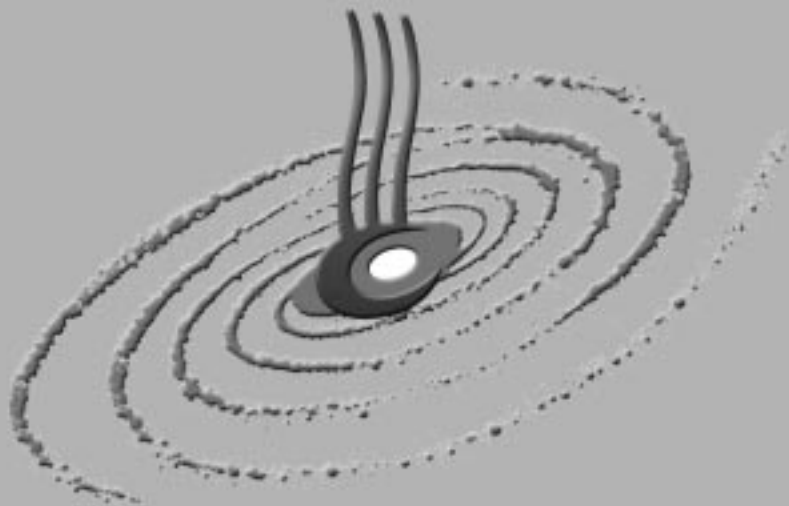
The three uprights are called **Piki ki te rangi**.

They represent the connections between heaven and earth.

The crescent shape at the base is **Te Māngai Pāho** –
the mouthpiece which protects and nurtures.

Within the crescent mouth is **Te Purapura** – **te kākano i ruia mai i Rangiatea**
– the seed in the form of te reo me ōna tikanga Māori.

It is this act of nurturing and promotion that is important
in order for the Māori language and culture to thrive.



Te Māngai Pāho
Statement *of* Intent
2002/2003

MISSION

Tuhia te hā o Te Reo Māori ki te rangi,
e kaha ai te mapu o te manawa ora,
e rekareka ai te taringa whakarongo,
e waiwai ai, te karu mātakitaki.

**'Let the Māori language be heard on the airwaves,
thereby causing the heart to leap with joy,
the ear to appreciate its eloquence
and the eyes to moisten at its impact.'**

VISION

Ahakoā ki whea

Ahakoā āwhea

Ahakoā pēwhea

Kōrero Māori

Speak Māori ... everyday, everyway, everywhere

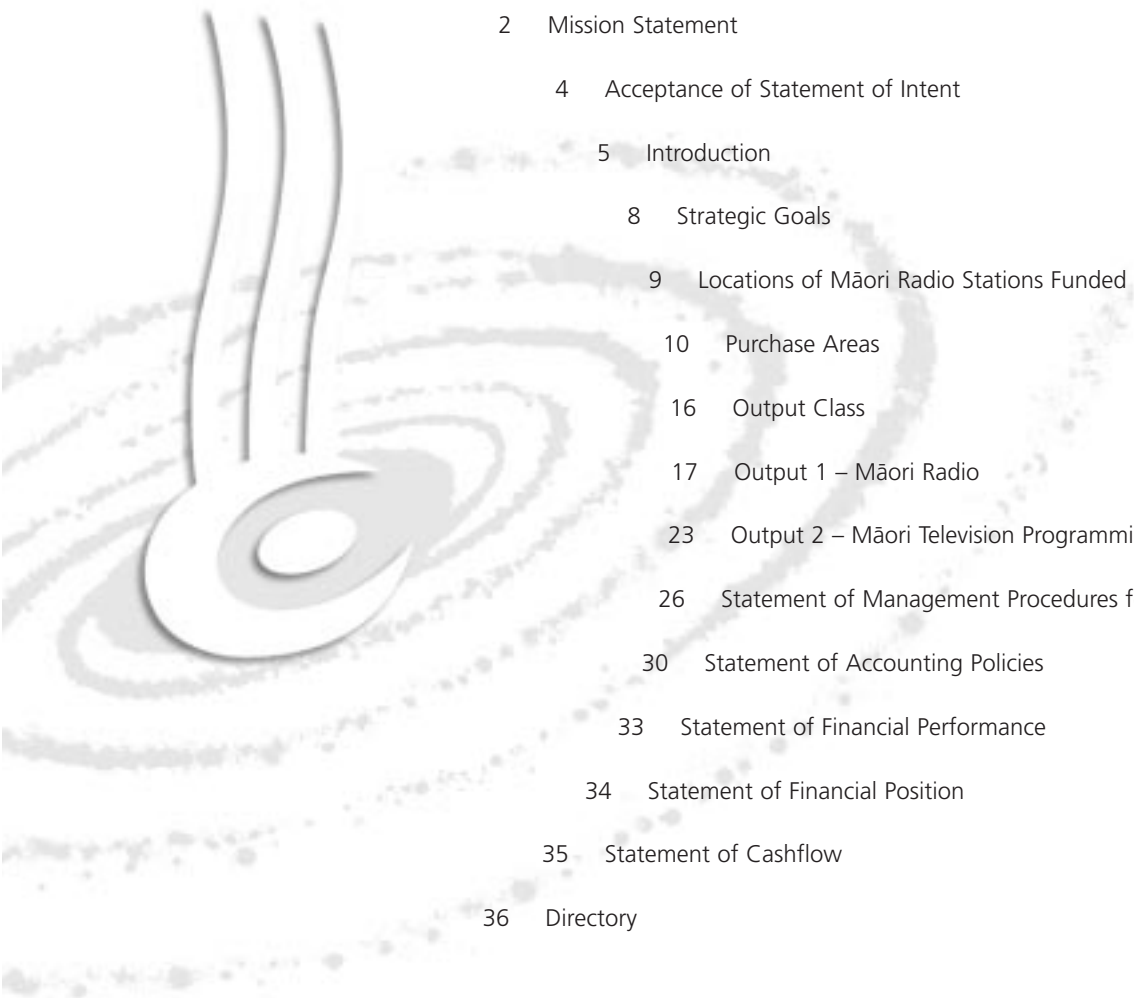
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Enquiries should be made to the publisher.

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Te Māngai Pāho Statement of Intent

PREPARATION OF THE STATEMENT OF INTENT

Pursuant to Section 41E of the Public Finance Act 1989, I have pleasure in enclosing our Statement of Intent for the year ending 30 June 2003.



Toby Curtis
Chair

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ACCEPTANCE OF THE STATEMENT OF INTENT

In accordance with Section 41F of the Public Finance Act 1989, I agree to lay this Statement of Intent of Te Māngai Pāho for the year ending 30 June 2003 before the House of Representatives.



Hon Parekura Horomia
Minister of Māori Affairs

Introduction

In accordance with the Public Finance Act 1989, this Statement of Intent sets out the outputs for the year ended 30 June 2003 that Te Māngai Pāho will deliver as agreed between the responsible Minister and the Board of Te Māngai Pāho. This statement also advises service providers of the services Te Māngai Pāho will endeavour to buy during the year in order to deliver the agreed outputs.

The statutory functions of Te Māngai Pāho are clearly set out in the Broadcasting Amendment Act 1993. Under section 53B Te Māngai Pāho is required to *promote the Māori language and Māori culture* by making funds available, on such terms and conditions, as it thinks fit, for broadcasting and the production of programmes to be broadcast.

The legislation makes it very clear that the key criterion for funding is the degree to which a venture *promotes the Māori language and Māori culture*. As a consequence of the Māori Television Service Bill, an amendment to Section 53E of the Broadcasting Act 1989 will also require Te Māngai Pāho to have regard to the needs and preferences of children participating in te reo Māori immersion education, and all persons learning te reo Māori.

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MĀORI LANGUAGE OBJECTIVES

In making purchase decisions, Te Māngai Pāho will also be guided by the Government's Māori language objectives, which are to:

1. Increase the number of people who know the Māori language by increasing their opportunities to learn Māori.
2. Improve the proficiency levels in speaking Māori, listening to Māori, reading Māori and writing Māori.
3. Increase the opportunities to use Māori by increasing the number of situations where Māori can be used.
4. Increase the rate at which Māori language develops so that it can be used for the full range of modern activities.
5. Foster amongst Māori and non-Māori positive attitudes towards, and accurate beliefs and positive attitudes about the Māori language so that Māori-English bilingualism becomes a valued part of New Zealand society.

In the context of these objectives, the following benefits of broadcasting are evident:

- The existence of Māori language broadcasting contains powerful symbolic messages. Most importantly it highlights that the language is dynamic and not trapped in history, but has relevance in a modern context. Furthermore, Radio and Television are key to disseminating and popularising new words.
- Listening to Radio and watching Television are major learning, community and leisure activities for a large number of the population, particularly the young. Therefore, utilising the media of Radio and Television to provide programmes and activities in the Māori language has important strategic relevance for Māori language regeneration.
- Māori language broadcasting provides synergies with other regeneration strategies implemented by Government and Māori. In particular for young people it provides a significant Māori linguistic domain outside of the education sector. The Section 53E amendment will by necessity require Te Māngai Pāho to be more cognisant of educational sector needs in regards to Māori language learning via broadcasting media.
- Broadcasting provides for the extension of existing language domains, and as such increases the vitality of the Māori language.

Te Māngai Pāho considers that, in addition to language promotion, Māori programmes must also meet criteria of all good broadcasting, which is to entertain, to educate and inform. It must be able to provide quality, integrity, and diversity in programming; and it must be able to close the 'information gap' between Māori and non-Māori.

The advent of the new Māori Television Service will require Te Māngai Pāho to purchase not only Māori language programming but also bilingual programming in order to complement the new channel's broadcast schedule and format.

TE MĀNGAI PĀHO – BUSINESS CONTEXT

Māori broadcasting is an Industry in which the creativity of programme makers converges with Māori language and culture, and a highly dynamic array of media and delivery mechanisms. Currently, these include conventional Radio and Television production and broadcasting, and rapidly growing internet content production and broadband narrowcasting. Te Māngai Pāho and the Industry must also start thinking strategically about digital Radio and Television.

In addition to the promotion of Māori language and culture, taking full advantage of these developments will necessarily create an Industry of players that is knowledgeable in the national and global knowledge economy.

Te Māngai Pāho aims to develop and implement policies that ensure that the broadcasting sector focuses on making programmes available to both Māori and non-Māori audiences alike.

Te Māngai Pāho supports the establishment of a Māori Television Service and as the funder/purchaser of Māori

Television programmes, Te Māngai Pāho will work closely with the Service to support its broadcast schedule and programming needs. Te Māngai Pāho has a Memorandum of Understanding with the Service which will address key issues such as, programme acquisition and commissioning process, consultation and monitoring arrangements.

Promotion and protection of the Māori language and its culture through broadcasting is the primary focus of Te Māngai Pāho. While Māori language Radio and Television contribute significantly to the objectives associated with language revitalisation, Te Māngai Pāho does not expect to achieve these objectives alone. Coordination with other agencies, Industry groups, and individuals that are involved with Māori broadcasting and language activities is crucial to the further development of a Māori broadcasting Industry that can make an effective and sustainable contribution to language revitalisation and increased cultural awareness. These agencies include Te Puni Kōkiri, Te Taura Whiri i Te Reo Māori, Ministry of Economic Development and the Māori Television Service.

Te Māngai Pāho will extend its alliances across a range of sectors in order to increase the availability of Māori language and Māori interest programmes to listeners and viewers. This will include such initiatives as, co-purchasing Māori broadcasting projects and diversifying the type and the range of programming funded.

In this respect Te Māngai Pāho will continue to strengthen working relationships with potential co-purchasers such as NZ ON AIR, New Zealand Film Commission, Ministry of Education, Creative New Zealand and Toi Māori.

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OUTCOMES

The outcomes that Te Māngai Pāho seeks to achieve as a result of implementing this Statement of Intent are:

- Increases in the amount of Television programmes broadcast in the Māori language, particularly during prime time.
- Provide for the purchase of Television programmes that are bilingual.
- Increases in the amount of Māori language programming that is targeted at the interests of children and youth.
- Increases in the overall viewing and listening audience share for Radio and Television, in particular of Māori listeners and viewers.
- Increases in the range of useful and sustainable alliances to achieve our strategic goals.

In determining the proportions of funding allocated to different genre and target audiences, Te Māngai Pāho will continue to consult with Māori broadcasters, Māori audiences, Māori language interest groups and other Government agencies.

Statutory Role

‘To promote the Māori language and Māori culture by making funds available, on such terms and conditions as Te Māngai Pāho thinks fit, for broadcasting and the production of programmes to be broadcast.’

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STRATEGIC GOALS

Te Māngai Pāho will achieve through its work, accountabilities and influence, the following goals for 2002–2005.

1. DEVELOP QUALITY AND CAPABILITY

Te Māngai Pāho is committed to working in ways that enhance the Māori broadcasting Industry in terms of:

Growth – Increased programmes for broadcast from a greater number of producers, delivered through the widest range of relevant media to the widest relevant audience.

Quality – Increased levels of contract performance, improved product quality, and improved reo Māori content.

Capability – Making a contribution to lifting Industry skills and confidence.

2. FOCUS ON REVITALISATION OF MĀORI LANGUAGE AND CULTURE

Te Māngai Pāho will continue to prioritise the purchase of programmes that make the greatest contribution to revitalising te reo Māori and its culture.

3. INNOVATIVE PRODUCT RANGE

Te Māngai Pāho will seek to purchase an innovative range of products for broadcast, in particular with respect to Television programming.

4. BE A KEY PLAYER IN MĀORI BROADCASTING

This goal signals the intention of Te Māngai Pāho to play a key role in the field of Māori Broadcasting. Te Māngai Pāho aims to be recognised by Government and Industry as a key stakeholder in Māori broadcasting.

LOCATION OF MĀORI RADIO STATIONS FUNDED BY TE MĀNGAI PĀHO



Purchase Areas

MĀORI RADIO

OVERVIEW

The Crown's primary interest in Māori Radio is the role it can play in the revitalisation of the Māori language.

With careful programme planning, Radio has the potential to increase the interest of young people in learning the language by supporting their efforts in the formal education sector. It also has a major influence in increasing the amount of popular Music in Māori, further heightening the interest of those who wish to learn Māori.

Radio has a key role to play as a connection point in local Māori communities in a manner that is responsive to their cultural aspirations and interests.

SECTOR SUPPORT

Te Māngai Pāho has historically provided support to the Māori Radio sector which has been targeted at facilitating an increase in both the quantity and quality of te reo Māori broadcast throughout New Zealand. Te Māngai Pāho will continue to provide operational funding to the 21 Iwi Radio stations that are contracted to broadcast a minimum of four hours te reo Māori per day.

Funding at a higher level is provided to those stations who broadcast at a higher level of te reo Māori content than the four hour minimum.

Te Māngai Pāho also provides funding support to Iwi Radio stations in a number of other ways which contributes to the quantity, and quality of broadcasts from this network. These measures include, purchase of nationally produced programming for use by all stations, purchase of Māori language Music CDs for distribution and broadcast, funding of extensive Radio audience research, and funding of an internet-enabled Radio switching and distribution system (*punga.net*) which links all stations with each other and also with the major national programme providers.

Sufficient resourcing for investment in the technical capability of the Māori Radio sector is critical to ensuring effective broadcasting outcomes. Although funding for the *punga.net* network supports this strategy, investment over and above that currently planned by Te Māngai Pāho, will be necessary to ensure that Iwi Radio remains a capable and relevant audience choice.

The level of funding provided to the sector by Te Māngai Pāho, is derived from the Vote: Māori Affairs of \$9.17m. Although the level of the Crown Appropriation has been at this level for a number of years, the funding provided to

the sector has been historically supplemented by the use of interest income and accumulated reserves. For the 2002/2003 year the Appropriation will be supplemented by interest income of \$0.53m, resulting in total sector funding of \$9.70m. This total is a reduction of \$0.4m on the actual for 2001/2002 (\$10.1m) due to reduced interest in 2002/2003. This is largely due to the accelerated timing of cash outflows for Television programming in 2002/2003.

SECTOR INITIATIVES

There are a number of initiatives planned for 2002/2003 which are worthy of highlight at this juncture. These initiatives are also outlined in the sections on Performance Indicators and Management Procedures later in this document.

- **Audience Surveys**

Extensive Radio audience surveys were commenced under contractual arrangements with Te Putahi a Toi, Massey University, in the 2001/2002 year. These are ongoing and have been undertaken on a station by station, area by area basis, and have focussed on audience size, profiles and preferences. Valuable benefits have and will accrue to Iwi Radio stations through audience information provided by these surveys.

In the upcoming year it is the intention of Te Māngai Pāho to undertake detailed analyses of these audience survey outcomes in order to ascertain the effectiveness of current Te Māngai Pāho funding strategies, which have been aimed at the promotion of the Māori language.

- ***Punga.net***

This web-enabled custom-built switching system was developed and installed in May 2001. The system has been successfully implemented in 2001/2002. It is the intention of Te Māngai Pāho to make further enhancements to *punga.net* during 2002/2003 in consultation with key stakeholders from the Māori Radio sector. Features such as on-line programme storage and retrieval are possible options for enhancements.

- **Quality Indicator Framework**

In 2001/2002 Te Māngai Pāho, in conjunction with the Iwi Radio network, began development of a framework designed to assess the quality of Māori Radio broadcasting. Completion and implementation of this framework is planned for 2002/2003. The establishment and implementation of an agreed qualitative benchmarking framework will provide a further measure of the effectiveness of Te Māngai Pāho strategies in the Māori Radio sector in relation to broadcasting outputs.

- **National Radio Service**

Te Māngai Pāho supports the Government's current proposal to establish a national Māori Radio service, utilising the FM frequencies in the 101–108 band that have been set aside for a national network.

Te Māngai Pāho considers that it is important to supplement the Iwi-focussed broadcast network with a national

service specifically designed to keep Māori communities well informed about regional and national activities. Te Māngai Pāho expects that additional funding will be secured from Government for any new national service that may be established.

- **Industry Initiatives**

Te Māngai Pāho supports a number of Iwi Radio led initiatives including an Industry Needs Analysis aimed at assessing Māori Radio sector training needs, resourcing and capabilities. In addition, Te Māngai Pāho will continue to assist the Industry and New Zealand Qualifications Authority (NZQA) with the development of Māori broadcasting qualifications.

MĀORI TELEVISION

OVERVIEW

The advent of the Māori Television Service will have a significant effect on the New Zealand Television sector, and also the role of Te Māngai Pāho in that sector.

Te Māngai Pāho will be the principal funder of programming for the Māori Television Service. As a result, substantive issues for Te Māngai Pāho to address during the start-up year 2002/2003 will include:

- Establishment of a clear and succinct working relationship with the Māori Television Service Board and management. A Memorandum of Understanding between Te Māngai Pāho and the Māori Television Service has been developed, and will be essential to ensure clarity of purpose and accountability between the two entities. In respect for instance to programme purchasing priorities, programme production monitoring and audience viewership analysis.
- The primary focus of the Te Māngai Pāho Television programme purchase arrangements will be to obtain programming for broadcast by the Māori Television Service.
- The bulk of Te Māngai Pāho programme funding for the Māori Television Service will be provided by Te Māngai Pāho purchasing programmes directly from independent production houses.
- There will also be a programming funding stream provided directly to the Māori Television Service in order to enable the Māori Television Service to acquire, to produce in-house, and to commission programming. This funding is anticipated to comprise between 25–30% of the total Te Māngai Pāho programme funding pool available. Te Māngai Pāho is however mindful of the need for some flexibility during the critical start up phase of the new channel in order to ensure that the requirements of the channel's broadcast schedule are supported.

- The purchase of totally te reo Māori programming, as well as bilingual programming will be undertaken to meet the Māori Television Service's broadcast requirements.
- Te Māngai Pāho remains committed to the promotion of Māori language and culture. Te Māngai Pāho is also aware of the intentions of the proposed Māori Television Service legislation, which indicate the bilingual nature of the new channel. To this end for the 2002/2003 start up year there will be a language mix in the programming funded for the Māori Television Service .The overall Māori language content of the Te Māngai Pāho funded programming for the Māori Television Service will be at least 50% te reo Māori.
- By the 2004/2005 year the language mix for programming funded by Te Māngai Pāho for the Māori Television Service will have an increased te reo Māori content. It is intended that by 2004/2005, this will have risen from 50% to 75%.
- Consideration of a wide range of programming options will be required during the purchasing process. This may include voice-over/re-versioning options, programme exchange arrangements, archival retrieval, co-funding arrangements, subtitling options and replay arrangements.
- Broadcast schedule and programme genre preferences will be clearly stipulated by the Māori Television Service in order to enable synchronised and effective programme purchasing arrangements.

In addition to the focus on programming for the Māori Television Service, Te Māngai Pāho will also maintain funding at historical levels for programming produced and broadcast by Television New Zealand (TVNZ).

Te Māngai Pāho envisages that there will be a transition phase while the Māori Television Service is being established when there will be a need to maintain a presence of Māori programming on current national networks. During this transition phase Te Māngai Pāho will to a limited extent consider funding for programmes which are to be broadcast on these national networks.

SECTOR INITIATIVES

1. Ngā Aho Whakaari / Industry Consultation

- Ngā Aho Whakaari is an entity comprising representation from the Māori Television Industry. Te Māngai Pāho and Ngā Aho Whakaari have recently entered into an arrangement governed by a Memorandum of Understanding which outlines formal consultative arrangements between Te Māngai Pāho and Industry representatives. Through liaison with the Industry, Te Māngai Pāho will also look to support the Industry by removing obstacles to Industry development and supporting marketing opportunities for the Industry. Te Māngai Pāho is limited by statute as to the extent of its involvement in such areas.
- Additional consultation is undertaken with the Television Industry by way of regular liaison and contact with, Television producers and other Industry organisations such as SPADA.

2. Māori Television Service

- As outlined in the preceding section.

THREE YEAR PERFORMANCE INDICATORS

Unless otherwise stated, the relevant period for the following performance targets is for the year ending 30 June 2003. It is Te Māngai Pāho policy to set and review objectives and performance targets on an annual basis. However, for each of the next two financial years (until 30 June 2005) it is envisaged that after taking into account the Government's current policies, the performance targets are likely to be similar to those for the year ending 30 June 2003.



Proposed Purchase Regime *for*
2002/2003

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Developed to increase the levels of Māori language
and Māori culture programming
on Radio and Television.

Output Class

'To promote the Māori language and Māori culture by purchasing broadcasting services and programmes produced to be broadcast.'

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Te Māngai Pāho has only one class of output, namely the purchase of broadcasting services and programming for the purpose of the promotion of the Māori language and Māori culture.

All of the activities of Te Māngai Pāho will therefore be undertaken with respect to this function. The purchase areas will include:

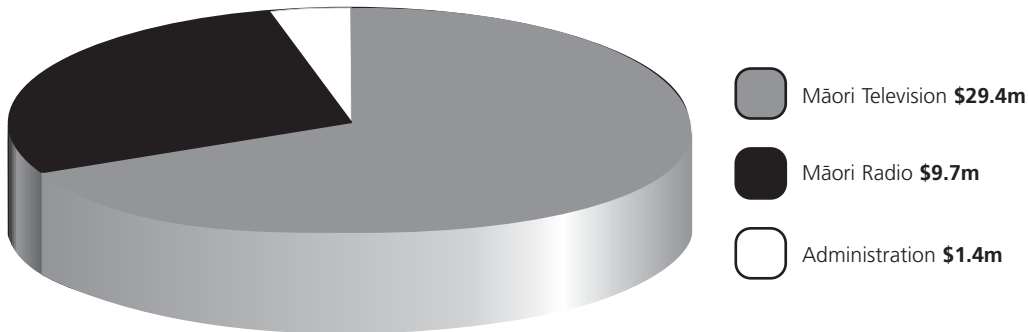
OUTPUTS

1 – Māori Radio

2 – Māori Television Programming

Unless otherwise stated, the time period for the following outputs is for the year ending 30 June 2003.

APPLICATION OF 2002/2003 FUNDING (GST exclusive)



Māori Radio

output 1

OUTCOME

Te Māngai Pāho's purchase of broadcast time from Māori Radio stations will, by the year 2005, be a minimum of eight hours of quality Māori language broadcast per day, available to 95% of the Māori population in New Zealand.

OBJECTIVES

- To facilitate the promotion of the Māori language by purchasing broadcast time from Māori Radio stations.
- To provide incentives to stations to increase their level of Māori language broadcast.
- To provide each station with 24 hour access to the *punga.net* switching system and distribution network in order to receive and transmit programmes from each other and independent programme producers.
- To contract Māori broadcasting providers to provide specific programmes to be distributed to Māori Radio stations via the *punga.net* network.
- To contract musicians to produce Māori language Music CDs for distribution and use by Māori Radio stations.
- To make funds available to those stations wishing to extend their broadcast coverage to areas where there is currently no coverage by any Māori station.

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DESCRIPTION

MĀORI RADIO

Māori Radio stations are contracted to broadcast for not less than nine hours per day, at least four hours of which must be in te reo Māori.

A two-tier funding approach will be maintained for the 2002/2003 year. Under this approach the top tier stations, of which there are eight, currently broadcast well in excess of six hours per day. Those stations' funding will continue at their current funding level of \$320,000 per annum. However, as well as quantity based reo Māori monitoring, they will also be subject to language and broadcast quality monitoring and review.

The reo Māori quality indicator framework is under joint development with the Māori Radio Industry. Expected completion and the pilot implementation of this quality framework is in the 2002/2003 year.

The second tier stations, of which there are currently 13, will have as their base operational funding of \$240,000 annually. They are required to broadcast a minimum of four hours per day of te reo Māori in order to secure this base funding.

INCENTIVE FUNDING

Those second tier stations, that broadcast Māori language in excess of four hours per day, will be eligible to apply for incentive funding. This funding is for up to a further two hours per day and is subject to a capability assessment of the station's capacity and also the availability of Crown funding. Incentive funding will be approved annually, and will be subject to the same monitoring as that which is undertaken for the base minimum hours.

DISTRIBUTION SERVICE

Punga.net is a web-based Radio programming system and distribution network used by the Māori Radio stations. It enables all Radio stations to obtain access to nationally produced programmes (e.g. news service) which are funded by Te Māngai Pāho. *Punga.net* also enables stations to link to each other and share their own locally produced programmes. *Punga.net* network services are contracted by Te Māngai Pāho with two network and hardware service providers.

MĀORI LANGUAGE PROGRAMMING

Quality programming in primarily 100% te reo Māori will be purchased by Te Māngai Pāho for distribution to and broadcast by the Māori station network via the *punga.net* network.

Programme purchases will specifically focus on those age groups for whom the acquisition of te reo Māori will have the greatest impact on the long term maintenance and regeneration of the language, namely the rangatahi or youth.

AUDIENCE SURVEYS

Research is underway with Te Putahi a Toi – Massey University, and is providing regional audience reporting to assist stations with programming and audience preferences. The level and demographics of audiences on a station by station, area by area basis will continue to provide valuable feedback on station programming formats and content and Māori broadcasting outcomes.

BROADCAST ENHANCEMENT

Applications will be sought from Māori stations wishing to extend their broadcast coverage to new Māori audiences. Priority will be given to those stations that demonstrate that they broadcast a minimum of five hours per day in Māori language. Applications will be measured against criteria and available funding, and will be subject to technical scrutiny.

MUSIC CD FUNDING

Funding for the production of Music CDs in te reo Māori will again be provided in 2002/2003. The CDs funded are made available to Māori Radio stations for broadcast. Up to eight albums and eight singles will be funded in 2002/2003. The feasibility of funding compilation CDs (more than one artist) will be investigated in 2002/2003.

TE WHAKARURUHAU O NGĀ REO IRIRANGI MĀORI

This group consists of representation from the Iwi Radio station network. It assists with coordination within the Industry and with Te Māngai Pāho. It provides input to the assessment of Radio programmes for broadcasting, and other strategic projects. Formal input to Te Māngai Pāho funding decisions is provided by the Te Whakaruruhau executive's membership of the Radio Review Team. This body makes recommendations to the Te Māngai Pāho Board on Radio station and Radio programming funding matters. Further liaison with the Māori Radio Industry is undertaken via regular liaison and contact by Te Māngai Pāho management with Radio station management and stakeholders.

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PERFORMANCE INDICATORS

QUANTITY

Indicator	Standard
Broadcast time purchased.	Nine hours purchased each day from each Radio station
Māori language content of purchased broadcast time.	Four of the nine broadcasting hours purchased each day are in the Māori language.
Additional hours of Māori language broadcast purchased.	Up to two additional hours each day of Māori language broadcast, may be purchased from qualifying stations.
Compliance with both broadcast hours and Māori language content.	All stations will be monitored throughout the year and the results will be analysed and reported to both the station concerned and the Board.

Indicator	Standard	
Purchase of programming for national broadcast, to be distributed to Māori Radio stations via the <i>punga.net</i> network.	Programme Genre	Annual Hours
	News	396
	Sport	130
	Documentaries	125
	Current Affairs	390
	Youth / Music	270
	Magazine	65
	Drama	6
	Matua	1040
	Outside Broadcasts	115
	Total Hours	2537
Music CDs	8 CD albums 8 CD singles	

QUALITY

Indicator	Standard
The quality standards in operation include:	
STATIONS' PERFORMANCE	
Quarterly reports are required from all stations. Each report is analysed by management and the results are reported to both the station itself and the Board.	Feedback on each quarterly report will be provided to each station. An analysis of each of the quarterly reports will be prepared for the Board.
QUALITY INDICATOR FRAMEWORK	
Framework completed in conjunction with the Māori Radio station network. Reporting of achievement against the quality framework benchmarks for nominated stations for the last quarter of the 2002/2003 year.	Final Framework model established by May 2003. Approval of framework by the Board. Quarterly reporting to the Board of Stations' performance against benchmarks.

Indicator

Standard

The following will be purchased by Te Māngai Pāho, to assist stations in achieving high quality broadcast:

- **DISTRIBUTION SERVICE**

A distribution service (*punga.net*) will be available to Radio stations 24 hours each day, for the purposes of sending and receiving programmes from each other and independent programme makers.

Quarterly reports on the usage of the distribution service will be prepared and reported to the Board.

Performance of the organisation providing the service will be gauged from stations through the quarterly reports and all issues arising will be actioned.

- **PROGRAMMING CO ORDINATION**

The Industry representatives, Te Whakaruruahau, will be contracted to, among other tasks, promote and facilitate greater coordination of existing programmes available through the *punga.net* network.

Quarterly reports will be required from Te Whakaruruahau, detailing the progress against agreed objectives.

Performance of Te Whakaruruahau will be gauged from stations through the quarterly report process and reported to the Board.

- **AUDIENCE INFORMATION**

Funding will be available to enable five stations to be surveyed for the purpose of determining audience size and preferences so as to better meet audience needs.

The results of the audience surveys are made available to respective stations and will be analysed and reported to the Board.

Survey based information will also be obtained and analysed in order to ascertain the effectiveness of funding strategies aimed at the promotion and revitalisation of the Māori language.

- **PURCHASE OF PROGRAMMING FOR NATIONAL BROADCAST**

Assessment of Proposals

The quality of programmes purchased by Te Māngai Pāho is measured by a quality assurance process that ensures all proposals are evaluated by an assessment committee comprising of Industry representation from Te Whakaruruahau, a Board member and Te Māngai Pāho management against a set of criteria approved by the Board.

All programme proposals will be assessed by an assessment committee, in accordance with the approved criteria.

All proposals must then be approved by the Board.

Review and Evaluation

- A selection of programme genre will be monitored throughout the year by a recognised Māori language authority for language quality.
- Feedback from stations on the quality of the programmes will also be gauged through the quarterly report mechanism.

The results of the review and evaluation will be reported to the Board and programme maker.

LOCATION

Indicator

Standard

Broadcast Coverage

Te Māngai Paho will work with stations to ensure the widest possible Māori audiences have access to Māori language broadcast.

All applications will be evaluated in accordance with the approved formula.

COST

Indicator

Total Cost (\$000)

22

Radio Stations' base operational funding	
eight top tier stations @ \$320,000 each = \$2,560,000	
13 second tier stations @ \$240,000 each = \$3,120,000	5,680
Radio Station Incentive Funding	733
Radio Station Audience Survey Funding	110
Coverage Extension/Funding	150
Te Whakaruruhau o Nga Reo Irirangi Funding	60
APRA Fees	46
Event Broadcast Funding	100
Radio Programme Funding	2,008
Radio Distribution & Switching System (<i>punga.net</i>)	470
Music CD Funding	350
Total for output: Māori Radio	9,707 (GST exclusive)

The total cost of this output of \$9.7m will be met by funding available from the Crown Appropriation of \$9.17m and \$0.53m from interest income.

Māori Television Programming

output 2

OUTCOME

The purchase by Te Māngai Pāho of Māori language Television programming to enable a minimum of three hours original programming per day to be made available for broadcast in prime time, to at least 75% of the Māori population, by 2004/2005.

OBJECTIVES

- To purchase a range of programmes in 100% te reo Māori.
- To purchase a range of programmes for the Māori Television Service which in aggregate has a te reo Māori content of at least 50%.
- To purchase an agreed level of programming for TVNZ.
- To purchase a wide variety of programme genre which has broad audience appeal, whilst also specifically prioritising the children's, youth and educational genre.
- To provide programme funding to independent producers, to the Māori Television Service and to TVNZ which facilitates the Te Māngai Pāho purchase objectives.
- To promulgate alliances and co-funding for programming with both English and te reo Māori content.

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DESCRIPTION

The Government has confirmed arrangements for a Māori Television Service and furthermore agreed that it should go to air in the 2002/2003 year.

The key objective of the Māori Television Service is to contribute to meeting the Crown's Treaty of Waitangi obligations, and commitments, to promote te reo Māori and its culture through the provision of a high quality, cost effective Māori Television Service in both Māori and English, that informs, educates and entertains and in doing so reflects and enriches New Zealand society, culture and heritage.

Te Māngai Pāho will work to support the objectives of the Māori Television Service, and seek to increase the prime time opportunities by funding programmes for the Service.

The bulk of Te Māngai Pāho Television programme funding will be committed to programming that is for broadcast by the Māori Television Service.

PERFORMANCE INDICATORS

QUANTITY

Te Māngai Pāho will call for genre specific programme proposals, and assess proposals against agreed criteria. The number of programme hours expected to be purchased and estimated costs over the next three years are as follows:

	2002/03	2003/04	2004/05
Hours	634	720	1,095
Cost (\$m)	29.4	33.8	40.3

GENRE

The variety of Television programmes to be purchased by genre is shown below.

For each genre, a percentage range is shown. This range represents the approximate percentage of total programming hours which is intended to be purchased by Te Māngai Pāho, for each of the genre specified.

Genre	% range
Tamariki	10–15 (Priority genre)
Rangatahi	10–15 (Priority genre)
Other Educational	10–15 (Priority genre)
Animation	5–10
News/Current Affairs	10–20
Documentary	5–15
Magazine	10–15
Drama/Movies	5–15
General Entertainment	15–20
Sport	5–10
Reversioning	2–10
Music Videos	1–5

Language Mix	2002/03	2004/05
Te reo Māori content of funded programming	50%	75%

QUALITY

Indicator

Standard

The quality standards in operation include:

Assessment of Television Programme Proposals

The quality of programmes purchased by Te Māngai Pāho is measured by a quality assurance process that ensures all proposals are evaluated by an assessment committee comprising of Industry and Te Māngai Pāho representation, against a set of criteria approved by the Board of Te Māngai Pāho.

All programme proposals will be assessed by an assessment committee, in accordance with the approved criteria.

All proposals will be approved by the Board.

Review and Evaluation

A selection of programme genre will be monitored throughout the year for language quality by a recognised Māori language authority.

The results of the review and evaluation will be reported to the Board and programme maker.

Audience Viewership

Audience survey information will be analysed to ascertain viewership of programming that has been funded by Te Māngai Pāho. Survey based information will also be obtained and analysed to ascertain the effectiveness and influence of broadcasting on Māori language promotion and revitalisation.

The results of surveys will be reported to the Board and programme producer.

Ngā Aho Whakaari

Quarterly feedback and reporting on Television Industry issues which are under joint consideration by Ngā Aho Whakaari and Te Māngai Pāho.

Quarterly reports will be submitted to the Board.

LOCATION

Indicator

Standard

Broadcast

The broadcast will be available nationally, reaching 75% of the Māori population.

COST

The total cost of this output will be \$29.4m (GST exclusive).

Statement of Management Procedures for 2002/2003

OUTCOME

Efficient and effective administration.

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OBJECTIVE

To purchase broadcasting services and Māori language programmes designed to promote the Māori language and culture.

DESCRIPTION

Te Māngai Pāho is a Crown Entity, and is governed by a range of legislation; the most important of which are the Broadcasting Act 1989 and the Public Finance Act 1989. Te Māngai Pāho derives its income from a Crown appropriation. This is then used to achieve the objective or function of Te Māngai Pāho, which is the promotion of the Māori language and culture through broadcasting. The actual administrative function of Te Māngai Pāho is funded through an appropriation separate to the appropriation for the broadcasting outputs. The administrative activities undertaken by Te Māngai Pāho within the administrative appropriation, and the accountability thereof, is as follows:

ACCOUNTABILITY

OBJECTIVE

To be accountable and transparent with all policies, decisions and performance.

MANAGEMENT PROCEDURES

Te Māngai Pāho is accountable through:

- Publishing its Statement of Intent for tabling in Parliament and for issue to all interested parties, at the beginning of the financial year.
- Publishing all new funding policies and guidelines within one month of adoption and to circulate them to all interested groups.
- Communicating all funding decisions by letter to applicants and by press release (where appropriate) to the general public.
- Publishing the audited annual report in accordance with the Public Finance Act 1989, following the end of the financial year.
- Providing quarterly reports to the responsible Minister in accordance with the Memorandum of Understanding entered into with the Minister at the beginning of the financial year.

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CONSULTATION

OBJECTIVES

- To operate an effective two-way communication process with the responsible Minister, Māori broadcasters and programme producers, transmission suppliers, and other service providers.
- To assess the needs of Māori broadcasters and programme producers through both research and consultation.

MANAGEMENT PROCEDURES

Both formal and informal consultation will take place with:

- Māori broadcasters,
- Māori language interest groups,
- Māori audiences and
- other Government agencies.

In accordance with section 53C of the Broadcasting Act 1989, in order to seek advice on the most appropriate way to promote the Māori language and Māori culture through broadcasting. Formal consultation will incorporate an annual hui to be held in October of each year, as well as regular scheduled meetings with Māori Radio and Television Industry representatives. Informal consultation will occur as a matter of day-to-day operations. Where it is identified that information will enhance Te Māngai Pāho outcomes, research will be commissioned and undertaken throughout the financial year.

BROADCASTING SERVICE AND PROGRAMME PURCHASE

The purchase of both broadcasting services and programmes involves the following processes:

Developing Policies

Te Māngai Pāho will develop policies based on the requirements of the Broadcasting Act 1989, the Crown's objectives for Māori broadcasting, the Crown's Māori Language Strategy, the Crown's requirement for a Māori Television Service and the outcomes of the consultation and communication with interested parties. Te Māngai Pāho will have regard to the practicalities of the broadcasting Industry as a whole, and Māori broadcasting in particular, in formulating those policies.

The policies will be focused on the revitalisation of te reo Māori through broadcasting.

Te Māngai Pāho will also monitor the effect of its policies in the Māori broadcasting Industry and where deemed necessary, modify its policies to accommodate any changes.

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Making Purchase Decisions

All purchase decisions made by the Board will be in accordance with the approved policies (detailed in the Request for Proposals – RFPs).

Purchase decisions will also be reviewed at regular intervals (at a minimum annually) to ensure they are meeting their intended needs.

All completed applications received by Te Māngai Pāho, by the published deadlines, will be considered by the Board within one month following the deadline.

All purchase decisions made by the Board will be in accordance with the provisions of the Broadcasting Act 1989 and Te Māngai Pāho policies.

Te Māngai Pāho will notify all applicants by letter as soon as practicable and by press release (where appropriate) to the general public.

Effective Contract Management

Contracts will be put in place for all successful applicants. Contracts will also be entered into to provide a range of broadcasting services to Te Māngai Pāho. The type and anticipated quantity of contracts managed by Te Māngai Pāho over the course of the financial year is:

Broadcasting Services

Expected Number of Contracts for 2002/2003

RADIO

Station Operational and Incentives	21
Audience Surveys	2
Distribution and Switching Service	2
Broadcast Extensions	5
Te Whakaruruhau	1
Programming	15
Music CDs	16
Outside Broadcasts	10
Ongoing from prior years	25
Total Radio /Music	97

TELEVISION

Programming	65
Music Videos	10
Ongoing from prior years	15
Total Television	90

Monitoring

Te Māngai Pāho has developed procedures relating to the monitoring of contracts to ensure that contractual obligations are being met. These procedures include a mix of self-monitoring by the recipient, external monitoring by an independent third party, and internal monitoring by Te Māngai Pāho staff and management.

Internal monitoring by Te Māngai Pāho will include the receipt and analysis of production reports, financial statements, and audience surveys. Te Māngai Pāho will also review tapes of programmes for both production value and language content against the contracted requirements.

External monitors will be engaged to undertake projects that are outside the expertise of Te Māngai Pāho staff or when there are insufficient internal resources available within Te Māngai Pāho. This monitoring or review will address projects such as audience surveys, language content and quality monitoring, and financial reviews or audits.

COST

Administration including all elements of Accountability, Compliance, Consultation, Programme Assessment & Purchase arrangements, Contract Management and Monitoring, as outlined in the foregoing has an estimated cost of, **\$1,430,556.**

Statement of Accounting Policies

1 REPORTING ENTITY

Te Māngai Pāho is a Crown Entity established under the Broadcasting Act 1989.

The function of Te Māngai Pāho is to promote the Māori language and Māori culture by making funds available for broadcasting and the production of programmes to be broadcast.

In the exercise of this function Te Māngai Pāho will consult from time to time with representatives of Māori interests, broadcasters, and others, who can, in the opinion of Te Māngai Pāho, assist in the development of funding policies.

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2 MEASUREMENT BASE

The measurement base adopted is that of historical cost unless otherwise stated.

3 ACCOUNTING POLICIES

The following accounting policies which materially affect the measurement of financial performance and financial position have been applied:

BUDGET FIGURES

The budget figures are those approved by the Board at the beginning of the financial year.

The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Board for the preparation of the financial statements.

REVENUE

Revenue is received from an appropriation by the Crown, and from investments. Such revenue is recognised as it falls due and is reported in the financial period to which it relates.

TAXATION

Income Tax

No income tax liability is incurred in respect of any operations. Te Māngai Pāho is exempt from income tax in accordance with section 530 of the Broadcasting Amendment Act 1993.

Goods and Services Tax

Te Māngai Pāho is a registered trader for GST purposes and is liable for GST on all goods and services supplied. The financial statements have been prepared on a GST exclusive basis, except for accounts payable and receivable, which are recorded on a GST inclusive basis, as appropriate.

Fringe Benefit Tax

Fringe Benefit Tax is payable on all fringe benefits.

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ACCOUNTS RECEIVABLE

Accounts Receivable are valued at expected realisable value.

CASH, BANK AND INVESTMENTS

Cash, Bank and Investments are recorded at cost.

FIXED ASSETS

Fixed Assets are recorded at cost less depreciation to date. The following rates have been applied on a straight-line basis with a nil residual value:

	%
Office Equipment	10–20
Furniture and fittings	5–33
Computer Equipment	25
Leasehold Premises	5.5–10
Motor Vehicle	20

TREATMENT OF THE ALLOCATION OF FUNDS

Subject to the following conditions, the allocation of funds to broadcasting projects is treated as expenditure in the year the allocation is made.

Prior to the end of the financial year, the project must have received Board approval, and the funding applicant must have received notice of approval in writing. In addition, funding allocations that are date sensitive will be expensed in the financial period to which they relate.

The resulting liability is reduced as the applicant is paid according to the drawdown schedule specified in the production contract.

FINANCIAL INSTRUMENTS

Te Māngai Pāho is party to financial instruments as part of its normal operations. These financial instruments include cash and bank, investments, accounts receivable and accounts payable. All financial instruments are recognised in the statement of financial position and all revenue and expenditure in relation to the financial instruments are recognised in the statement of financial performance.

EMPLOYEE ENTITLEMENT

Provision is made in respect of Te Māngai Pāho liability for annual leave. The annual leave has been calculated on an actual entitlement basis at current rates of pay.

LEASES

Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are charged as expenses in the periods in which they are incurred.

COMMITMENTS

Future payments are disclosed as commitments at the point a contractual obligation arises, to the extent that they are equally unperformed obligations. Commitments relating to employment contracts are not disclosed.

STATEMENT OF CASHFLOWS

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which Te Māngai Pāho invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of Te Māngai Pāho and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure of Te Māngai Pāho.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies since the date of the last audited financial statements. The policies have been applied on a basis consistent with other years.

Statement of Financial Performance

for the four years ending 30 June 2005

	2001/02 (\$m) Actual	2002/03 (\$m) Budget	2003/04 (\$m) Budget	2004/05 (\$m) Budget
INCOME				
Crown Appropriation	33.6	37.8	44.4	50.7
Other Income	0.4	0	0	0
Interest from Investments	0.9	0.5	0.4	0.4
Total Income	34.9	38.3	44.8	51.1
Deduct FUNDING EXPENDITURE				
Television	*21.7	*29.4	33.8	40.3
Radio	10.1	9.7	9.6	9.6
Total funding expenditure	31.8	39.1	43.4	49.9
Deduct ADMINISTRATION EXPENSES				
	1.7	1.4	1.4	1.2
SURPLUS/(DEFICIT) FOR THE YEAR	*1.4	*(2.2)	0.0	0.0

*Expenditure on Television programming was under budget by \$2.2m in 2001/2002 due to delays in the establishment of the Māori Television Service. This amount has been included in the budgeted Television programming expenditure for 2002/2003.

The Statement of Financial Performance should be read in conjunction with the Statement of Accounting Policies on pages 30 to 32. The above figures are GST exclusive.

Statement of Financial Position

Actual as at 30 June 2002 and Budget 2003

	30/06/02 (\$m) Forecast	30/06/03 (\$m) Budget
PUBLIC EQUITY		
Opening equity 1 July	1.5	2.9
Add surplus/(deficit)	1.4	(2.2)
CLOSING EQUITY 30 JUNE	2.9	0.7
<i>Represented by</i>		
CURRENT ASSETS		
Cash, bank and short term deposits	17.7	10.7
Receivables	0.3	0.5
TOTAL CURRENT ASSETS	18.0	11.2
CURRENT LIABILITIES		
Accounts payable	0.2	0.3
Funding liabilities	15.2	10.5
TOTAL CURRENT LIABILITIES	15.4	10.8
WORKING CAPITAL	2.6	0.4
FIXED ASSETS	0.3	0.3
NET ASSETS EMPLOYED	2.9	0.7

The above statement should be read in conjunction with the Statement of Accounting Policies on pages 30 to 32.
The above figures are GST exclusive.

Statement of Cashflow

Actual for the year ending 30 June 2002 and Budget 2003

	30/06/02 (\$m) Actual	30/06/03 (\$m) Budget
CASHFLOWS FROM OPERATING ACTIVITIES		
<i>Cash provided from:</i>		
Crown Appropriation	33.6	37.8
Other income received	0.9	0.5
Net Cash Inflows	34.5	38.3
<i>Cash applied to:</i>		
Funding expenditure	27.3	43.8
Administration expenditure	1.6	1.3
GST (net)	(0.3)	0.1
Capital expenditure	0.2	0.1
Cash outflows from operating activities	(28.8)	(45.3)
Net increase/(decrease) in cash held	5.7	(7.0)
Opening cash as at 1 July	12.0	17.7
CLOSING CASH AS AT 30 JUNE	17.7	10.7

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The above statement should be read in conjunction with the Statement of Accounting Policies on pages 30 to 32.
The above figures are GST exclusive.

Directory

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BOARD MEMBERS

Toby Curtis	Chair Te Arawa
Bill Nathan	Deputy Chair Te Atiawa
Frank Solomon	Ngāti Kahu, Ngāti Porou
Fiona Wilson	Ngāti Raukawa, Ngāti Tukorehe, Ngai Tahu, Muaupoko, Rangitane

STAFF

Trevor Moeke	Chief Executive Ngāti Porou, Ngāti Kahungunu, Ngāti Awa
Tbc	Executive Assistant
Don Collier	Finance and Administration Manager Ngāti Porou, Ngāti Kahungunu, Rongomaiwahine
Huia Lambie	Television Manager Ngāti Mutungā
Tame Te Rangi	Radio Manager Ngā Puhi, Ngāti Whātua
Carl Goldsmith	Monitoring Analyst Ngāti Porou, Ngāti Kahungunu
Kay Davis	Accountant
Mabel Makombore	Contracts Support Co-ordinator
Geraldine Gray	Administration Support Officer Muaupoko, Ngāti Raukawa, Ngāti Kahungunu
Desray Armstrong	Television Administrator Ngāti Porou
Sian Roberts	Receptionist Ngāti Porou, Ngā Puhi, Taranaki, Maniapoto

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Auditors
Audit New Zealand
On behalf of the Controller and
Auditor-General

Solicitor
Simpson Grierson