

The combined value of sport and active recreation in Aotearoa New Zealand

MEASURING THE SOCIAL AND ECONOMIC
IMPACT OF SPORT NEW ZEALAND
MARCH 2024



SPORT
NEW ZEALAND
IHI AOTEAROA

Te Kāwanatanga o Aotearoa
New Zealand Government

Executive summary

Sport New Zealand Ihi Aotearoa (Sport NZ) has been undertaking a programme of work to better understand, demonstrate, and communicate the contribution of physical activity to the wellbeing of people living in Aotearoa New Zealand. This includes understanding the value to Māori participating as Māori, explored within a Te Ao Māori worldview. The aim of the programme of work is to better:

- advocate for the benefits of play, active recreation and sport
- demonstrate the return for investment into the play, active recreation and sport system
- learn and inform Sport NZ and the sector’s future decisions.

The work builds on progress that Sport NZ has made in understanding the sector’s contribution to wellbeing through the Sport NZ Outcomes Framework, which is a central component of Sport NZ’s 2020-2032 Strategic Direction. Sport NZ commissioned two complementary pieces of research to quantify the social and economic impact of community sport and physical activity.

1. The Social Return on Investment (SROI) of Recreational Physical Activity in Aotearoa New Zealand study (SROI)
2. The economic importance of sport and active recreation in Aotearoa New Zealand

The SROI¹ measures the value of outcomes generated through recreational physical activity and the net costs, or inputs, of providing opportunities for engagement. The social value model measures the value of social outcomes (including physical and mental health) generated through engagement in recreational physical activity and the cost (inputs) of providing opportunities for engagement in recreational physical activity.

The Economic Importance report² is more extensive and measures the sector’s economic value in its broadest sense and includes economic activities that require sport as an input, without sport and active recreation having to take place. For example, community participation, spectating at events, industry, construction and elite sport.

Together, both parts enable Sport NZ to demonstrate the contribution of sport and physical activity to the wellbeing of people living in Aotearoa New Zealand.

The research revealed **that the combined social and economic value of taking part (participating and volunteering) in community sport and physical activity in Aotearoa New Zealand in 2019 was \$20.8 billion.**


The combined value of sport and active recreation in Aotearoa New Zealand.

Social Value

\$9.02 billion 
Physical health

\$3.32 billion 
Subjective wellbeing
(individual life satisfaction)

\$3.09 billion 
Volunteering

\$0.889 billion 
Income, consumption and
wealth (individual development)

\$1.13 billion 
Social capital
(social trust, belonging and
community engagement)

-\$0.602 billion 
Individual safety
(injuries and accidents)

Economic Value

\$3.96 billion 
Sport and active recreation
-related economic activity

Total Value
\$20.8 billion

1 Social Return on Investment (SROI) Report | Sport New Zealand - Ihi Aotearoa (sportnz.org.nz)

2 The economic importance of sport and active recreation in Aotearoa New Zealand. INSERT LINK

Background

This document is designed to guide the sector on the recently released Social Return on Investment (SROI) and Economic reports and explain the commonalities and differences between the two reports and how the results can be used together.



Social Return on Investment in recreational physical activity in Aotearoa New Zealand (SROI)

The SROI focuses on recreational physical activity only. It measures the value of outcomes generated through sport and recreational activity and the net costs, or inputs, of providing opportunities for engagement.

The definition of recreation physical activity in the SROI is, as follows:

Competitive sport, undertaken in an organised structure, for example, in a competition or tournament, or informally outside an organised structure; and non-competitive active recreation for enjoyment and wellbeing, that occurs in the built, landscape and natural environments. This may include activities such as kapa haka, fitness/exercise, dance, tramping, outdoor recreation and active play, but excludes household activities such as gardening, and other domestic activities. Active transport for work commuting was also excluded.

All activities falling within this definition are included within the scope of the SROI study.

Findings

Recreational physical activity generates significant value for society across multiple wellbeing domains and outcomes. The value of these outcomes is greater than the costs of providing these opportunities, making recreational physical activity a potentially cost-effective investment.

The research found that for every \$1 invested in community sport and physical activity in Aotearoa New Zealand (financial and non-financial), \$2.12 worth of social impact was created for individuals and society in 2019.

The total value of all social outcomes is estimated at \$16.8 billion. Across nine outcomes and six domains of wellbeing including: two health outcomes; three outcomes relating to subjective wellbeing; and one outcome each from income, consumption and wealth, work, care and volunteering, family and friends, and safety.

The largest contribution by a considerable margin comes from health benefits, even after allowing for the cost of active accident and injury claims related to sport and recreation. They make up 54% of the total social value and include outcomes such as better quality of life and prevention of disease attributable to physical inactivity (\$9.02bn). Recreation also makes a significant contribution to Māori wellbeing through strengthening intergenerational relationships and reinforcing cultural values, beliefs, social norms and knowledge.

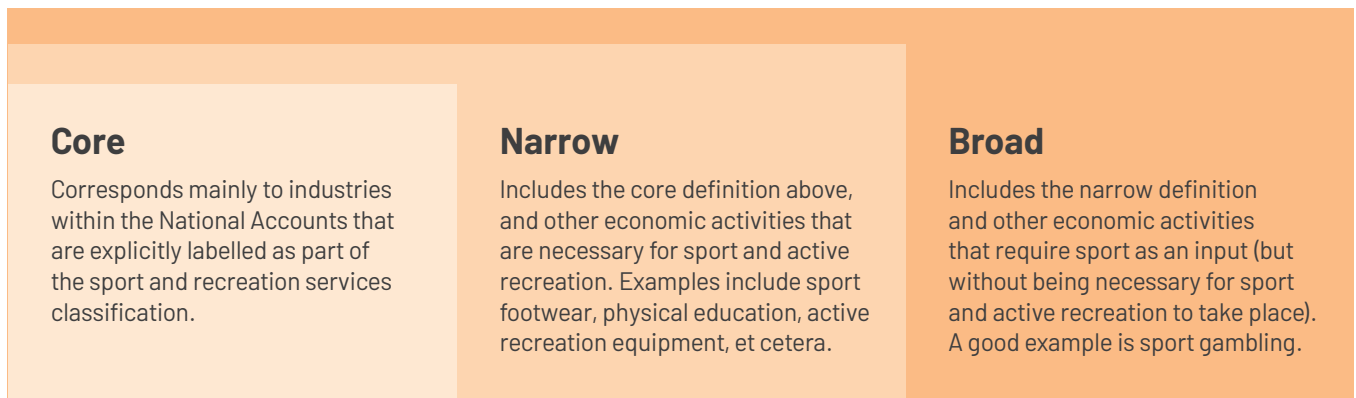
Refer to Appendix 1 for detailed results.

The economic importance of sport and active recreation in Aotearoa New Zealand

The Economic importance of sport and active recreation report, has generated a value that is more extensive in scope, measuring the economic value of the sector in its broadest sense. It includes community participation, spectating at events, sport-related construction and industry, as well as elite sport.

The study uses the Vilnius definition of sport that is widely used across the European Union and the United Kingdom and aligns with previous economic studies in Aotearoa New Zealand. There are three levels of inclusiveness: core, narrow and broad definitions (Figure 1). Following the convention of previous national and international economic studies, the main analysis presented in the Economic Importance report adopts the broad definition.

Figure 1. Definitions of the economic importance of sport and active recreation in Aotearoa New Zealand.



The Economic Importance report uses a National Income Accounting (NIA) framework to measure the value of sport and active recreation in Aotearoa New Zealand in 2019, to align with the SROI and because it is the last reliable dataset prior to the Covid-19 disruption in 2020. The NIA methodology enables the sport and active recreation economy to be disaggregated into seven sectors: consumers; commercial sport; commercial non-sport; voluntary sports sector; local government; central government; and international trade.

The study has been undertaken in alignment with international standards and previous iterations of the Economic Value of Sport in 2011 and updated in 2015. This analysis is much more comprehensive than the 2015 update of the Economic Value of Sport.

Findings

There are three key economic indicators: **consumer expenditure on sport and active recreation; sport and active recreation Gross Value Added (GVA); and sport and active recreation employment.**

In 2019 consumers spent **\$3.85 billion or 2.1% of the total consumers' expenditure** on goods and services related to sport and active recreation. The largest categories for expenditure include sport and recreational goods (\$1,059m), charges for fees and participation (\$315.9m), clothing and footwear (\$283.1m).

- 68% of the total sport and active recreation consumption is from community participation in sport and recreation. Equating to \$2.6b.
- The remaining 32% is from gambling, consumption of domestic and international sport through travel, media consumption of sports, and physiotherapists.

Sport and active recreation added **\$3.96 billion** of value (GVA) or **1.4% of total output** to the economy of Aotearoa New Zealand in 2019. A large part of this is generated outside of the sport and active recreation sector (36%), through the non-commercial sport sector in services such as building, construction, and manufacturing that are all related to sport and active recreation. This reflects a strong connection of sport and active recreation industries to the rest of Aotearoa New Zealand's economy (that is, to the non-sport economy).

- 73% of the GVA is generated from community participation in sport and recreation. Equating to \$2.88 billion
- The 2015 analysis found that the GVA by the sport and active recreation sector had accounted for 1.5% of gross domestic product (GDP) compared to 1.4% of total output of the economy of Aotearoa New Zealand in 2019.

The sport and active recreation sector **generated 53,480 jobs in 2019, or 2.5% of all employment** in Aotearoa New Zealand. This share is greater than that of GVA and implies that sport is an efficient generator of employment, in the sense that an investment in sport would generate more employment than in the average sector of the economy. Sport therefore can become a policy tool to increase employment during recessions or a crisis such as COVID-19.

- 73% of the sport employment is generated from community participation in sport and active recreation. Equating to 39,100 jobs.

Refer to Appendix 1 for detailed results.

³ The Economic and Social Value of Sport and Recreation to New Zealand. Research Report No.322. September 2011 (FULL REPORT) | Sport NZ Sport and Recreation Knowledge Library (srknowledge.org.nz)

⁴ The economic value of sport and outdoor recreation to NZ | Sport New Zealand - Ihi Aotearoa (sportnz.org.nz)

The combined value of taking part in sport and physical activity

The combined value of taking part in sport and active recreation through being physically active in Aotearoa New Zealand equates to a **total value of \$20.8 billion** (Table 1).

Table 1. Combined value of taking part in sport and active recreation through being physically active in Aotearoa New Zealand.

Social Value

Physical health	\$9.02bn
Subjective wellbeing (individual life satisfaction)	\$3.32bn
Volunteering	\$3.09bn
Income, consumption and wealth (individual development)	\$0.889 bn
Social capital (social trust, belonging and community engagement)	\$1.13bn
Individual safety	-\$0.602 bn

Economic Value

Sport and active recreation-related economic activity	\$3.96bn
Total Value	\$20.8bn

The differences in consumer, central government, local government and volunteer economic sectors between the Economic Importance study and the SROI are primarily down to the definition of sport and active recreation.

The Economic Importance study includes economic activities that require sport as an input but without being necessary for sport and active recreation to take place. A good example is sport gambling, or construction related activities for a stadium building. It also includes High Performance Sport.

Consumer spending – is greater in the Economic Importance report due to broad definition that includes gambling, sport clothing and footwear, cost related to physical education at school/kura, physiotherapists, paid television and radio charges, admission charges to recreation and sport events, books magazines and newspapers, and other sport-related spending.

Central Government spending – is 47% higher than the SROI report due to the broadening of the definition and the inclusion of agriculture and finance.

Local Government spending – is 20% higher than the SROI report due to the broadened definition.

Sport and active recreation clubs spend – the Economic Importance study includes spend on memberships by revenue and actual employment in spectator and participation clubs, making it 62% higher than the SROI report.

Private sector spend – the SROI report also includes the private sector that details the value of Private Schools, Universities Sport and Recreation, Other Tertiary Institutions Sport and Recreation, Class 4 Grants, Lotteries, TAB and Philanthropy. These are distributed differently in the Economic Importance study, across central and local government, and other sectors.

What does it mean for the play, active recreation and sport sector?

The findings of this research demonstrate that recreational physical activity and participation through sport and active recreation generate significant social and economic value to Aotearoa New Zealand, and in doing so contribute to six domains of wellbeing and the outcomes identified in Sport NZ's outcomes frameworks.

For the play, active recreation and sport sector these reports highlight that:

- 53,480 jobs and a combined **value of \$20.8 billion, including** \$3.85 billion of consumer expenditure was generated through the sport and active recreation sector in 2019.
- The sector contributes an estimated \$3.96 billion per annum in 2019, which equates to a 1.4% percent contribution to our GDP.
- Compared to similar industries, the sport and active recreation sector is bigger than electricity generation and on-selling; agriculture, forestry, and fishing; and oil and gas extraction in terms of their generated Gross Value Added (GVA). It is smaller than telecommunications, construction and accommodation and food service activities. These are significant economic sectors that underline the importance of sport and active recreation in Aotearoa New Zealand as an economic activity.
- Investment in sport and active recreation is a worthwhile investment for those looking to invest from both an economic and social value stand point.
- Investment in recreational physical activity generates considerable value to society beyond the traditional economic measures identified in previous studies in Aotearoa New Zealand. Social value for recreational physical activity provides a wide range of benefits to society through better quality of life, increased life expectancy, increased wellbeing, reduced absenteeism, volunteering and community connection.
- The sport and active recreation sector includes seven subsectors: consumers; commercial sport; commercial non-sport (construction of facilities and active clothing etc); voluntary sports sector (clubs and Regional Sports Organisations); local government; central government; and international trade (imports and exports of sporting and active recreation goods).
- Sport and active recreation participation is the dominant category that drives consumer spending.
- Significant parts of GVA are generated by the commercial non-sport sector, commercial sport and the central government.
- The sport and active recreation paid workforce has stabilised and decreased by 1 percent since the 2013 census⁵.
- Employment in the sport and active recreation sector has the potential to contribute significantly during time of recession or disruption to the economy.
- The importance of volunteering, which contributes both social and economic value to the sector; contributing in excess of 96 million hours of time over a year across the sector and is estimated to contribute \$78.9m of social impact.

This research both demonstrates and broadens the understanding of the contribution of sport and physical activity to society.



⁵ [The economic value of sport and outdoor recreation to NZ | Sport New Zealand - Ihi Aotearoa \(sportnz.org.nz\)](https://www.sportnz.org.nz)

What will it enable the sector to do?

It will enable organisations in the play, active recreation and sport sector to:

1. Understand the economic contribution of sport and active recreation to the economy, including contribution to employment and consumer related spending.
2. Understand social value at a national level.
3. Articulate value proposition.
4. Identify and discuss outcomes that have positive social value.
5. Support local/regional/national conversations on investment in recreational physical activity for wellbeing outcomes.

Future work

The SROI and Economic Importance reports will be reviewed and updated periodically to reflect the latest evidence. This will also provide a basis to identify where evidence-building is needed and to inform future research and insight priorities.

The combined findings (SROI & Economic Importance reports) present a national picture of the economic and social value that the play, active recreation and sport (PARS) sector generates for Aotearoa New Zealand. This will enable the sector to clearly advocate for the value it brings in encouraging tangata whenua and all New Zealanders to be physically active.

As these reports may not meet the needs of all our partners and stakeholders with their specific responsibilities (for regional areas and local communities, activities or audiences), Sport NZ has developed Social Return on Investment: Guidelines for the sector, which will be available mid-2024.





Definitions

Current prices:

Actual prices at a given time. They are also called market prices.

Consumer Price Index (CPI):

A measure of inflation for New Zealand households. It records changes in the price of goods and services.

Gross Domestic Product (GDP):

The monetary value of all finished goods and services made within a country during a specific period. GDP provides an economic snapshot of a country, used to estimate the size of an economy and its growth rate.

Gross Value Added (GVA):

The difference between the value of sport-related goods and services produced and the costs involved in producing them. It roughly equates to wages/salaries and profits.

National Income Accounting (NIA):

A government bookkeeping system that measures a country's economic activity—offering insight into how an economy is performing. Such a system will include total revenues by domestic corporations, wages paid, and sales and income tax data for companies.

Play, active recreation and sport sector:

How Sport NZ refers to all the organisations involved in the play, active recreation and sport sector.

Return on Investment (ROI):

A calculation of the monetary value of an investment versus its cost.

Social Return on Investment (SROI):

A method for measuring values that are not traditionally reflected in financial statements, including social, economic, and environmental factors.

Vilnius definition of sport:

This is a broad definition of sport which encompasses the statistical definition + narrow definition + all products and services which have a (direct or indirect) relation to any sport activity but without being necessary to do sport ("which draw upon sport as an input").

Appendix 1

Social Return on Investment in recreational physical activity in Aotearoa New Zealand (SROI)

How was this calculated?

This study uses an SROI framework to measure the social impact of recreational physical activity in Aotearoa New Zealand in 2019. It measures the value of outcomes generated through recreational physical activity and the net costs, or inputs, of providing opportunities for engagement. The SROI is evaluative, meaning it was conducted retrospectively and is based on participation which has already taken place. It is a national population study, which applies SROI principles to be fit for its purpose. It provides values for Aotearoa New Zealand in 2019 and expresses the total value of social outcomes as a proportion of inputs.

The social value model measures the value of social outcomes generated through engagement in recreational physical activity and the cost (inputs) of providing opportunities for engagement in recreational physical activity.

What were the results?

Recreational physical activity generates significant value for society across multiple wellbeing domains and outcomes. The value of these outcomes is greater than the costs of providing these opportunities, making recreational physical activity a potentially cost-effective investment.

This means that for every \$1 invested in community sport and physical activity in Aotearoa New Zealand (financial and non-financial), \$2.12 worth of social impact was created for individuals and society in 2019.

The total value of all social outcomes is estimated at \$16.8 billion. Across nine outcomes and six domains of wellbeing including: two health outcomes; three outcomes relating to subjective wellbeing; and one outcome each from income, consumption and wealth, work, care and volunteering, family and friends, and safety.

The largest contribution by a considerable margin comes from health benefits, even after allowing for the cost of active accident and injury claims related to sport and active recreation. They make up 54% of the total social value and include outcomes such as better quality of life and prevention of disease attributable to physical inactivity (\$9.02 billion).



Considerable subjective wellbeing value (life satisfaction) was also created, valued at \$3.32 billion. Approximately \$3.09 billion was generated by volunteering and \$1.13 billion through social and community development outcomes, in particular enhanced social capital (through social trust, belonging and community engagement).

Recreation also makes a significant contribution to Māori wellbeing through strengthening intergenerational relationships and reinforcing cultural values, beliefs, social norms and knowledge.

The concept and understanding of value from the perspective of tangata whenua and all New Zealanders varies considerably, and for some outcomes, it is simply not appropriate, desirable, or possible to monetise the contribution of recreational physical activity. More work needs to be undertaken to understand value in different communities.



SROI OUTCOMES

\$16.81bn

Estimated value in key domains for measuring the impact of sport and physical activity participation in Aotearoa New Zealand based on empirical evidence.

HEALTH

\$9.02bn

Better quality of life and increased life expectancy	\$8.34bn
Prevention of diseases attributable to physical inactivity	\$680m

SUBJECTIVE WELLBEING

\$3.32bn

Increased wellbeing (life satisfaction) adult participants	\$3.18bn
Increased wellbeing (happiness) young people (5-17)	\$56m
Increased wellbeing (life satisfaction) adult volunteers	\$79m

INCOME, CONSUMPTION AND WEALTH

\$889m

Higher output from reduced absenteeism

WORK, CARE AND VOLUNTEERING

\$3.09bn

Replacement value of volunteering

FAMILY AND FRIENDS

\$1.13bn

Enhanced social capital created by participation

SAFETY

-\$620m

Increase in the number of accidents and injuries related to sport and recreation

As with previous international SROI studies of this nature, the estimates provided for the monetised outcomes are conservative. The research only included social outcomes that could be robustly evidenced, to maintain a higher level of rigour in the study. We have excluded some items for which insufficient evidence exists or there is a lack of data, for example social outcomes relating to children and young people. As such, the findings of this research are likely to underestimate the true social value of recreational physical activity in Aotearoa New Zealand. Therefore, it is likely that the monetised value of recreational physical activity in Aotearoa New Zealand presented in this study represents a conservative value for the sector.

The Social Return on Investment summary report can be found here:
[sroi-new-zealand-summary-report-6_17.pdf](https://sportnz.org.nz/sroi-new-zealand-summary-report-6_17.pdf) (sportnz.org.nz)

The Social Return on Investment key takeaways can be found here:
[Social Return on Investment - key takeaways | Sport New Zealand - Ihi Aotearoa](https://sportnz.org.nz/social-return-on-investment-key-takeaways) (sportnz.org.nz)

Appendix 2

The economic importance of sport and active recreation in Aotearoa New Zealand

How was this calculated?

The economic importance of sport and active recreation in Aotearoa New Zealand was measured using a National Income Accounting (NIA) framework. The research provides a 'snapshot' of the role and significance of sport and active recreation in Aotearoa New Zealand in 2019 and includes sports participation, volunteering and spectating. The study uses the broad definition of the sport economy, including sectors that use sport as input (such as sport gambling).

The NIA methodology enables the sport and active recreation economy to be split into seven sectors: consumers; commercial sport; commercial non-sport; voluntary sports sector; local government; central government; and international trade. It uses three key indicators of economic activity: **consumer expenditure on sport and active recreation; sport and active recreation Gross Value Added (GVA); and sport and active recreation employment.**

The Economic Importance study has been undertaken in alignment with international standards and previous iterations of the Economic Value of Sport in 2011 and updated in 2015 ([The economic value of sport and outdoor recreation to NZ | Sport New Zealand - Ihi Aotearoa \(sportnz.org.nz\)](#)). This analysis is much more comprehensive than the 2015 update of the Economic Value of Sport.

What were the results?

The research shows that the economic value of the sport and active recreation sector is estimated at \$3.96 billion per annum in 2019 (GVA), which equates to a 1.4% percent contribution to our GDP. It also shows that the sport and active recreation paid workforce has stabilised and decreased by 1 percent since the 2013 census; adult volunteers contribute in excess of 96 million hours of time over a year across the sector and estimated to contribute \$78.9m of social impact.

Consumer spending

- The consumers in Aotearoa New Zealand spent \$3.8 billion on sport and active recreation, of which 68% was related to community participation.
- Sport and active recreation participation is the dominant category that drives consumer spending.
- The largest categories for consumer expenditure include sport and recreational goods (\$1,059m), charges for fees and participation (\$315.9m), clothing and footwear (\$283.1m).
- Consumer spending is largely driven by the participation elements of sport and active recreation, meaning an increase in participation could have a strong impact on sport-related economic activity.

Gross value added

- Sport and active recreation added \$3.96 billion of value (GVA) or 1.4% of total output to the economy of Aotearoa New Zealand, of which 73% was related to community participation.
- There are strong contributions from the commercial non-sport sector, commercial sport, and the government, illustrating the importance of the supply networks and education in the sport economy.
- While GVA is an important measure of a sector's contribution to the national economy, it is not a direct measure of wellbeing. The SROI report measures wellbeing through 9 of the 12 domains on current wellbeing from the living standards framework.
- There are five sectors that constitute the GVA: commercial sport; commercial non-sport; central government; local government and the voluntary sports sector.
- A larger part of value added (GVA) is generated outside of the sport and active recreation sector (\$1,440.2m, or 36%), through the **non-commercial sport sector** in services such as building, construction, manufacturing that are all related to sport and active recreation. This reflects a strong connection of sport and active recreation industries to the rest of Aotearoa New Zealand's economy (i.e., to the non-sport economy).
- The next largest sector is the **commercial sport sector** (\$934.9m, 24%) followed by the **Central Government sector** (\$727.1m, 18%).
- More than half of the GVA generated in commercial sport can be attributed to retailing, including sport and active recreation clothing and footwear, sport and active recreation equipment, yachts and publications.
- The GVA generated by the commercial non-sport sector represents a multiplied impact of sport and active recreation on the wider economy. For example, a non-sport business sponsoring a team or club or the supply of raw materials for construction of sport and active recreation facilities; legal, financial, IT and other business services. This is the most important sector in terms of generating GVA implies that the links of the sport and active recreation sector to the rest of the economy is important for generating added value. In other words, the initial direct demand generates more output through the supply connections of sport and active recreation with the other sectors of the economy, as more goods and services are required to produce the final output.

- Most GVA generated in the Central Government sector is associated with either sport and active recreation education or with the administration of sport and active recreation, providing funds for construction projects, although the associated GVA is often generated within the commercial sector. The public sector also includes the GVA generated by transport projects, such as cycleways, and support to walking access.
- The **Local government sector** and the **voluntary sector** contribute \$629 m and \$226.7m respectively.

Employment

- The sport and active recreation sector generated 53,480 jobs, or 2.5% of all employment in Aotearoa New Zealand. This share is greater than that of value added (GVA) and implies that sport is an efficient generator of employment.
- The employment pattern is associated closely to GVA, through the underlying dimension of wages and salaries.
- Investment in sport and active recreation is an efficient generator of employment and an investment in sport would generate more employment than in the average sector of the economy.
- 39,100 jobs (73% of sport and active recreation employment) are generated from community participation in sport and active recreation.
- Recreational physical activity generates significant value for society, it is strongly connected to the rest of Aotearoa New Zealand's economy and that sport is an efficient generator of employment, in the sense that an investment in sport would generate more employment than in the average sector of the economy.
- This can be a very useful tool in times of economic recession, so sport and active recreation can become a policy tool to increase employment during recessions or a crisis such as COVID-19, when the focus shifts into efficient and effective job generation.
- However, the jobs generated have relatively low incomes compared with sectors in the rest of the economy.
- The actual number of people working in the sector would be much higher if clubs, Regional Sport Organisations and National Sport Organisations were required to employ their volunteers, which would result in them needing to increase their revenue. It is estimated that if volunteers were taken away, clubs would have a rise of at least 50% in expenses to provide the same services which would get passed onto the participants.

Table 2. The Economic importance of Sport and Active Recreation in Aotearoa New Zealand in 2019

Gross Value Added

\$3.96 billion	Of community sport and active recreation related economic activity generated
68%	Of overall sport and active recreation related economic activity is associated with community participation

Employment

53,480	Community sport and active recreation related jobs
73%	Of overall sport and active recreation related economic activity is associated with community participation

Consumer expenditure

\$3.85m	Of community sport and active recreation related spend on goods and services
68%	Of overall sport and active recreation spend is associated with community participation

- By comparing GVA and employment, the strongest presence of sport and active recreation has been in employment, which is consistent with the previous experience in Aotearoa New Zealand and in Europe.⁶ Employment generation in sport and active recreation happens mainly through the network of sport clubs and from the commercial non-sport sector, which corresponds to a very high multiplier associated with sport and active recreation services and construction.
- Sport and active recreation can be used as a policy tool to increase employment and increase convergence among regions where high unemployment rates are concentrated in some parts of the country. This is because the percentage of sport and active recreation employment as a proportion of total employment is greater than the equivalent share of sport and active recreation GVA. This reflects two things. First, the sport and active recreation industry provides lower salaried jobs than average; and second, jobs in sport and active recreation are more people based (they cannot easily be substituted by technology).

Refer to "The economic importance of sport and active recreation in Aotearoa New Zealand" for detailed tables.

6 SIRC and SportsEconAustria (2018). Study on the economic impact of sport through sport satellite accounts. [online]. <https://publications.europa.eu/en/publication-detail/-/publication/865ef44c-5ca1-11e8-ab41-01aa75ed71a1/language-en/format-PDF/source-71256399>

How does this compare to the 2015 results?

The Economic importance study has been undertaken in alignment with previous iterations of the Economic Value of Sport in 2011, which was updated in 2015 (The Economic Value of Sport and Outdoor Recreation to NZ | Sport New Zealand - Ihi Aotearoa (sportnz.org.nz)). This analysis is much more comprehensive than the 2015 update of the Economic Value of Sport.

The 2015 analysis found that the GVA by the sport and active recreation sector had accounted for 1.5% of GDP, in 2019 the GVA accounts for 1.4% of total output the economy of Aotearoa New Zealand in 2019. The sport and active recreation paid workforce has decreased by 1 percent since the 2013 census.

The 2019 Economic Importance report can be found here:

https://sportnz.org.nz/media/nhqbuato/sroi-new-zealand-summary-report-6_17.pdf

The 2015 The economic value of sport and outdoor recreation to NZ report can be found here:

[The economic value of sport and outdoor recreation to NZ | Sport New Zealand - Ihi Aotearoa \(sportnz.org.nz\)](#)



Appendix 3

Summary tables of the economic impact for sport and active recreation in Aotearoa New Zealand report

2019 Consumer expenditure by category

Sport and recreational goods*	1,059.60	28%
Subscriptions, memberships and donations to sport and fitness clubs	376.3	10%
Other	364.4	9%
Gambling	331.8	9%
Charges to participants for recreation and sport services	315.9	8%
Sports footwear & clothing	283.1	7%
International sport events	279	7%
Bicycles	237.5	6%
Coaching and instruction	133.8	3%
Domestic sport events and travel	111.1	3%
Primary, intermediate, and secondary education	85.9	2%
Physiotherapists	83	2%
Sport related TV and radio	80.6	2%
Admission charges to events	69.3	2%
Books magazines and newspapers	34.7	1%
Total	3,846.00	

* Excludes yachts and super yachts, which is not deemed sport and active recreation related.

Gross value added

\$3.96 billion

Sport and active recreation sector contributes \$3.96 billion to the economy in 2019 in Aotearoa New Zealand:

Commercial sector	\$2.38 billion
Central government (public sector)	\$0.727.1 billion
Local government (public sector)	\$0.629 billion
Voluntary / Third sector	\$0.226.7 billion

Employment

53,480 jobs

Sport and active recreation generate 53,480 jobs in Aotearoa New Zealand:

Commercial sector	139,000 jobs
Public sector	102,000 jobs
Voluntary / Third sector	45,000 jobs



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