



Local Government New Zealand Zone Five and Six Conference 2025, 10 April 2025

Date:	8 April 2025	Priority:	Medium
Security classification:	In Confidence	Tracking number:	0012050

Action sought		
	Action sought	Deadline
Hon James Meager Minister for the South Island	Attend and speak at the Local Government New Zealand Zone Five and Six Conference 2025	10 April 2025

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Karl Woodhead	General Manager Strategy, Planning and Performance, Kānoa – Regional Economic Development & Investment Unit (Kānoa)	Privacy of natural persons	
Cory Hagenaars	South Island Lead Advisor, Kānoa	Privacy of natural persons	✓

The following departments/agencies have been consulted
N/A

Minister's office to complete:

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by Events

☐ See Minister's Notes

☐ Withdrawn

Comments



EVENT BRIEFING

Local Government New Zealand Zone Five and Six Conference 2025, 10 April 2025

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Purpose

To provide background and supporting information for your online participation and speech at the Local Government New Zealand Zone Five and Six Conference 2025, on Friday, 8 April 2025. Draft speech notes are included in this briefing.

Recommendations

The Ministry of Business, Innovation and Employment (MBIE) recommend you:

- a **Note** the information in this briefing to support your attendance and speech at the Local Government New Zealand Zone Five and Six Conference 2025.

Noted

Karl Woodhead
**General Manager Strategy, Planning and
Performance**
Kānoa – Regional Economic Development &
Investment Unit, MBIE

08 / 04 / 2025

Hon James Meager
Minister for the South Island

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Local Government New Zealand Zone Five and Six Conference

1. On Thursday, 10 April 2025, you will attend and speak virtually at the Local Government New Zealand (LGNZ) Zone Five and Six Conference (the Event). The Event is being held at Novotel Airport Hotel, 30 Durey Road, Christchurch.
2. The Event is held over two days on 10 and 11 April 2025, however you are only attending (online) on day one from 11:00am to 11:30am. The full agenda for the conference has been provided directly to your office.
3. The format for the Event is a conference. You will speak for approximately 10 minutes on your vision and priorities for the South Island portfolio. Draft speech notes are attached at **Annex One**.
4. Other Ministers speaking on day one include:
 - Rt Hon Christopher Luxon, Prime Minister: Message from the Prime Minister.
 - Hon Mark Mitchell, Minister of Police, Minister for Emergency Management and Recovery: Update from the Minister on these portfolios.
 - Hon Simon Watts, Minister of Local Government: Thoughts on the local government sector.

Background – Local Government New Zealand

5. Local Government New Zealand (LGNZ) is a voluntary membership organisation that represents the interests of New Zealand's local councils. It advocates for local government at a national level, provides training and support for elected members, and helps councils collaborate on issues affecting their communities. LGNZ works with central government, businesses, and communities to promote effective local governance and improve the delivery of services such as infrastructure, planning, and community development.
6. LGNZ groups local councils into six zones across New Zealand. These zones are based on geographic location and proximity and are designed to provide networking and information sharing opportunities.
7. Zone Five of LGNZ includes councils from the top of the South Island and Canterbury regions. Zone Six encompasses councils in the Otago and Southland regions. The following table provides an outline of Zone Five and Six Councils:

Zone	Councils
Zone Five	Ashburton District Council, Buller District Council, Chatham Islands Council, Environment Canterbury, Hurunui District Council, Kaikōura District Council, Mackenzie District Council, Marlborough District Council, Nelson City Council, Selwyn District Council, Tasman District Council, Waimakariri District Council, Waimate District Council,.
Zone Six	Central Otago District Council, Clutha District Council, Dunedin City Council, Environment Southland (the Southland Regional Council), Gore District Council, Invercargill City Council, Otago Regional Council, Queenstown-Lakes District Council, Southland District Council, Waitaki District Council.

8. As at 19 March 2025, five local councils that were previously part of Zones Five and Six have left LGNZ¹ - Christchurch City Council, Timaru District Council, West Coast Regional Council, Grey District Council and Westland District Council.
9. These councils have cited a variety of reasons for leaving including increased membership costs, and other concerns.

Key topics for Zone Five and Six

Rate caps

10. Rate caps are a mechanism proposed by the government to limit the annual increase in rates, with some suggesting a specific percentage cap unless ratepayers approve a higher increase through a referendum.
11. On 28 March 2025, LGNZ President, Sam Broughton, wrote to you outlining they want councils to keep rates as low as possible. The letter also stated limiting rating as a funding tool could hinder councils' ability to invest in essential infrastructure and could lead to financial instability, reduced growth and investment, and increased reliance on central government.
12. LGNZ believe councils should implement reforms focused on improving council transparency and responsiveness. Measures suggested include a council bench marking system, and creating digestible reports for ratepayers on council finances and performance. These changes would empower ratepayers to make informed decisions about local priorities.

Energy

13. A modern, affordable, and secure energy system is fundamental to building a stronger and more productive economy. However, the energy system is changing. Globally, economies are seeking to lower emissions and to shift to renewable energy.
14. The Government has a goal of doubling renewable energy generation by 2035 and supporting the electrification of New Zealand's economy to enable growth and reduce emissions.
15. In August 2024, the Government announced it would progress a series of reforms as part of the 'Electrify NZ plan to make it easier and cheaper to consent, build, and maintain renewable electricity generation, as well as electricity distribution and transmission infrastructure². These reforms include:
 - Establishing a one-stop-shop fast track approvals and permitting regime.
 - Amendments to the Resource Management Act 1991 to speed up resource consenting.
 - Stronger national direction for renewable energy.
 - A new regime for offshore wind.
 - Updated regulatory settings for electricity networks and new connections.

¹ Source: [Council quits Local Government New Zealand calling it 'far left' | RNZ News](#)

² Source: [Electrify NZ Fact Sheet .pdf](#)

16. The Statement of Government Policy to the Electricity Authority Government Policy Statement on Electricity made it clear this Government expects the Electricity Authority to drive a more competitive, fuel agnostic, electricity sector that works in the long-term interests of consumers and avoids excessive prices ³.

South Island context

17. Several South Island regions are more exposed to affordability, security, and resilience risks than other parts of New Zealand. Most regions identify energy as a regional priority in one form or another (e.g. from a resilience, or affordability perspective). These regions are also exposed to natural hazard risks, which threaten their energy security and resilience.
18. Marlborough, Tasman/Nelson and West Coast have higher than average electricity prices as well as lower household incomes than the national median. For example, power prices in Westport are roughly 29 per cent higher than the national average. Additionally, the price of energy on Stewart Island is an issue for the community and businesses, and the small ratepayer base means it struggles to fund any new energy infrastructure.
19. Along with Government efforts to reduce energy prices, increase the use of renewable energies, and improve energy resilience, several South Island regions have also developed strategies, either as standalone strategies or as part of broader economic development strategies to guide the transition towards lower-emissions energy production and future-proofing energy security. Some examples of strategies in the South Island are outlined below:

West Coast – Te Tai Poutini Renewable Energy Strategy (November 2022)	<ul style="list-style-type: none"> • This strategy aimed to support alignment and leverage cost-effective services that meet energy efficiency and decarbonisation needs while safeguarding the environment, iwi, local businesses, and communities. • In the West Coast, the key components of the strategy are to: <ul style="list-style-type: none"> ○ Improve energy efficiency and use of renewable energy on the demand side. ○ Diversify energy production through development of local renewable resources. ○ Coordinate local leadership for overall system efficacy.
Southland – Murihiku Southland Regional Energy Strategy 2022-2050 (February 2024)	<ul style="list-style-type: none"> • The announcement of the potential closure of the New Zealand Aluminium Smelter (NZAS) at Tiwai Point triggered work programmes on the need to identify current and future challenges around demand and supply of energy to Southland. In response, in 2022, Southland developed a Regional Energy Strategy to transition to a net zero economy by 2050. • In May 2024, NZAS signed 20-year electricity arrangements securing the future of the Tiwai Point aluminium smelter to continue producing metal. • Within the Southland energy strategy, it noted the ongoing operation of NZAS would lead to insufficient generation in the region to meet forecast demands, and a combination of new

³ Source [Government Policy Statement on Electricity - October 2024.pdf](#)

	onshore and offshore energy sources would be needed to ensure overall grid resilience.
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Local Water Done Well

20. Local Water Done Well (LWDW) is the Coalition Government's approach to address New Zealand's long-standing water (drinking water, wastewater, and stormwater) infrastructure challenges. It focusses on delivering safe, reliable, and environmentally resilient water services while ensuring economic and regulatory requirements are met; and local decision making and flexibility for communities and councils to determine how their water services will be delivered in the future is recognised.
21. Key components of LWDW include:
 - Fit-for-purpose service delivery models and financing tools.
 - Ensuring water services are financially sustainable.
 - Introducing greater central government oversight, economic and quality regulation.
22. LWDW also asks councils to amalgamate water services with neighbouring councils to create cost efficiencies for ratepayers.
23. Under the new legislation, regional councils will need to develop a Water Services Delivery Plan that sets out how water services will be delivered in a sustainable way that meets future health, economic, and environmental regulations. The plan must include detailed information about water services operations, assets, revenue, expenditure, pricing, future capital expenditure, and how Councils plan to finance and deliver its preferred model.
24. The Water Services Delivery Plans must also demonstrate how water services will be financially sustainable by June 2028. Financial sustainability means water services revenue is sufficient to meet the costs of delivering water services.
25. All legislation to support the implementation of LWDW is expected to be passed by mid-2025, ahead of the local government elections in October 2025.

South Island context

26. Councils are currently undertaking consultation on preferred delivery models, with different parts of the South Island at different stages. For example, submissions have closed on Nelson City Council's consultation, whereas Christchurch City Council submissions is still open until 6 April 2025.
27. In line with the LWDW ask for councils to amalgamate water services with neighbouring councils to create cost efficiencies for ratepayers, some South Island councils are proposing to collaborate on their model of water service delivery. For example, Timaru District Council has committed to working with the Waitaki, Clutha, Central Otago and Gore District Councils on delivering on the LWDW programme.

City and Regional Deals

28. City and Regional Deals (CRD) are long-term agreements between central and local government, based on shared objectives. CRDs are a commitment in the National Party and ACT Party Coalition agreement.

29. CRDs aim to help reduce New Zealand's infrastructure deficit through unlocking productivity, attracting investment, and improving connectivity across the country.
30. CRDs are designed to be enduring and will provide the certainty needed to attract and retain the necessary investments to deliver change. CRDs make use of existing resources rather than relying solely on new funding, with central and local governments aligning budget cycles and investment strategies to ensure resources can be used effectively.
31. Each CRD will cater to local priorities while sharing the following foundational components:
 - Be based around a 30-year vision for the region and have a 10-year strategic plan with clear outcomes and actions to achieve them.
 - Rely on existing resources to achieve shared goals over new funding.
 - Establish a framework through which new funding can be allocated as it becomes available.

South Island context

32. Information provided to agencies on CRDs has identified alignment with the South Island portfolio around economic growth and infrastructure development, and stronger partnership between central government and the South Island.
33. Within the South Island, the table below outlines public information and/or statements from councils around CRDs:

Confidential advice to Government



34. Cabinet will decide which deal(s) to progress. The intention is to have the first deal concluded by the end of 2025. It is expected that three deals will be in place by October 2026.

Fast-track Approvals Act 2024

35. The Fast-track Approvals Act 2024 (the Act) aims to establish a permanent fast-track approvals regime for a range of infrastructure, housing, and development projects. The Act is a key part of the Government's plan to rebuild the economy and cut through the red and green tape that has made it difficult to build the projects New Zealand needs.
36. The Act was enacted on 23 December 2024 and includes a list of 149 projects which can apply directly for consideration. To decide on projects to be approved for fast tracking, an independent Advisory Group was appointed to assess the applications against information and criteria, with Cabinet making final decisions on applications.
37. All 149 projects on the list have been assessed by the independent Advisory Group as having regionally or nationally significant benefits – and Cabinet agreed with that assessment.
38. There are 49 projects included in the Act across Zones Five and Six. The following table is a summary of the projects:

Zone	Region	Number of projects	Sectors
Zone Five	Nelson/Tasman	3	Infrastructure and housing/land.
	Marlborough	1	Aquaculture/farming.
	West Coast	4	Renewable energy, housing/land and mining/quarrying.
	Canterbury	22	Infrastructure, renewable energy, housing/land, mining/quarrying, and aquaculture/farming.
Zone Six	Otago	15	Infrastructure, renewable energy, housing/land, mining/quarrying, and aquaculture/farming.
	Southland	4	Infrastructure and aquaculture/farming.

Housing

39. Housing availability, affordability, and quality are pivotal to the South Island's social and economic wellbeing. Addressing the housing shortage involves increasing supply and ensuring resilience and sustainability.
40. The Government recently announced the Going for Housing Growth programme (led by the Ministry of Housing and Urban Development) to tackle New Zealand's ongoing housing shortage. It intends to make system changes to help address the underlying causes of the housing supply shortage, initially focusing on:

- Freeing up land for urban development, including removing unnecessary planning barriers.
 - Improving infrastructure funding and financing to support urban growth.
 - Providing incentives for communities and councils to support growth.
41. The Government is also working on a broader range of measures to address housing shortages by removing regulatory barriers, including reforms to the Resource Management Act 1991, and removing restrictions on the use of overseas building products that meet the equivalent of New Zealand standards.
42. Further, of the 149 projects listed to be referred for consent as part of the Fast-track Approvals Act 2024, there are 44 infrastructure projects nationally that focus on housing and together consent the construction of 55,000 homes.

South Island context

Nelson/Tasman	<ul style="list-style-type: none"> • The regions strategic housing development plans include emergency, transitional, and long-term solutions, emphasising Māori and elderly housing needs, with approximately nine per cent of those on a social housing waitlist in Te Taihū being over 75 years of age. These efforts are integral to fostering wellbeing, creating a foundation for economic participation across communities, and contributing to a thriving, inclusive region. • On 29 January 2025 Kāinga Ora completed a new social housing development on the site of the former Whakatū Lodge⁴. This is the largest social housing development ever built in Nelson, providing 29 units for Nelson residents, including several that have been homeless for years.
Canterbury	<ul style="list-style-type: none"> • Development of the Waitaha Canterbury Regional Housing Strategic Plan is a key action in the Canterbury Mayoral Forum's Plan for Canterbury 2022-2025. This will aim to identify the range of housing issues affecting communities across the region and a pathway forward to improve them.
Otago	<ul style="list-style-type: none"> • The Otago region identified the need to: <ul style="list-style-type: none"> ○ facilitate the process of finding suitable accommodation (to benefit both local and migrant workforce) ○ release land for residential development ○ provide more consistent planning and consenting requirements.
Southland	<ul style="list-style-type: none"> • Great South's vision for housing is to enable the development of quality, fit-for-purpose housing in the region to better meet the needs of their people. This includes working with the government to provide more social housing and homes for older people, and with industry to meet current and projected demand.

⁴ Sourced from [A new home for a new year :: Kāinga Ora – Homes and Communities](#)

	<ul style="list-style-type: none"> • The Beyond 2025 Southland Regional Long-Term Plan identified housing as a key enabler to meet the region's economic, social, and environmental aspirations. • The region has developed the Murihiku Southland Housing Action Plan which fosters regional coordination and will support the community and private sector to deliver quality homes (both retrofit and new builds).
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Regional Tourism Boost Fund

43. On 27 March 2025, Hon Louise Upston, as Minister for Tourism and Hospitality, announced that the Regional Tourism Boost Fund had allocated \$3.00 million to attract more international visitors to regional New Zealand over the autumn and winter seasons this year⁵. Funding comes from the International Conservation and Tourism Visitor Levy⁶.
44. The funding is spread across six initiatives to drive international visitor numbers from the top of the North to the bottom of the South Island. Most will target the Australian market, with one national campaign designed to encourage visitors from North America.

South Island context

45. For Zones Five and Six, \$1.72 million has been allocated:
- \$600,000 for a central North Island and Nelson / Marlborough initiative led by WellingtonNZ for promotional activities to visit Wellington and surrounding regions.
 - \$600,000 for a central South Island initiative led by ChristchurchNZ for a winter-focused marketing campaign encouraging Australians to travel to the Canterbury and West Coast regions.
 - \$170,000 for a top of the South initiative led by Development West Coast for promotional activities encouraging Australians to visit for luxury experiences.
 - \$350,000 for a lower South Island initiative led by Great South for a marketing campaign encouraging Australians to travel from the Gold Coast.

Transport

46. A key challenge for the South Island is sustainable funding for the maintenance of the current roading network, improvements to existing roads and building of new roading networks.
47. Under-investment in roading infrastructure is adding to transport costs, travel time, travel distances, and transport emissions.

⁵ Sourced from [Regional Tourism Boosts drive international growth | Beehive.govt.nz](#)

⁶ Sourced from [Funding to attract more international visitors to regional New Zealand | Ministry of Business, Innovation and Employment](#)

48. The Government has outlined significant investments in transport infrastructure to enhance economic growth and improve connectivity across the country. Key initiatives include:

- Government Policy Statement on Land Transport 2024 (GPS 2024): This comprehensive \$22.00 billion plan focuses on boosting productivity and supporting economic growth through various transport projects.⁷
- Budget 2024 allocations⁸:
 - Roads: \$1.00 billion to accelerate the Roads of National Significance and major public transport routes.
 - Rail: \$266.90 million dedicated to upgrading and maintaining metropolitan rail networks in Auckland and Wellington.
 - KiwiRail Support: An additional \$200.00 million to assist KiwiRail in maintenance and renewals of the national rail network.
 - Weather Damaged Roads: \$939.30 million earmarked for repairing roads affected by severe weather events in the North Island.
- Rail Network Investments: The "Future of Rail" project aims to define rail's role in New Zealand's transport system and determine necessary investments for its success.
- The 2024-2027 National Land Transport Programme has allocated a total of \$3.9 billion across the South Island and Chatham Islands⁹.

South Island context

Nelson/Tasman	<p>On 7 September 2024, Hon Simeon Brown, as then Minister of Transport, announced a record \$479.00 million for transport investment across the top of the South Island through the NLTP. This investment looks to build a stronger road network that supports primary industries and grows the economy¹⁰.</p> <p>Investment includes progressing the Hope Bypass, which supports "...population growth in Nelson and unlock more land for housing development."</p> <p>"Also, \$360.00 million is to be invested in maintenance and pothole prevention to ensure local state highways and roads are safe reliable".</p>
Canterbury	<p>In December 2024, the New Zealand Transport Agency Board approved funding for pre implementation and early works on the State Highway 1 Belfast to Pegasus motorway and the Woodend bypass, designated as a Road of National Significance¹¹. A total of \$1.80 billion is forecast to be invested in Canterbury in the 2024-27 National Land Transport Programme (NLTP) period.</p>

⁷ Sourced from [GPS 2024: Record transport investment to drive economic growth | Beehive.govt.nz](#)

⁸ Sourced from [Budget 2024: Transport infrastructure allocated \\$2.68b • Autotalk](#)

⁹ Sourced from [Regional summaries | NZ Transport Agency Waka Kotahi](#)

¹⁰ Sourced from: [Top of the south to benefit from reliable transport infrastructure | Beehive.govt.nz](#)

¹¹ Sourced from [Significant milestone for Canterbury Road of National Significance | Beehive.govt.nz](#)

Logistics

49. You will be attending virtually via Zoom and are expected to join online at 11.00am. The Zoom link will be provided directly to your office.
50. Mayor of Waimakariri District Council, Dan Gordon, will be the coordinator of this conference.

Risks and mitigations

51. No risks identified.

Media

52. Media have not been invited to attend the event.

Contact

Name	Position / organisation	Telephone
Jo Hill	Executive Assistant, Waimakariri District Council	Privacy of natural persons

About the audience

53. Approximately 100 attendees are expected to attend the event in person. Biographies of speakers and key attendees are below.



Dan Gordon, Chair of LGNZ Zone Five, and Mayor of Waimakariri District

Dan Gordon has been the Mayor of Waimakariri since 2019, following 15 years as a district councillor.

He is the Chair of Zone Five and a member of the LGNZ National Council. He also serves on the Local Authority Protection Programme Board and the Local Government Resource Management Reform Steering Group.

Dan is actively involved in environmental initiatives through Chairing the Canterbury Mayoral Forum Climate Change Action Planning Reference Group.



Sam Broughton, President of LGNZ, and Mayor of Selwyn District

Sam Broughton was elected as the Mayor of Selwyn District in 2016. He was first elected to the Selwyn District Council in 2010 as a Councillor.

In 2023, he was elected President of LGNZ.

Before his political career, he worked as a youth worker in local high schools.



Tamah Alley, Chair of LGNZ Zone Six, and Mayor of Central Otago District

Tamah has been the Mayor of Central Otago District since October 2024.

She is also Chair of the Vincent Community Board and leads LGNZ Zone Six, representing councils south of Waitaki.

Tamah was previously elected as a Councillor for the Vincent Ward on the Central Otago District Council and served two terms.

Prior to this, she served for 12 years as a Police Constable in Auckland and Alexandra.



Ben Bell, LGNZ Zone Six representative, and Mayor of Gore District

Ben was elected Mayor of Gore in October 2022. His term has been marked by governance challenges, including conflicts with council members and the Chief Executive.

Prior to this he worked as an environmental data analyst at Horizons Regional Council. In 2021, he founded Random42 Limited, a company focused on water-monitoring technology and portable wind turbines.

Annexes

Annex One: Local Government New Zealand Zone 5 and 6 Conference Draft Speech notes

Annex One: Local Government New Zealand Zone 5 and 6 Conference Draft Speech notes

You will be introduced to attendees by Mayor Dan Gordon, Chair of Zone 5 and Mayor of Waimakariri District Council, or Mayor Tamah Alley, Chair of Zone 6 and Mayor of Central Otago. Your speech is the opening address.

INTRODUCTION

- I'm very proud to be the MP for Rangitata and the country's first Minister for the South Island.
- I look forward to working across central and local government and with regional stakeholders to ensure the huge potential of the South Island is realised.
- Today, I'll discuss how the recently introduced *Going For Growth* approach is a starting point for us – in particular the pillar that is most relevant to the workshop this morning – **my portfolio priorities for economic growth for the South Island**.
- Through my role as Minister for the South Island, I want to make sure that the South Island economy gets its fair share of economic growth and job creation so that we can all benefit from the opportunities and prosperity that economic growth provides us.
- My primary objective is to advocate and coordinate policies which will stimulate economic growth in the South Island, ensuring we're making the substantial contribution to New Zealand's overall economic success that we are capable of.
- There is a raft of untapped potential across the South Island. This was highlighted in ASB's recent Quarterly Regional Scoreboard, where the South Island secured the top four places for economic growth and performance, with Otago in first place, Canterbury in second, Tasman in third, and Southland taking the fourth place.

Going For Growth

- This Government is working to unlock New Zealand's potential and make our economy grow faster through our *Going For Growth* approach, which was released by the Minister for Economic Growth earlier this year.
- Economic growth is key to raising living standards, creating higher-paying jobs and delivering the vital infrastructure and public services New Zealanders want and deserve.
- Going for Growth sets out five pillars driving the push for economic growth – **developing talent; competitive business settings; promoting global trade and investment; innovation, technology and science; and infrastructure for growth**.
- Our economic potential will also be unleashed by focusing on the five pillars and fostering investment, innovation and taking calculated risks.
- Removing barriers and creating incentives empowers businesses to drive growth, ensuring market forces fuel prosperity.

Going For Growth and the South Island

- To me, there are three core areas that could make a meaningful impact for everyone in Zones 5 and 6:
- **Double our exports and lifting the contribution to GDP:** This means not only increasing the amount we export but increasing the value of our exports.
- The South Island makes up roughly 24 per cent of New Zealand's population and 22 per cent of the national GDP. By increasing productivity, expanding market access, and enhancing global competitiveness by strengthening key industry, the South Island can be a hub for economic growth.
- **Investing in resilient, reliable infrastructure which supports growth:** South Island's infrastructure is vulnerable to natural disasters and disruptions, so it is key to that we ensure the South Island has the resilient and future-focused infrastructure necessary to drive economic growth, support communities, and mitigate the impacts of natural disaster.
- We are already supporting infrastructure for growth across the South Island. One example is pressing go on the second Ashburton Bridge, which I was able to announce has met major milestones earlier this month.
- The second bridge will ensure we have a resilient roading network to connect our island and ensure the safe and reliable movement of people and goods up and down the island.
- **Enhancing and improving delivery of core public services:** It is critical for the South Island has improved core public services, including healthcare access and workforce retention, and enhanced law and order services.
- Keeping the South Island economy moving and connecting the right people and resources together will help improve living standards and economic outcomes. We all the potential of sectors in the South Island in contributing to this.
- Ensuring we have the right talent and opportunities for innovation and technology sectors to establish themselves across the island will boost not only our core public services, but also create an attractive place for people to live.
- I'm looking forward to talking to you later on this morning about how we can work together to go for growth.

SECTOR-SPECIFIC TALKING POINTS

- I'd now like to take some time to discuss the important sectors across the South Island (including the Chathams) that will contribute to our economic growth story.
- I know that you will be interested in a wide range of topics including Local Water Done Well and City and Regional Deals. Hon Minister Watts, Minister for Local Government, will update you on those Government programmes this afternoon.

Housing

- Housing is good place to start as an enabler of growth and prosperity, and an area where we face some of our biggest infrastructure challenges.
- The unaffordability of housing is well-known. Just 23 years ago in 2002, New Zealand had a house price to wage ratio of 3:1. Now, house prices outstrip wages by over 6:1.
- Housing availability, affordability, and quality are pivotal to the South Island's social and economic wellbeing.
- Addressing the housing shortage across the South Island is a key priority, and will involve increasing supply and ensuring resilience and sustainability in our housing stock.
- To tackle our housing crisis, the Government has developed a separate Going for Housing Growth programme, led by the Minister of Housing with its own pillars:
 - Freeing up land for development and removing unnecessary planning barriers
 - Improving infrastructure funding and financing to support growth, and
 - Providing incentives for communities and councils to support growth.
- My colleague, Hon Simon Watts, Minister for Local Government, will discuss Going for Housing Growth in more detail in his update this afternoon.
- Alongside central government's plans, I know there is also a lot of great work underway regionally to support housing growth across Zones Five and Six.
- This includes programmes like the Waitaha Canterbury Regional Housing Strategic Plan and the Murihiku Southland Housing Action Plan, alongside existing priorities in all regions' and councils' plans to provide housing that meets the needs for our people.

Energy

- There are several South Island regions that are more exposed to energy affordability, security and resilience risks than other parts of New Zealand. This is exacerbated by natural hazard risks which threatens regional energy security and resilience.
- Energy security will be critical for many South Island regions to address the challenges ahead, including water, food production, and climate change.
- Energy has been identified as a regional priority in one form or another by most of the South Island regions and communities. At the same time, many of these regions are also the most exposed to natural hazards and risks, which threaten their energy security and resilience.
- Places like Marlborough, Tasman/Nelson, the West Coast, and the Chathams have higher than average electricity prices as well as lower household incomes than the rest of the country.
- I know many of you are looking to ways to harness potential energy generation opportunities in your areas, and developing strategies to guide the transition towards lower-emissions energy production and future-proofing energy security.

Fast-track Approvals Act 2024

- The Fast-track Approvals Act 2024 (the Act) aims to establish a permanent fast-track approvals regime for a range of infrastructure, housing, and development projects.
- The Act is a key part of the Government's plan to rebuild the economy and cut through the red and green tape that has made it difficult to build the projects New Zealand needs.
- Of the 149 projects, 49 of them are across Zones Five and Six.
- Again, infrastructure development and projects in housing, renewable energy, and aquaculture and farming are dominant, reflecting the key priority sectors for economic growth in the South Island.

Tourism

- Tourism is a key contributor to the national economy, being our second largest exporter behind dairy. Tourism is a key driver across much of the South Island's economy.
- The South Island accounts for 40 per cent of New Zealand's international tourism spend, 31 percent of the domestic tourism spend, and 43 per cent of the guest nights in the country are spent in the South Island.
- We need to work together to ensure that we maximise the tourism experience and spend in the South Island.
- However, we must be strategic in how we plan for increasing tourism – we must do this in a way which meets the infrastructure needs and concerns, using things like the International Visitor Conservation and Tourism Levy, using things like the general taxation pot and the funding that the Government provides.
- We can use these funds for initiatives to boost international visitor numbers, as planned by the new Regional Tourism Boost Fund, announced by the Minister for Tourism and Hospitality, last month.
- The Regional Tourism Boost Fund has allocated \$1.72 million out of xx to boost visitor numbers from the top of the South to the lower South Island, encouraging international visitors to visit a wider range of places across our regions.

Transport

- The South Island transport network is vast and includes around 5,000 kilometres of state highways and over 35,000km of local roads as well as over 1,500km of rail lines (consisting of two main lines, two secondary lines and several branch lines).
- Network resilience is also a concern for many centres across the South Island, with a range of natural hazard risks including river flooding, surface flooding, and coastal inundation.
- Over \$3.9 billion investment into South Island and Chatham Islands regions is forecast in our National Land Transport Programme 2024-2027.

- This includes several Roads of National Significance and Roads of Regional Significance projects, which are works for strategic corridors that will support economic growth or represent the most essential corridors at a regional level.
 - As I mentioned earlier, this funding is going towards important projects like the second Ashburton Bridge. We saw the South Island essentially cut in half over several flooding events in the last few years, and this infrastructure investment will provide resilience for one of the main routes across the island.
- The Government is also making use of alternative funding tools for the Transport sector in order to deliver new roads faster and increase the efficiency of our busiest roads.
- A Time of Use Charging Bill passed its first reading last month which will enable the New Zealand Transport Agency and local authorities to develop charging schemes for our most congested roads.
- Modelling shows that successful time of use charging – charging motorists to travel on certain roads at peak times – will encourage people to change the time or mode of travel and could reduce congestion by up to 8-12 per cent at peak times.

Linking back to *Going for Growth*

- For each of these sectors, I've talked a bit about how the Government is already taking action to support the Going For Growth approach.
- We know that the wider South Island can play a huge role in growing the economy and creating more job opportunities, especially with regards to our food and fibre export targets and growing our tourism industries.
- But we need to do more work, and we need to do it collaboratively – I am keen to work across multiple portfolios to understand more about the challenges and opportunities facing **our regions and across the entire South Island**.

CLOSING REMARKS

- Having spoken a bit about my South Island portfolio and what actions this Government is taking to grow our economy by addressing our infrastructure challenges, I'm keen to hear from you during the discussions we'll have this morning.
- As Minister for the South Island I'm dedicated to supporting LGNZ Zones 5 and 6 to meet the aspirations outlined today, and to ensuring that the South Island has a voice in Wellington.
- I am particularly interested in learning more about your priorities and aspirations for your communities and the potential role you see the Government supporting these.