



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
HIKINA WHAKATUTUKI

South Island Portfolio - Fortnightly Report

Week ending:	28 April 2025	Priority:	Medium
Security classification:	In Confidence	Tracking number:	REQ-0013023

Recipient	Action sought
Hon James Meager Minister for the South Island	Note the contents of this report.

Ministers' and Ministers' Office comments

1. Portfolio Update

1.1 Regional Economic Roundup Report

Cory Hagenaaars,
South Island Lead
Advisor, Strategy,
Planning and
Performance, Kānoa
– Regional Economic
Development &
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(Kānoa)

Westpac recently released their April 2025 Regional Roundup which summarises the outlook for New Zealand regions. The report outlines that economic conditions remain cool across the country, although the economic outlook appears to be looking slightly brighter.

General sentiment from businesses notes:

- demand remains subdued, particularly in parts of the retail, hospitality and construction sectors
- growing optimism that economic conditions are likely to improve, largely influenced by the easing in borrowing costs.

Regionally, economic conditions are uneven across the country. Canterbury, Otago and Southland are outlined as the strongest performing parts of the country. Improving prices for dairy and other key commodity exports are boosting incomes, sentiment and spending. The ongoing recovery in international visitor numbers has also supported spending in areas like Queenstown. This assessment is in line with the March 2025 ASB Regional Economic Scoreboard.

In the major urban centres, particularly Auckland and Wellington, businesses continue to report tough trading conditions. Wellington is not seeing the same benefits from recovering commodity prices that are being seen in many rural areas, nor is it benefiting from the lift in international visitors in the same way as centres like Queenstown and Auckland.

The following table summarises regional economic conditions outlined in the report using the following scale: *Frosty – Cold – Cool – Mild – Warm – Hot*. **Annex two** provides further regional information from the report.

REGION	OUTLOOK
Northland	Frosty - unchanged
Auckland	Cold - unchanged
Waikato	Frosty - unchanged
Bay of Plenty	Cold - warming up
Gisborne/Hawke's Bay	Cold - cooling down
Taranaki/Manawatū-Whanganui	Cool - unchanged
Wellington	Cold - unchanged
Nelson/Tasman/Marlborough/West Coast	Cold - warming up
Canterbury	Cold - warming up
Otago	Cold - warming up
Southland	Cold – unchanged

Source: www.westpac.co.nz/assets/Business/tools-rates-fees/documents/economic-updates/2025/Other/Regional-Roundup_230425-Economic_report_23Apr25.pdf

1.2 Statistics New Zealand Regional Census Infographics Cory Hagenaars, South Island Lead Advisor	Statistics New Zealand (Stats NZ) have released detailed regional infographics with data derived from the 2023 Census. These infographics provide insights into the South Island’s demographic, economic, and social trends. The information contained is compared with data from the 2018 Census. Key points for South Island regions are: • Southland had the highest increase in median rent (50.4 per cent). • Nelson had the highest increase to median income (30.9 per cent). • Canterbury had the largest increase in population (8.6 per cent). • Tasman had the highest rate of home ownership (77.4 per cent). • West Coast had the highest reports of homes that are damp at least once (20.2 per cent), however, the remainder of South Island regions reported lower levels comparatively (under 15 per cent). Source: www.stats.govt.nz/infographics/detailed-regional-infographics-from-2023-census/
1.3 Major events Kylie Hawker-Green, Manager Major Events, Economic Development & Tourism	There are no new major event updates.
1.4 Key messages/statistics and figures Privacy of natural persons Lead Domain Analyst, Data Service Delivery, Data, Insights and Intelligence, Corporate and Digital Shared Services	On Tuesday 2 April 2025, Stats NZ released data on building consents issued for the year ending February 2025 (https://www.stats.govt.nz/information-releases/building-consents-issued-february-2025/). Building consents are a good indicator of building activity and construction industry performance. Consenting activity in the South Island indicated that the residential building sector was more resilient to the post-pandemic economic downturn compared to the North Island. In the year ending February 2025, the South Island had a total of 10,360 new residential building consents issued. This was a 3 per cent increase on the previous year, but an 18 per cent decrease from its peak in the year ending February 2023. The North Island in comparison was down 11 per cent in the previous year and down 35 per cent in the year ending February 2023. While the consent number trend for houses in the South Island has shown some early indication of bottoming out, the trend for multi-unit homes was still weak. By comparison, the number of standalone homes consented nationally follows a similar trend, while the number of multi-unit homes consented nationally saw growth year-on-year between 2015-2023 and has exceeded the number of standalone homes consented since 2022.

	 South Island consents for new residential buildings Annual number 9,0008,0007,0006,0005,0004,0003,0002,0001,000- 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 Houses Multi-unit homes In terms of regions, Otago was the brightest spot, having achieved a 25 per cent growth in the number of new residential building consents in the year ending February 2025. This was mainly driven by the Queenstown-Lakes District. All other regions in both islands have only achieved less than 5 per cent annual growth.
1.5 Regional Council Updates	There are no new Regional Council updates.

2. Hon. James Meager - Upcoming Ministerial Items – Minister for the South Island

2.1 Upcoming Meetings, Events and Ministerial Visits

Event details	Event	Event Details
01/05/2025	Attending the RCP New Zealand function (Dunedin)	You will be attending and speaking at the 'Revitalising the South: A Conversation on Leadership, Growth and Regional Resilience' event in Dunedin. This function is a cocktail event hosted by RCP New Zealand to bring together and engage with leading South Island infrastructure stakeholders. A briefing has been provided for you.
05/05/2025	Meeting with Te Tauraki Chair (TBC)	You will be meeting with Te Tauraki Chair to discuss successful Whānau Ora commissioning services with Te Puni Kōkiri. Whānau Ora is a whānau-centred approach to enable whānau wellbeing and development. Te Puni Kōkiri facilitates Whānau Ora funding on behalf of the government, and commissions agencies in regions to deliver services. The objective of this meeting is to discuss the Te Tauraki programme, impacts of the programme, and Confidentiality [REDACTED] [REDACTED] There will be attendees from Te Tauraki Chair and Kaiwhakahaere – Te Rūnanga O Ngāi Tahu. A briefing is being prepared for you.
05/05/2025	Visit to Independent Fisheries Ltd (Lyttleton, Christchurch)	You will be visiting the Independent Fisheries Ltd (IFL) offices where you will meet management and have a tour of a fishing vessel. You will then depart from this location and have a tour at IFL's Cool Store where you will meet the staff. A briefing is being prepared for you.
14/05/2025	Meeting with South Island Electricity Network Chief Executives (online meeting)	You will be attending an online meeting with 15 Chief Executives from the South Island Electricity Network to discuss the important role Electricity Distribution Businesses have in driving economic growth in the South Island. You will also be provided an overview of affordability, right energy and capacity mix, resilience, the South Island EV journey mapping project and energy strategies. A briefing is being prepared for you.

2.2 Upcoming Briefings and Aides Memoire

Due to MO	Tracking Number	Product
30/04/2025	REQ-0013006	Information on Government’s major events involvement
01/05/2025	REQ-0013215	Meeting with Te Tauraki, 5 May 2025
01/05/2025	REQ-0013225	Visit to Independent Fisheries Ltd, 5 May 2025
09/05/2025	TBC	Meeting with South Island Electricity Network Chief Executives, 14 May 2025

2.3 New Written Parliamentary Questions

There are no new written Parliamentary Questions.

2.4 Ministerial correspondence received

There are no new Ministerial correspondences.

2.5 Official Information Act requests received

New items are indicated in red.

Due date	Tracking number	Requester	Summary of request	Status
05/05/2025	MOIA-REQ-0012948/JMOIA-20	Privacy of natural persons (Member of the Public)	Requests all documentation, agendas, minutes or correspondence, internal or otherwise, electronic or otherwise, pertaining to the presence, use, communication in or translation of the Māori language, since 11 November 2024.	In progress
08/05/2025	MOIA-REQ-0012772/JMOIA-22	Privacy of natural persons [Redacted]	Requests copies of any aides-mémoire, briefings, memos, notes, reports, or any other advice the Minister or their Office received related to the South Island portfolio during the week of 10 March and 17 March 2025.	In progress
15/05/2025	MOIA-REQ-0013203/JMOIA-24	Privacy of natural persons [Redacted]	Requests copies of any aides-mémoire, briefings, memos, notes, reports, or any other advice the Minister or their Office received related to the South Island portfolio during the week of 7 April and 14 April 2025.	In progress

15/05/2025	MOIA-REQ-0013206/JMOIA-25	Privacy of natural persons	Requests copies of any aides-mémoire, briefings, memos, notes, reports, or any other advice the Minister or their Office received related to the South Island portfolio during the week of 24 March and 31 March 2025.	In progress
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2.6 Meeting advice requested

There are no outstanding meeting advice requests.