



EVENT BRIEFING

Meeting with representatives from Destination Queenstown and Queenstown business leaders, 11 June 2025

Date:	5 June 2025	Priority:	Medium
Security classification:	In Confidence	Tracking number:	REQ-0015306

Action sought		
	Action sought	Deadline
Hon James Meager Minister for the South Island	Meet with representatives from Destination Queenstown and Queenstown business leaders	11 June 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☐ Withdrawn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



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Purpose

To provide background and supporting information for your meeting with representatives from Destination Queenstown and Queenstown business leaders on 11 June 2025, at Skyline Gondola, 53 Brecon Street, Queenstown.

Recommendations

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

- a **Note** the information in this briefing to support your meeting with representatives from Destination Queenstown and Queenstown business leaders.

Noted

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

05/06/2025

Hon James Meager
Minister for the South Island

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Summary

1. On 11 June 2025, you will meet with representatives from Destination Queenstown (DQ) and Queenstown business leaders at Skyline Gondola, 53 Brecon Street, Queenstown, from 10.00am to 11.00am.
2. You have agreed to discuss the following initiatives, highlighted in the Otago Central Lakes City and Regional Deal proposal:
 - Amplifying the tourist economy and attracting private investment.
 - Transformation of transport options to increase capacity.
 - Electrifying Otago Central Lakes.
 - Private investment in public health opportunities.
3. Kānoa has previously provided you with information on several of these topics related to the Queenstown area for the 'Westpac Smarts Seminar' at the Queenstown Business Chamber of Commerce (REQ-0014196 refers). This paper provides you with additional information to support a more in-depth conversation with DQ representatives.

Background

4. DQ is the Regional Tourism Organisation for Queenstown, responsible for the branding and promotion of Queenstown as a visitor destination. DQ works with a range of local stakeholders, including Queenstown Lakes District Council (QLDC), Lake Wānaka Tourism, Tourism New Zealand and business leaders in Queenstown.
5. On 31 March 2025, DQ sent a letter to various Ministers expressing its support of the Government's economic growth plans and promoting public and private investment into the region. Information on current and planned private investments in Queenstown is attached at **Annex One**.
6. Queenstown-Lakes is the least economically diverse district in New Zealand, with an over reliance on tourism and population growth to grow the economy. The district is vulnerable to shocks such as pandemics¹ and natural disasters. To address this issue, QLDC and other local business and organisations created the 'Queenstown Lakes Economic Diversification Plan'². The plan explores options to diversify the economy through sectors such as film, technology, and food and beverage. The plan is guided by the region's long-term goal of having a resilient and sustainable economy that offers meaningful career and business opportunities.

City and Regional Deals

7. Information on City and Regional Deals, including the Otago Central Lakes City and Regional Deal proposal, was provided to you previously (briefing REQ- 0011634 refers). The proposal aligns with the region's destination management plan (DMP)³. The DMP was developed by DQ, QLDC and Lake Wānaka Tourism, with the aim to encourage regenerative tourism in the region by 2030.

¹ Queenstown's GDP declined by 24.8 per cent between 2020 and 2022 as a result of the COVID-19 pandemic and its lasting economic impacts.

² [Queenstown Lakes Economic Diversification Plan](#)

³ [Queenstown-Lakes-Regenerative-Tourism-Plan.pdf](#)

Information relating to initiatives in the Otago Central Lakes City and Regional Deal

Tourism

8. Tourism is an essential part of Queenstown's economy, with visitor spending in 2024 totalling over \$900 million, and tourism related occupations accounting for 33.5 per cent of total employment in the area.
9. Queenstown is a key tourism area for New Zealand and interest is growing, with international visitor arrivals in Queenstown 28 per cent higher in 2024 when compared to 2019. It is the most visited destination after Auckland, with one in three international tourists visiting the area. Queenstown serves as a gateway to both the South Island and the rest of New Zealand, with increased visitor numbers to Queenstown shown to lead to higher visitor volumes and spending across New Zealand.
10. Given the region's reliance on tourism for employment and income, enhancing the productivity of tourism businesses through private investment is essential for driving economic growth both locally and nationally.

Government investment in Queenstown Lakes

11. On 14 April 2025, Hon Louise Upston, as Minister for Tourism and Hospitality, announced a \$13.50 million investment to boost international visitors nationwide. This investment is expected to result in over 23,000 additional international visitors and \$100.00 million of additional spending by these visitors across New Zealand⁴.
12. As part of this investment, the Bottom of the South Island⁵ received \$350,000 through the Regional Tourism Boost Fund (RTBF)⁶ for a marketing campaign focused on the Gold Coast market capitalising on the new Jetstar service into Dunedin encouraging visitors to explore beyond traditional gateway cities. The campaign will highlight the travel proposition to fly into Dunedin and out through Queenstown.
13. The Regional Events Promotional Fund also received \$2.45 million to undertake a second round of funding, which has now been allocated⁷. Information on the Regional Events Promotional Fund was provided to you in a previous briefing (briefing REQ-0014196 refers). Although Queenstown did not receive funding, as it was ineligible to apply, other neighbouring RTOs received funding during the second round, including:
 - \$22,643 for two events managed by Tourism Central Otago.
 - \$129,750 for five events managed by Lake Wanaka Tourism.
 - \$93,000 for five events managed by Great South.

Transportation

14. Queenstown Lakes District population has risen 58.4 per cent over the past 10 years, from 33,400 to 52,900⁸. This growth is further amplified by tourism, with peak day populations reaching approximately 120,000. This rapid expansion has contributed to significant traffic congestion in the area. The Otago Central Lakes City and Regional Deal proposal projects

⁴ [Tourism turbocharge takes New Zealand to the world | Beehive.govt.nz](#)

⁵ Great South (lead), Tourism Central Otago, DQ, Lake Wānaka Tourism, Clutha Development Inc, Tourism Waitaki, and Enterprise Dunedin.

⁶ The Regional Tourism Boost Fund opened in February 2025. It is a \$3.00 million contestable fund intended to be used for short campaigns to attract international visitors.

⁷ [Round 2 funding recipients | Ministry of Business, Innovation & Employment](#)

⁸ [Queenstown-Lakes District - Population growth \(2015-2024\)](#)

average travel times will mirror current peak periods by 2028. To address these issues, further investment into developing traffic infrastructure and improving public transport is essential.

Initiatives to address traffic congestion

15. On 2 September 2024, Hon Simeon Brown, as Minister of Transport, announced several roading upgrades for Queenstown as part of the 'Roads of Regional Significance' programme. These include:
 - Installing traffic signals at the SH6/SH6A Frankton, and SH6/Hansen Road/Joe O'Connell Drive intersections.
 - Constructing a roundabout at the SH6 and Howards Drive intersection.
 - Extending the bus hub and adding traffic signals.
 - Constructing new bus stops, adding cycle lanes, and creating shared use paths.
16. Works have commenced, with the programme estimated to cost \$250.00 million.
17. On 24 April 2025, stage one of the Queenstown Town Centre Arterial Road was completed. This project links Melbourne and Henry Streets, providing an alternative route to the town centre and easier access to Arthurs Point. Stages two and three of the projects are not funded for construction, however Otago Regional Council's (ORC's) Long Term Plan 2024-2034, allocated funding for early design and land acquisition.
18. ORC and Southland Regional Council developed the 'Otago Southland Regional Land Transport Plan 2021-2031' (RLTP)⁹. The RLTP has five 10-year headline targets:
 - Reduce road fatalities.
 - Increase network resilience.
 - Reduce emissions.
 - Proactively address transport needs by increasing investment.
 - Increase journeys to work and school by public transport, walking and cycling.

Public transportation

19. The RLTP notes that a higher emphasis is placed on increasing public transport amenities for Queenstown due to the area's high visitor numbers, rapid growth, and geographic constraints, which limit the number of viable alternatives.
20. In May 2024, QLDC developed the Queenstown Public Transport Business Case¹⁰. This business case, endorsed by ORC and Waka Kotahi, sets out the issues, options for change, benefits and opportunities.
21. The preferred option, as outlined in the business case, is a combination of an enhanced bus service pattern, battery electric buses, dedicated bus lanes, and a Kelvin Heights ferry service. This option is intended to increase public service patronage, reduce public service emissions and increase the number of destinations accessible by public transport.
22. In the 2024-2027 National Land Transport Plan, \$5.00 million was allocated for public transport improvements in Queenstown.

⁹ [Otago Southland Regional Land Transport Plan 2021-2031](#)

¹⁰ [Queenstown Public Transport Business Case](#)

Energy

23. Energy security and affordability are key priorities for this Government. Energy costs in New Zealand have increased year-on-year and are expected to keep increasing, due to inflation, investment in electricity network infrastructure, and increases in wholesale electricity prices. This is a particular issue in Queenstown's cold climate, where in 2020, 10.4 per cent of residents reported they were unable to adequately heat their homes due to the cost of power. Further information on energy costs in New Zealand were provided to you previously (briefing REQ-0013603 refers).

Energy resilience

24. Transpower has been engaging with the Queenstown community as part of its 'Te Kanapu – Grid Blueprint' initiative on options to improve electricity resilience in the region. The initiative guides strategic discussions across the electricity sector and with key stakeholders to inform its planning for its national electricity transmission grid investments to 2050 and beyond. The Otago Central Lakes City and Regional Deal proposal includes plans to connect Queenstown within the National Grid model, which would ensure more equitable energy costs.

The Government's energy initiatives

25. On 29 May 2025, Hon Chris Bishop, as Minister Responsible for Resource Management Act Reform (RMA Reform), and Hon Simon Watts, as Minister for Energy, announced proposed amendments to the National Policy Statement for Renewable Electricity Generation (NPS-REG). The NPS-REG applies to renewable electricity generation activities, including the construction, operation and maintenance of renewable electricity generation structures. The changes proposed aim to:
- meet the Government's commitment to double renewable energy generation by 2050
 - streamline the consenting process for re consenting, upgrading, and repowering renewable energy generation
 - support achievement of emissions reduction targets.
26. As part of achieving the target of doubling renewable energy generation by 2050, the Government introduced Electrify NZ, a series of initiatives aimed to remove barriers, drive investment in renewable electricity generation, grow our economy, and reduce emissions to achieve Net Zero 2050. These include:
- establishing a Fast-track approvals and permitting regime
 - amendments to the Resource Management Act 1991 to speed up resourcing consent
 - stronger national direction for renewable energy
 - a new regime for offshore wind
 - updated regulatory settings for electricity networks and new connections.
27. On 11 December 2024, Hon Simon Watts, as Minister of Climate Change, announced the second Emissions Reduction Plan which outlines how New Zealand will meet its climate change target of Net Zero 2050, while supporting the economy. The plan is anchored by the five pillars of New Zealand's Climate Strategy:
- Infrastructure is resilient and communities are well prepared.
 - Credible markets support the climate transition.
 - Clean energy is abundant and affordable.
 - World-leading climate innovation boosts the economy.
 - Nature-based solutions address climate change.

Electrify Queenstown

28. On 26 to 28 May 2025, Queenstown hosted the 'Electrify Queenstown' event, focussed on economic and innovation benefits unlocked through electrification, and showcased world-first technology, green-finance solutions and practical pathways for productivity, cost savings, decarbonisation, and business diversification. The aim of the event was to support the visitor economy and wider district in its transition toward a carbon zero visitor economy. At Electrify Queenstown, two gondola projects were discussed:
- Chief Executive of Whoosh, Chris Allington, discussed the development of self-driving cabins to go on an elevated gondola cable network, using electricity. Whoosh will start construction this year. The network will go from the Remarkables Market to the Kawarau River, and then eventually extend up to the Remarkables Ski Field and to Shotover Country and Lake Hayes Estate
 - Chief Executive of Southern Infrastructure, Ross Copland, entrepreneur, Rod Drury and Doppelmayer New Zealand are designing a fully electric high-speed urban gondola. Plans for a Queenstown gondola could be submitted to Queenstown Council later this year, and construction could begin as early as 2027. Stage one would connect downtown Queenstown to Frankton/Queenstown Airport. The network would comprise seven stations, including Queenstown city centre, Arthurs Point, Queenstown Airport and Ladies Mile.

Private investment in public health

29. More than half of rural communities in the Otago region must travel over two hours to visit a hospital. The Health Infrastructure Plan 2025¹¹, a 10-year investment roadmap intended to enable a sustainable health infrastructure portfolio, includes no new funding for Otago.
30. The Otago Central Lakes City and Regional Deal proposal contains detailed plans to expand public health services in the region through partnerships with private operators. This approach includes:
- working with private providers to identify profitable services that can subsidise healthcare for residents
 - leasing privately owned facilities to deliver public services
 - developing a shared public-private workforce to make otherwise unviable services sustainable.
31. The proposal outlines six priority investments, and requests \$1.50 million to support implementation. Given the strain placed on the Otago health system by high levels of visitation¹², it recommends the requested funding be sourced from the International Visitor Conservation and Tourism Levy.
32. Two of the proposed investments are in Queenstown:
- **Otago Central Lakes Hospital:** A hospital facility built and financed by a private investor, where upon completion public services would be delivered by Health NZ using Treasury's strategic leasing guidance. Private services could also be delivered from the facility, decreasing over time as public services grow. This is currently in the planning stage.
 - **Te Taumata Lakeview Clinic:** A private surgical hospital, expected to open in 2027. Currently those requiring maternity care must travel to Invercargill or Dunedin for these

¹¹ [Health Infrastructure Plan – Health New Zealand | Te Whatu Ora](#)

¹² Sixty-six per cent of presentations at Queenstown Hospital are visitors. Local GP clinics report that just one third of urgent care patients are local residents.

services. Health NZ could contract secondary care at Te Taumata Lakeview Clinic until public services are available in Queenstown.

- Te Taumata Lakeview Clinic is intended to provide specialist maternity care, filling in essential service gaps. The clinic hopes to strike the right balance between NZ publicly funded cases and a fee-paying international client group. It is estimated the clinic will contribute an additional \$78.00 million to New Zealand's economy once operational.

33. The other four investments comprise of an integrated care hub in Wānaka, aged care facilities in Clyde, a Wānaka health precinct, and investigation into land and investors for other public health infrastructure in Central Otago.

Other relevant information

Housing

34. There are severe challenges with worker accommodation in Queenstown, with instances of people setting up camp along the river and lakeside, as well as in their cars due to a lack of accommodation. These challenges are due to several factors:
- High cost of land.
 - Shortage of housing.
 - Financial appeal and growth of short-term visitor accommodation options such as Airbnb in residential properties.
35. This has led to difficulties with finding accommodation for seasonal workers and working holiday visa holders employed in the tourism and hospitality industries. Property developers are considering new housing models for this much needed worker accommodation to alleviate the chronic housing shortage.
36. On 29 May 2025, Hon Chris Bishop, as Minister for RMA Reform, and Hon Tama Potaka, as Associate Minister for Housing, announced the opening of public consultation on a new proposed National Environmental Standard for Granny Flats. This would require all councils to permit a granny flat of up to 70 square meters in rural, residential, mixed use, and Māori purpose zones without the need to gain a resource consent.
37. Public consultation on proposed RMA amendments under the 'Going for Housing Growth' initiative, aimed at freeing up land and removing planning barriers, is expected to begin in early June 2025.






Carbon Zero 2030

38. In February 2023, QLDC in partnership with DQ and Lake Wānaka Tourism, published 'Travel to a Thriving Future, A Regenerative Tourism Plan'. This plan sets out a keystone project: The visitor economy of Queenstown Lakes reaching carbon zero by 2030. This is an ambitious project, driven by four underlying strategies:
- **Mitigating emissions** through clean energy, innovation and adoption of existing technology.
 - **Understanding optimal visitation levels** and focus on increasing value per visitor.
 - **Evolving marketing plans** to attract markets with lower carbon emissions.
 - **Investing in carbon removal solutions** to decarbonise difficult to abate emissions.

About the audience

39. You will be meeting with representatives from DQ and Queenstown business leaders.




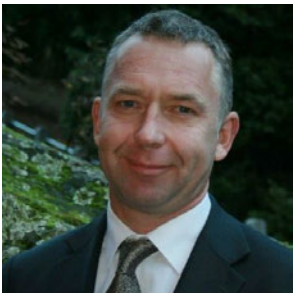

40. Biographies of attendees are below:

	<p>Richard Thomas, Chairman, DQ</p> <p>Richard was appointed as Chairman of DQ in October 2019.</p> <p>He is also Director at Skyline Enterprises, appointed in 2007; Chair at Queenstown Lakes Community Housing Trust, appointed in 2022; and Director at Bookme, appointed in 2014.</p>
	<p>Sharon Fifield, Chief Executive, Queenstown Business Chamber of Commerce (QBCC)</p> <p>Sharon was appointed Chief Executive of QBCC in March 2023, after acting as Chief Executive since December 2022.</p> <p>Prior to this, she worked as a Senior Economic Development Advisor at QLDC from 2019 to 2022.</p> <p>Sharon is also a Board Member at New Zealand Chambers of Commerce Incorporated.</p>
	<p>Geoff McDonald, Chief Executive, Skyline Enterprises¹³</p> <p>Geoff was appointed Chief Executive of Skyline Enterprises in May 2017.</p> <p>He has a background in pharmaceuticals, working for over 15 years at GlaxoSmithKline in various roles, including as Vice President and General Manager.</p>
	<p>Paul Anderson, Chief Executive, NZSki Limited¹⁴</p> <p>Paul was appointed Chief Executive of NZSki Limited in April 2013.</p> <p>Prior to this, he worked at Christchurch City Council as General Manager Corporate Services from 2008.</p>
	<p>Dave Beeche, Chief Executive, RealNZ¹⁵</p> <p>Dave was appointed Chief Executive of RealNZ in December 2023.</p> <p>He has a background in competitive sports, working as Chief Executive at Triathlon New Zealand, Ironman Oceania and FIFA Women's World Cup respectively.</p>

¹³ Skyline is the developer for the Skyline Gondola Redevelopment project

¹⁴ NZSki Limited is the developer for the Remarkables Ski Area Upgrade & Doolans Expansion project.

¹⁵ Cardrona Valley is a wholly owned subsidiary of RealNZ.

	<p>Alastair Porter, Co-Managing Director, Porter Group Limited</p> <p>Alastair has worked as the Co-Managing Director for Porter Group Limited since 1978.</p> <p>He has served as a Board Member at QBCC since 2008.</p> <p>Alastair is also Chief Executive and Co-Managing Director for Remarkables Park Limited, and Director of Shotover Park Limited.</p>
	<p>Glen Sowry, Chief Executive, Queenstown Airport Corporation¹⁶</p> <p>Glen was appointed Chief Executive at Queenstown Airport Corporation in September 2021.</p> <p>He announced in October 2024 he would step down from his role as Chief Executive in June 2025.</p> <p>Glen also serves as a Board Member on the New Zealand Olympic Committee.</p>
	<p>Roger Sharp, Chair, Technology Queenstown</p> <p>Roger was appointed Chair at Technology Queenstown in May 2022.</p> <p>He also serves as Chair for Iress and Web Travel Group.</p> <p>In 2022, Roger founded North Ridge Partners, a technology investment bank operating across Asia and the Pacific.</p>
	<p>Charlie Phillips, Chief Executive, Queenstown Resort College</p> <p>Charlie was appointed Chief Executive of Queenstown Resort College in 2007.</p> <p>Prior to this he worked as General Manager at Europcar International.</p> <p>Charlie served as Chair at QBCC from 2012 to 2015.</p>
	<p>Julie Scott, Chief Executive, Queenstown Lakes Community Housing Trust</p> <p>Julie was appointed Chief Executive at Queenstown Lakes Community Housing Trust in 2007.</p>

Risks and mitigations

41. No risks identified.

¹⁶ Queenstown Airport Corporation is developing the Queenstown Airport - Master Plan project.

Communications / Media

42. No media will be present at this event.

Annexes

Annex One: Private investment in Queenstown

Annex One: Private investment in Queenstown

Project Name	Details	Estimated cost	Fast-track	Current stage of construction
Skyline Gondola Redevelopment	Upgrade the gondolas ascending Bob's Peak to accommodate up to 10 people, replace the top and base terminals and expand the restaurant complex. The project is intended to accommodate the anticipated growth in visitor numbers to Queenstown.	\$310.00 million	No application to Fast-track.	The redevelopment commenced in 2019 and is expected to complete in late 2028.
Remarkables Ski Area Upgrade and Doolans Expansion	Expand the existing Remarkables Ski Area, upgrade the ski area's existing infrastructure, and build a new passenger transport lift and lookout.	Unknown	Listed under Schedule Two of the Fast-track Approvals Act 2024 (the Act) ¹⁷ .	No work has begun on this project.
Hills Resort Development	Expand and redevelop The Hills Golf Club. This is proposed to include complementary resort and restaurant facilities, visitor and staff accommodation, and other residential activities.	Unknown	Listed under Schedule Two of the Act.	No work has begun on this project.
Cardrona Valley Ski Gondola and Ski Area Development	Develop visitor and worker accommodation and a high-speed electric passenger lift system linking the Cardrona Valley to the Cardrona and Soho ski areas. Upon completion of this project, an additional 50,000 visitor days will be accommodated via the gondola, estimated to add \$17.80 million of additional spending per annum.	Unknown	Listed under Schedule Two of the Act.	No work has begun on this project.

¹⁷ Information on the Fast-track Approvals Act 2024 was previously provided to you (briefing REQ- 0011634 refers).

Project Name	Details	Estimated cost	Fast-track	Current stage of construction
Aryburn Screen Hub	Construct a film and television production facility at Aryburn Farm, between Arrowtown and Lake Hayes, Otago.	\$200.00 million	On 13 May 2025, the Minister for Infrastructure referred the Aryburn Screen Hub project to Fast-track. The project developer, Waterfall Park Developments Limited, must now submit a substantive application which will be considered by an expert panel.	No work has begun on this project.
New Dunedin Hospital	Construct new outpatient and inpatient facilities. This is expected to include 351 beds, 22 theatres, 58 emergency department spaces, 20 imaging units among other amenities. The project is anticipated to contribute \$429.00 million to the regions Gross Domestic Product.	\$1.88 billion	No application to Fast-track.	The outpatient building is anticipated to open in late 2026, and the inpatient building in 2031.
Gibbston Valley Golf Resort	Develop a nine-hole golf course and club house in the Gibbston Valley Resort area.	Unknown	No application to Fast-track. A separate project in the Gibbston Valley Resort area, proposing to develop 900 residential units, a commercial precinct and a school was included in Schedule Two of the Act.	Construction on the site has begun and is expected to complete in 2026.
Queenstown Airport - Master Plan	Expand and renovate the existing terminal, upgrade the runway, and construct new aviation precincts. This will allow an additional 800,000 passengers to arrive and depart from the airport annually.	\$350.00 million	No application to Fast-track.	Construction began on the terminal extension in April 2025.

Project Name	Details	Estimated cost	Fast-track	Current stage of construction
Man Street Hotel	Construct a six-storey hotel, comprising 173 guest rooms. The project is expected to generate up to 180 jobs over the two-year construction period, and a further 100 ongoing jobs once operational.	Unknown	The project applied for Fast-track consenting under the COVID-19 Recovery (Fast-track Consenting) Act 2020 ¹⁸ . On 25 September 2024, the expert consenting panel approved the application and granted the project resource consent.	No work has begun on this project.
Lakeview Hotel Development	Construct residential buildings, hotels, co-working and co-living spaces, hospitality and retail facilities.	\$1.00 billion	No application to Fast-track.	Queenstown Lakes District Council is laying underground infrastructure to accommodate the project. Construction is estimated to take over ten years to complete.

¹⁸ The COVID-19 Recovery (Fast-track Consenting) Act 2020 was in force from 9 July 2020 to 8 July 2023, with the aim of supporting New Zealand's recovery from the economic and social impacts of COVID-19 by expediting resource consenting and ensuring certainty of ongoing employment and investment across New Zealand.