



Changing Perspective

**A view of regional economic
development from the regions**

Gus Charteris, Dec 2019

Focus of the presentation

1. What I've been hearing and finding working with business and LG
2. The challenges facing regional NZ
3. How a tweaked PGF (with more delegated decision-making) could help achieve better regional ED/wellbeing outcomes

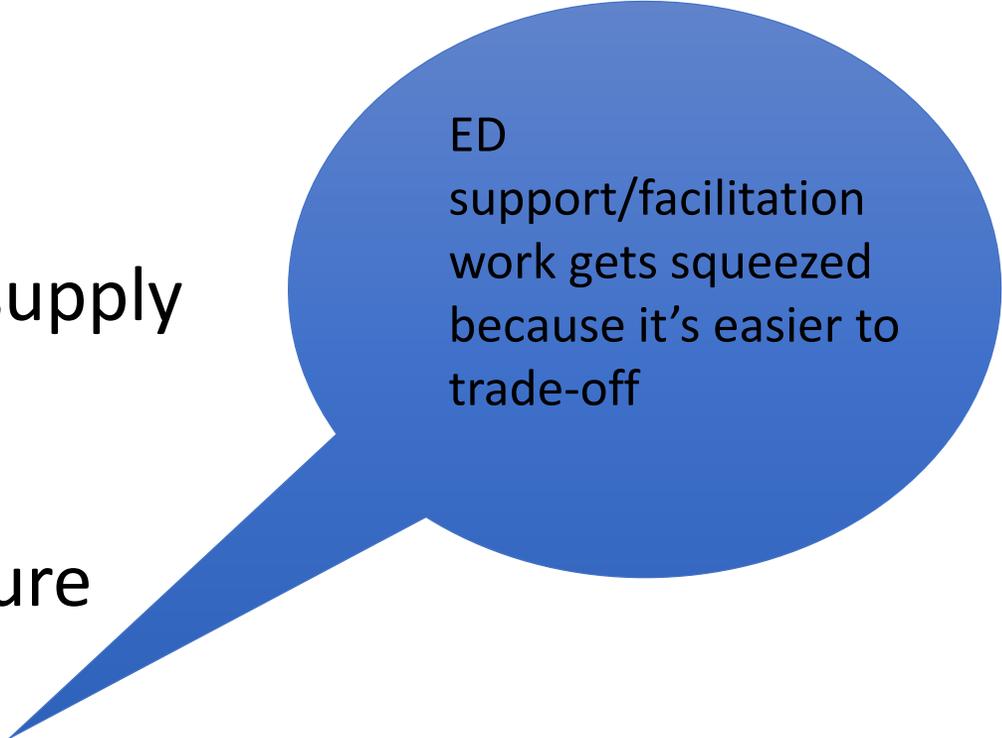
My experience so far

- Big demands for change – water and land-use in particular
- Regions are leading partnership and co-design practices
- Lots of capable people. Capacity is the issue
- Doing something different often requires a partnership/collaboration
- Lots (most?) businesses don't really know how govt works, want to help address the difficult public policy issues, but don't know where to start
- Government (in its various forms) can/does help in bringing the pieces/players together
- We are missing opportunities by not funding this work well enough

Challenges facing regional NZ

Capacity is more of a challenge than capability....

- 3-waters
- Water security/management
- Spatial planning – land/housing supply
- Climate change adaptation
- Regional roading
- EQ-prone community infrastructure
- [Wellbeing function of both]



ED
support/facilitation
work gets squeezed
because it's easier to
trade-off

Powering up the Regions

Dr David Wilson (2019)

Key take-outs

- Regional partnerships
- Regional co-governance
- Significant regional project funding decisions



Powering up the Regions:
Improving the mechanisms to achieve a productive,
sustainable and inclusive economy

Presentation to EDNZ Conference, Marlborough, 2019:
Delivering Inclusive Growth.
David Wilson


ECONOMIC DEVELOPMENT
NEW ZEALAND

 **Cities and Regions NZ**
Your place is our business

Role of Central Government

Henley Hutchings (2019)

Key take-outs

- There is low engagement of the regions in central government regional economic policy setting
- There is a pressing need to recalibrate the regional economic development relationship between central and local government and for the regions to be consulted on policy development
- Respondents want a partnership, rather than a top-down approach to strategy development from central government 
- There is a need for a coordinated national plan, demonstrating the distinctive contribution of each region to the national economy, with supporting funding and delegated decision making.



Consistent messages

- Desire for proper partnership and greater trust
- Greater regional involvement in national (RED) strategy
- Backed by better funding support with greater delegated authority
- Regions are innovation engines. CG could learn and borrow

PGF v2: Better aligning regional needs with national interest

Specific funding allocations could be tagged for:

- Maori economic development (building off TPK/MPI programs)
- Skills development/training initiatives – He Poutama Rangatahi, Te Ari Mahi
- Regional infrastructure – road, rail, air + digital
- Transition to low-emissions economy (or separate fund for this)... \$40m contribution for renewable energy in current PGF simply laughable
- EDAs – to (better) fund regional ED support/facilitation, including delegated decision making to fund feasibility/business case and project support up to specified limits

Key messages

- Local Government is struggling, and will continue to struggle, to adequately fund ED-support work given other very significant priorities
- We should trust regions more. They're often ahead of CG in creating collective decision-making/priority-setting and implementation processes.
- We will need to find a better way of supporting regional economic development actors if we want to maximise the opportunities

Thank you



Giblin
Group