самтеквику Mayoral Forum

A strong regional economy with resilient, connected communities and a better quality of life, for all.

28 November 2017

Rt Hon Jacinda Ardern, Prime Minister Rt Hon Winston Peters, Deputy Prime Minister Hon James Shaw, Leader of the Green Party

j.ardern@ministers.govt.nz w.peters@ministers.govt.nz j.shaw@ministers.govt.nz

Dear Ms Ardern, Mr Peters and Mr Shaw

Canterbury Mayoral Forum and regional development

The Canterbury Mayoral Forum congratulates you on forming a Government. We look forward to working with you and your officials to progress our common interests and objectives during this parliamentary term.

The eleven local authorities of Canterbury are committed to 'flying in formation'. The Mayoral Forum comprises the Mayors of the ten territorial authorities and the chair of the regional council.¹ We meet quarterly, and are supported by the Canterbury Chief Executives Forum, a number of other regional forums and working groups, and a permanent secretariat.

We want to work with the Government to achieve a more productive economy in Christchurch, Canterbury and the South Island that supports higher living standards for all New Zealanders. With strong regional governance and well-established support mechanisms, we can trial or pilot initiatives and leverage our local knowledge and networks to help create a more prosperous and inclusive New Zealand.

Our vision for Canterbury is: a region making the most of its natural advantages to build a strong, innovative economy with resilient, connected communities and a better way of life for all.

To achieve this vision, we developed the *Canterbury Regional Economic Development Strategy* (CREDS) in 2015 and refreshed this in 2017 for the local government term 2016–19.² The CREDS

Mayors standing together for Canterbury.

Secretariat, E: secretariat@canterburymayors.org.nz W: www.canterburymayors.org.nz C/- Environment Canterbury, PO Box 345, Christchurch 8140 T: 03 345 9323

Ashburton District Council • Canterbury Regional Council • Christchurch City Council • Hurunui District Council Kaikōura District Council • MacKenzie District Council • Selywn District Council • Timaru District Council Waimakariri District Council • Waimate District Council • Waitaki District Council

¹ Our work delivers on the Canterbury Local Authorities Triennial Agreement 2017–19 and Mayoral Forum Charter of Purpose. Further information is available on our website at <u>www.canterburymayors.org.nz</u>.

² <u>http://canterburymayors.org.nz/creds/</u>

builds on our experience of collaborative community governance of the Canterbury Water Management Strategy,³ which the Mayoral Forum initiated and continues to oversee. Our partners in the CREDS are Te Rūnanga o Ngāi Tahu, ChristchurchNZ, the Canterbury Employers' Chamber of Commerce and the Committee for Canterbury, along with a wider reference group of key stakeholders with whom we meet twice each year to review progress and priorities.

Key drivers for our work together are:

- planning for population change the structural ageing of the population, and patterns of population growth and contraction that play out differently across our region, the South Island and New Zealand as a whole
- growing the underlying economy of Canterbury for when earthquake rebuild ceases to inflate economic activity and employment, with a particular focus on doing more with what we grow – value-added production for export
- positioning Christchurch, Canterbury and the South Island for prosperity and as a counterweight to Auckland and the north – as a contribution to the resilience of the country as a whole and to lift living standards for all New Zealanders.

Our priorities for action have been shaped into seven work programmes:

- integrated regional transport planning and investment led by Mayor Winton Dalley
- digital connectivity in rural Canterbury led by Mayor Damon Odey
- sustainable freshwater management led by Steve Lowndes, Acting Chair, Environment Canterbury
- education and training for a skilled workforce led by Mayor David Ayers
- newcomer and migrant settlement led by Mayors Donna Favel and Sam Broughton
- value-added production led by Mayor Craig Rowley
- regional visitor strategy led by Mayors Winston Gray, Sam Broughton and Graham Smith.

The seven work programmes are highly interdependent. The Mayoral Forum provides leadership, facilitation and advocacy to keep everything connected and balance our economic, social and environmental objectives.

We are writing to portfolio Ministers about specific challenges and opportunities in the sustainable development of our region. In congratulating you on the formation of a Government, we also extend to you an open invitation to meet with us, and to make contact with us as you identify issues, opportunities and common interests (a directory follows).

Yours sincerely

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Lianne Dalziel Mayor, Christchurch City Council Chair, Canterbury Mayoral Forum

³ <u>http://www.cwms.org.nz/</u>

Mayor/Chair	Council	Mobile phone	Email
Lianne Dalziel (Chair)	Christchurch City	027 548 0644	lianne.dalziel@ccc.govt.nz
Damon Odey (Deputy Chair)	Timaru District	027 201 1920	damon.odey@timdc.govt.nz
Donna Favel	Ashburton District	027 540 7170	donna.favel@adc.govt.nz
Steve Lowndes	Environment Canterbury	027 668 0136	steve.lowndes@ecan.govt.nz
Winton Dalley	Hurunui District	029 770 2866	winton.dalley@hurunui.govt.nz
Winston Gray	Kaikōura District	027 434 5037	winston.gray@kaikoura.govt.nz
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Secretariat	Dr David Bromell	027 839 2708	secretariat@canterburymayors.org.nz
Website	Website http://canterburymayors.org.nz/		

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28 November 2017

Hon Dr Megan Woods, Minister for Greater Christchurch Regeneration
Hon Carmel Sepuloni, Minister for Social Development
Hon David Parker, Minister for Economic Development; Minister for the Environment; Minister for Trade and Export Growth
Hon Nanaia Mahuta, Minister of Local Government
Hon Damien O'Connor, Minister of Agriculture; Minister for Rural Communities
Hon Shane Jones, Minister for Infrastructure; Minister for Regional Economic Development

m.woods@ministers.govt.nz c.sepuloni@ministers.govt.nz d.parker@ministers.govt.nz n.mahuta@ministers.govt.nz d.o'connor@ministers.govt.nz s.jones@ministers.govt.nz

Dear Ministers

Regional development and Canterbury

The Canterbury Mayoral Forum congratulates you on your appointments as Ministers, and we look forward to working with you and your officials to progress our common interests and objectives during this parliamentary term.

This letter introduces the Mayoral Forum and the Canterbury Regional Economic Development Strategy, and offers to work with you to advance regional social and economic development.

Canterbury Mayoral Forum

The eleven local authorities of Canterbury are committed to 'flying in formation'. The Mayoral Forum comprises the Mayors of the ten territorial authorities and the chair of the regional council.¹ We meet quarterly, and are supported by the Canterbury Chief Executives Forum, a number of other regional forums and working groups, and a permanent secretariat.

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Key drivers for our work together are:

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Regional Growth Programme

Since May 2016, the Mayoral Forum has worked with central government in the Regional Growth Programme administered by the Ministry of Business, Innovation and Employment (MBIE), and the Ministry of Primary Industries.

Our experience of the Regional Growth Programme has been like the curate's egg – excellent in parts. We particularly affirm the value of having a Senior Regional Official (in the case of Canterbury, Helen Wyn) to facilitate our engagement with central government agencies.

While we appreciate the funding provided this has, however, come with bureaucratic hoop jumping and transaction costs disproportionate to the value of the grants.

In June 2017, Ministers announced a funding package totalling \$2.185m for 11 CREDS 'accelerator projects':

PR	DJECT	FUNDING
1	Strategic policy analysis and advice, regional transport	\$100,000
2	Cellphone and broadband coverage mapping	\$80,000
3	Encouraging rural broadband uptake and use	\$65,000
4	Youth transitions: expand Aoraki Development programmes to other Canterbury towns, with evaluation	\$130,000
5	Job Ready Programme – expand Christchurch Educated programme with international student graduates to South Canterbury	\$40,000 over 2 years
6	Improve productivity – a funding stream for ChristchurchNZ to work with MPI (Economic Intelligence Unit) and NZTE to identify demand-side opportunities for value-added production (niche market opportunities, particularly in China and SE Asia); and to work with other EDAs to create a virtual economic policy unit for the South Island	\$1,000,000 over 5 years
7	High-value manufacturing – a co-ordination position based at the University of Canterbury to work across the Canterbury Tertiary Alliance, the Lincoln Hub, CRIs, Callaghan and NZTE to connect industry needs to research and accelerate knowledge translation to high-value production and manufacturing for export	\$450,000 over 4 years
8	Rail passenger services – work with KiwiRail on a robust assessment of the business case for reintroducing passenger services in the Christchurch– Invercargill rail corridor	\$50,000
9	CREDS project manager	\$150,000 (15 months)
10	CREDS indicators reporting – professional design of a Word template for ongoing indicators reporting, and expansion of indicators in 2017	\$10,000
11	Case for Canterbury – funding to take the project to the next stage, including fundraising for its ongoing hosting, development, promotion and use – <i>conditional on the Mayoral Forum securing co-funding of \$150,000</i>	\$110,000
	TOTAL FUNDING	\$2,185,000

We have funding agreements in place or underway with MBIE for projects 1, 5, 8, 9 and 10, and with the Ministry of Social Development for project 4.

At the time of writing, MBIE has not yet released funding for projects 2, 3, 6, 7 and 11. We understand this requires a final sign-off by the Minister for Economic Development.

We invite the Minister for Economic Development to authorise MBIE to release the funding announced by Ministers in June 2017.

If the Regional Growth Programme continues in anything like its current form, we want to see the following changes:

- Mayors having more direct access to Ministers, rather than via officials
- central government working with the Mayoral Forum as a partner, and not on a principal-agent basis that effectively treats the Forum as a supplier.

Canterbury needs people

Canterbury has a higher median age (38.4 years) than New Zealand as a whole (37.0 years). Across our region, the median age ranges from 36.7 years (Christchurch City) to 47.2 years (Kaikōura District).⁵ 16% of our region's population is aged 65+ years, and the proportion is as high as 23% in the south of our region.

Across our region, we have a very tight labour market and are effectively operating at full employment. As the rebuild eases off in greater Christchurch, we have seen a marginal increase in the unemployment rate across the region as a whole, from 3.5% in the September quarter 2015 to 3.6% in September 2017 quarter (cf. 4.6% for New Zealand as a whole).⁶

Statistics New Zealand does not report Household Labour Force Survey data at the sub-regional level, but particularly in mid- and South Canterbury, we estimate that the unemployment rate is significantly less than 3%. We simply don't have enough people to do the jobs that are available. Unless we can grow our labour force through net domestic and international migration, a shortage of workers will put a brake on our regional economy and ability to contribute to export growth and national prosperity.

Modelling by ChristchurchNZ has shown that structural ageing and employment growth are driving demand for workers in Canterbury. Projections indicate that 72,545 current workers will retire by 2031 and 94,522 jobs will be created through economic growth, assuming historic growth rates continue. Taking projected natural increase/decrease into account, to maintain even modest economic growth we need, at minimum, 105,989 migrants (from New Zealand and overseas) over the next 15 years – equivalent to 6,624 new people moving to the region per annum. This is similar to post-quake migration levels and well above historic (3,500 per annum) levels.

By occupation, we need both high-skilled and low-skilled workers to replace those retiring.

Relocating government functions into the regions

We welcome the commitment in the New Zealand Labour Party and New Zealand First Coalition Agreement to relocate government functions into the regions.

As New Zealand's second-largest city, Christchurch is an obvious contender. The new city emerging from the rebuild is strong and safe, has an international airport, is located centrally in the South Island, offers affordable housing and an enviable quality of life. With a population of 381,500, the city provides a full range of services to support the effective delivery of government functions.

We also urge consideration of our towns that are within an hour's drive of Christchurch and its international airport: Ashburton, Rolleston and Rangiora-Kaiapoi. If we can continue to grow our

⁵ Sub-national population estimates as at 30 June 2017.

⁶ Household Labour Force Survey, not seasonally adjusted.

towns, including Timaru, as well as Christchurch City, we are more likely to ensure the long-term prosperity of our region overall.

Local government infrastructure and revenue

We welcome the commitment in the Labour–New Zealand First Coalition Agreement to investigate the drivers of local government costs and its revenue base.

When the Government proceeds with an inquiry into this, we look forward in due course to having an opportunity to submit on its terms of reference, which we will want to take account of demographic trends, the impact of growth in tourism on districts with a small ratepayer base, and the challenges of climate change adaptation.

The Canterbury Mayoral Forum provides strong regional governance and looks forward to working with you to provide good government and create shared prosperity for New Zealand, its regions, communities and peoples. As you identify issues, opportunities and common interests, we warmly invite you to make contact with us (a directory follows).

Yours sincerely

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Lianne Dalziel Mayor, Christchurch City Council Chair, Canterbury Mayoral Forum

Attachments:

• Canterbury Mayoral Forum directory

Canterbury Mayoral Forum directory

Mayor/Chair	Council	Mobile phone	Email
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Website	http://canterburymayors.org.nz/		

CANTERBURY Mayoral Forum

A strong regional economy with resilient, connected communities and a better quality of life, for all.

28 November 2017

Hon Phil Twyford, Minister of Transport Hon David Parker, Minister for Economic Development; Minister for Trade and Export Growth Hon Shane Jones, Minister for Infrastructure; Minister for Regional Economic Development

p.twyford@ministers.govt.nz d.parker@ministers.govt.nz s.jones@ministers.govt.nz

Dear Ministers

Multi-modal transport planning and investment

The Canterbury Mayoral Forum congratulates you on your appointments as Ministers, and we look forward to working with you and your officials to progress our common interests and objectives during this parliamentary term.

Background information on the Mayoral Forum and its Canterbury Regional Economic Development Strategy (CREDS) is appended (Attachment 1), with a Mayoral Forum directory (Attachment 2).

Regional transport planning and investment

Regional transport planning and investment is one of seven CREDS work programmes. The work programme is led by Winton Dalley, Mayor, Hurunui District; and implemented by the Canterbury Regional Transport Committee and staff who report to it.

Since May 2016, we have established regular meetings of the chairs of South Island Regional Transport Committees, as the challenges we are tackling are not unique to Canterbury.

Our objective is integrated transport planning across modes (air, rail, shipping and road transport) that:

- prioritises a resilient transport network
- enables the efficient movement of people and freight into, out of and within the Canterbury region

Mayors standing together for Canterbury.

Secretariat, E: secretariat@canterburymayors.org.nz W: www.canterburymayors.org.nz C/- Environment Canterbury, PO Box 345, Christchurch 8140 T: 03 345 9323

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Our region has significant advantages – a world-class international airport, two sea ports (Timaru and Lyttelton) and inland ports at Rolleston. A series of recent natural disasters (earthquakes, storms and fires) has, however, highlighted the vulnerability of the transport network in the South Island, and Canterbury in particular.

The region's Mayors are advocating for an integrated, multi-modal transport network (road, rail, air and coastal shipping) that is more resilient to natural disasters and better able to serve our growing tourism industry and export sector and ensure the efficient movement of freight within Canterbury and the South Island, between the North and South Islands, and to our global markets.

A 2017 OECD report noted that in 2012–15, 78% of spending from the National Land Transport Fund was on roads, and recommended that infrastructure investment priorities become more consistent with the Government's long-term climate and environmental objectives.¹

We welcome a greater focus on rail and coastal shipping and the commitments in the Labour-NZ First Coalition Agreement to invest significantly in regional rail, and in the Labour Party–Green Party Confidence and Supply Agreement to reprioritise National Land Transport Fund spending to increase investment in rail infrastructure in cities and regions.

We look for changes to the Government Policy Statement on Land Transport that will facilitate and fund a multi-modal, integrated transport system.

Current projects

Rail passenger services

Through the Regional Growth Programme, the Mayoral Forum has received \$50,000 to work with KiwiRail on the business case for reintroducing passenger services in the Christchurch–Invercargill rail corridor. The lead Mayor for this piece of work is Damon Odey, Mayor, Timaru District Council.

We see scope for expansion of rail to support our regional visitor strategy by, for example:

- investing in additional rolling stock for KiwiRail Scenic Journeys (TranzAlpine, Coastal Pacific)
- helping disperse tourists around the region, taking pressure off key tourist routes and improving road safety
- facilitating access to South Island Cycle Trails.

Network resilience and evidence-informed policy and planning

Through the Regional Growth Programme, the Mayoral Forum has received co-funding of \$100,000 for strategic policy analysis and advice (12 months) to support implementation of the CREDS regional transport work programme. Deliverables include:

• working with NZTA and the Ministry of Transport to improve the evidence base for transport planning and investment

¹ OECD, Environmental Performance Reviews. New Zealand, 2017: Highlights, p 10. <u>http://oe.cd/epr-newzealand</u>

 working with NZTA to facilitate a stocktake of the resilience of the local road network in Canterbury (including culverts and bridges), to supplement NZTA's stocktake of state highways.

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Yours sincerely

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Lianne Dalziel Mayor, Christchurch City Council Chair, Canterbury Mayoral Forum

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Winton Dalley Mayor, Hurunui District Council Lead Mayor, Regional transport

Attachments:

- Canterbury Mayoral Forum and the CREDS
- Canterbury Mayoral Forum directory

Attachment 1: Canterbury Mayoral Forum and the CREDS

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Hon Kelvin Davis, Minister of Tourism

Hon David Parker, Minister for Economic Development; Minister for Trade and Export Growth Hon Damien O'Connor, Minister of Agriculture; Minister for Rural Communities

Hon Clare Curran, Minister of Broadcasting, Communications and Digital Media; Minister for Government Digital Services

Hon Shane Jones, Minister for Infrastructure; Minister for Regional Economic Development

k.davis@ministers.govt.nz d.parker@ministers.govt.nz d.o'connor@ministers.govt.nz c.curran@ministers.govt.nz s.jones@ministers.govt.nz

Dear Ministers

Digital connectivity in Canterbury

The Canterbury Mayoral Forum congratulates you on your appointments as Ministers, and we look forward to working with you and your officials to progress our common interests and objectives during this parliamentary term.

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Digital connectivity is one of seven CREDS work programmes. The work programme is led by Damon Odey, Mayor, Timaru District.

Our objective is a fully connected Canterbury – so the whole region can achieve the best possible results in health, education, social connectedness, economic growth and the environment.

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Why digital connectivity matters for regional New Zealand

Rural Canterbury generates much of the prosperity of the region, but has suffered from a 'digital divide' between town and country. Fast broadband and addressing mobile 'black spots' is critical infrastructure for economic and social development in Canterbury. Modern farm management relies on access to technology, with a trend towards data-based precision agriculture and especially precision irrigation, which enables significant gains in efficient water use. The Internet of Things and Machine-to-Machine communication are creating opportunities to improve productivity while minimising environmental impact, but it all needs fast broadband.

Digital connectivity is also important for safety on farm – reliable cell phone coverage is critical for a timely response when accidents happen. Fast broadband in rural areas provides access to education and health services, and social connectedness, particularly for migrant workers and their families.

For Canterbury's growing tourism industry, fast broadband is essential to enhance the visitor experience and help them do our marketing for us. Websites and apps guide visitors, especially those who don't speak English as a first language, to points of interest. And the photos they upload over wifi to social media like WeChat and Instagram market Canterbury and New Zealand for us.

A fully connected Canterbury

For Canterbury to be fully connected, we need:

- infrastructure an integrated, resilient network that provides fast broadband and mobile phone coverage to every farm and community in Canterbury
- retail packages that are fit for purpose and affordable
- uptake and use of digital technologies and online services to increase economic productivity and improve social and environmental outcomes.

Our target is that by June 2019, 95% of farms and other businesses in rural Canterbury will have access to broadband at speeds of at least 25 Mbps peak speed.¹

In 2015, Spark New Zealand partnered with us in an accelerated roll out of its 4G mobile broadband upgrade across the entire region. This work was completed in December 2016 at no cost to ratepayers or taxpayers.

Subsequent announcements of Government's planned extension of the Ultra-Fast Broadband, Rural Broadband Initiative and Mobile Black Spots work programmes have been welcomed by the Mayoral Forum, but the roll out of this essential infrastructure cannot come fast enough for Canterbury. *We welcome the Government's commitment in the Speech from the Throne on 8 November of continued investment in broadband.*

Working with lines companies and WISPS on local solutions

The Mayoral Forum is keen to work with central government on ICT solutions for our region that leverage off existing infrastructure, and retain the innovation and expertise of Wireless Internet Service Providers (WISPs).

¹ The previous Government's targets were that by 2025, 99% of New Zealanders will have access to 50 Mbps peak speeds, and the remaining 1% will have access to 10 Mbps.

In August 2016, the Mayoral Forum submitted on the Telecommunications (Property Access and Other Matters) Amendment Bill, supporting the proposal to insert a new subpart 4 of Part 4 of the Bill to grant statutory rights of access to use existing electricity works to deploy fibre optic cable.

In December 2016, on behalf of Enable Networks and the four electricity lines companies in Canterbury (Orion, MainPower, Electricity Ashburton and Alpine Energy), the Mayoral Forum engaged an independent consultant to identify a potential engagement model to improve the amount of accessible fibre across the region. The report was provided to the five parties on 22 February 2017. It identified the various network components for a whole-of-region consortium and possible contributors to the network, and flagged some legal and commercial considerations the parties would need to work through with their boards and each other.

The timing of the request for proposals for RBI2 and the Mobile Black Spot Fund meant that to date, Enable and the lines companies have not been in a position to pursue this proposal. We think it continues to have merit, as an opportunity to leverage existing infrastructure to improve digital connectivity. An added advantage is that the five parties are whole- or part-community owned.

We also strongly affirm the value of Wireless Internet Service Providers (WISPs), who have demonstrated their ability to identify connectivity solutions for parts of our region where it may never be economic to install fibre. Moreover, their expertise is critical to connectivity resilience when natural disasters strike.

Our priorities for 2017–19

Our priorities for 2017–19 are to:

- support Enable Networks Ltd and electricity lines companies if they choose to form a Canterbury consortium to extend fibre backhaul and improve high bandwidth connectivity, whether through the Rural Broadband Initiative 2 or by other means
- undertake detailed GIS mapping of remaining gaps in mobile and broadband coverage, analyse these gaps for economic and social significance, work with Crown Fibre Holdings, lines companies, telcos and Wireless Internet Service Providers for solutions
- encourage uptake and use, particularly in the use of digital connectivity on farm to achieve efficiencies in precision irrigation, precision agriculture generally and value-added production.

Our work on these projects has been delayed because, at the time of writing, the Ministry of Business, Innovation and Employment has not yet released to us co-funding announced by Ministers in June 2017. We understand this requires a final sign-off by the Minister for Economic Development.

We invite the Minister for Economic Development to authorise MBIE to release the funding (\$145,000) announced by Ministers in June 2017.

The Canterbury Mayoral Forum provides strong regional governance and looks forward to working with you to provide good government and create shared prosperity for New Zealand, its regions,

communities and peoples. As you identify issues, opportunities and common interests, we warmly invite you to make contact with us (a directory follows).

Yours sincerely

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Lianne Dalziel Mayor, Christchurch City Council Chair, Canterbury Mayoral Forum

Damon Odey Mayor, Timaru District Council Lead Mayor, Digital connectivity

Attachments:

- Canterbury Mayoral Forum and the CREDS
- Canterbury Mayoral Forum directory

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The eleven local authorities of Canterbury are committed to 'flying in formation'. The Mayoral Forum comprises the Mayors of the ten territorial authorities and the chair of the regional council.² We meet quarterly, and are supported by the Canterbury Chief Executives Forum, a number of other regional forums and working groups, and a permanent secretariat.

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Our vision for Canterbury is: a region making the most of its natural advantages to build a strong, innovative economy with resilient, connected communities and a better way of life for all.

To achieve this vision, we developed the *Canterbury Regional Economic Development Strategy* (CREDS) in 2015 and refreshed this in 2017 for the local government term 2016–19.³ The CREDS builds on our experience of collaborative community governance of the Canterbury Water Management Strategy,⁴ which the Mayoral Forum initiated and continues to oversee. Our partners in the CREDS are Te Rūnanga o Ngāi Tahu, ChristchurchNZ, the Canterbury Employers' Chamber of Commerce and the Committee for Canterbury, along with a wider reference group of key stakeholders with whom we meet twice each year to review progress and priorities.⁵

Key drivers for our work together are:

- planning for population change the structural ageing of the population, and patterns of population growth and contraction that play out differently across our region, the South Island and New Zealand as a whole
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Our priorities for action have been shaped into seven work programmes:

- integrated regional transport planning and investment led by Mayor Winton Dalley
- digital connectivity in rural Canterbury led by Mayor Damon Odey

² Our work delivers on the Canterbury Local Authorities Triennial Agreement 2017–19 and Mayoral Forum Charter of Purpose. Further information is available on our website at <u>www.canterburymayors.org.nz</u>.

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The seven work programmes are highly interdependent. The Mayoral Forum provides leadership, facilitation and advocacy to keep everything connected and balance our economic, social and environmental objectives.

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28 November 2017

Hon David Parker, Minister for Economic Development; Minister for the Environment; Minister for Trade and Export Growth
Hon Damien O'Connor, Minister of Agriculture; Minister for Rural Communities
Hon Shane Jones, Minister for Infrastructure; Minister for Regional Economic Development
Hon James Shaw, Minister for Climate Change
Hon Eugenie Sage, Minister of Conservation

d.parker@ministers.govt.nz d.o'connor@ministers.govt.nz s.jones@ministers.govt.nz j.shaw@ministers.govt.nz e.sage@ministers.govt.nz

Dear Ministers

Freshwater management in Canterbury

The Canterbury Mayoral Forum congratulates you on your appointments as Ministers, and we look forward to working with you and your officials to progress our common interests and objectives during this parliamentary term.

Background information on the Mayoral Forum and its Canterbury Regional Economic Development Strategy (CREDS) is appended (Attachment 1), with a Mayoral Forum directory (Attachment 2).

Freshwater management and water infrastructure is one of seven CREDS work programmes. The work programme is led for the Mayoral Forum by Steve Lowndes, Acting Chair, Environment Canterbury.

Canterbury Water Management Strategy (CWMS)

The Mayoral Forum initiated the CWMS following a protracted drought (1997–98). Drought impacts on entire ecosystems, affecting waterways and aquatic species as well as human activity.

Mayors standing together for Canterbury.

Secretariat, E: secretariat@canterburymayors.org.nz W: www.canterburymayors.org.nz C/- Environment Canterbury, PO Box 345, Christchurch 8140 T: 03 345 9323

Ashburton District Council • Canterbury Regional Council • Christchurch City Council • Hurunui District Council Kaikõura District Council • MacKenzie District Council • Selywn District Council • Timaru District Council Waimakariri District Council • Waimate District Council • Waitaki District Council The strategy was developed, consulted on, agreed and implemented from 2009 as a whole-ofregion, collaborative solution to sustainable freshwater management. Environment Canterbury is the lead implementation agency. The Mayoral Forum continues to exercise governance oversight of the CWMS.

Our challenge

Freshwater management is not only about how we manage water – it is also about how we manage the impacts of land use. It has both urban and rural dimensions and significant cost and funding implications.

The challenge we have faced across our region was declining water quality, loss of cultural and recreational use and less reliable water for farming. We are dealing with legacy issues of increasing nitrogen in waterways (since European settlement), and over-allocation of ground water (in more recent decades). These legacy issues developed over many years, and will take at least a generation to remedy.

Climate change is a compounding factor, with increasing risk of drought on the east coast of the South Island heightening the importance of stored water and reliable supply.

The CWMS is dealing with these challenges at the same time, in an integrated way, to achieve multiple objectives. We have a Land and Water Regional Plan in place, with nutrient limits, and our work to agree sub-regional plans and establish specific catchment load limits and water quality objectives is well advanced.

Water infrastructure

Despite our challenges, Canterbury has some extraordinary advantages – alpine-fed rivers, which will provide ample water now and in the future if we store and use it responsibly, and a largely flat terrain that is suitable for a variety of high-value land uses if there is a reliable supply of water to:

- manage nutrients on farm, at source
- retire abstraction of groundwater
- improve resilience to drought, as we adapt to climate change.

The infrastructure component of the CWMS targets multiple objectives: supply of water for agriculture and to manage nutrients at source; environmental restoration; kaitiakitanga, mahinga kai and customary use; additional recreational opportunities; and drinking water for marae and local communities.

- Storage of alpine water has provided a reliable supply of water to future proof primary production (cropping, nuts and seeds, viticulture, beef and lamb, wool, dairy, etc.), manufacturing and value-added production. High-value seed production particularly relies on reliable water during the growing season.
- We prioritised fast broadband in rural Canterbury to enable technology innovation and uptake for more efficient water use, nutrient management and precision agriculture generally.
- Water infrastructure enables environmental restoration and enhancement of waterways and wetlands of high ecological, recreational and cultural value (including mahingā kai and customary use); e.g. through Targeted Stream Augmentation and Managed Aquifer Recharge.

• Water storage creates additional recreational opportunities. And schemes like Hunter Downs, Mayfield-Hinds, Central Plains Water and Hurunui Water are also looking to provide a future supply of drinking water for marae and local communities through their water infrastructure.

Local and central government intervention – and investment – have been necessary to ensure that private sector schemes are built to a scale that achieves these long-term environmental, economic, social and cultural benefits.

Our priorities

Our priorities for action during the local government term 2017–19 are:

- **infrastructure**: keep working closely with infrastructure operators on projects that contribute to multiple CWMS targets, including environmental restoration and application of research, technology and innovation to freshwater management, e.g. woodchip bioreactors
- **planning and policy**: continue to agree sub-regional plans and establish catchment load limits and water quality objectives
- **implementation**: keep driving commitment to Good Management Practice through Farm Environment Plans and audited self-management across all zones
- **zone delivery**: all zone committees have agreed work programmes and report progress
- **biodiversity**: keep working with zone committees and land owners on Immediate Steps projects and regional flagship projects (Whakaora te Waihora and Wainono Lagoon)
- **partnerships**: keep building a strong partnership and collaborative approach to delivering on CWMS targets with Ngāi Tahu, primary industries, councils and NGO partners and stakeholders
- **communicate**: tell the story and share information to develop and maintain a social licence to operate.

In our experience, both regulatory and non-regulatory interventions are necessary to meet community outcomes. Working with farmers, industry sectors, other stakeholders and communities is essential to facilitate consensus on durable policy and regulatory settings, promote Good Management Practice and ensure compliance.

Measuring progress

Objectives agreed across the region were defined in 2009 in terms of 10 target areas. We recently published the 2017 targets progress report.¹ Twice each year, the Mayoral Forum presents an indicators report to its CREDS reference group, which includes two indicators for freshwater management:²

- a Water Quality Index for Canterbury rivers and streams
- progress on limits to manage land use for water quality outcomes.

Working in partnership

We are keen to work with central government to achieve our common objectives in freshwater management. Our experience in the CWMS over the last decade is a rich resource for policy learning and development. We look forward to welcoming you to Canterbury, so you can see what

¹ <u>https://www.ecan.govt.nz/your-region/your-environment/water/measuring-progress/</u>

² <u>http://canterburymayors.org.nz/wp-content/uploads/2017/08/CREDS-indicators-report_August-2017.pdf</u>

we are doing 'on the ground' to improve rural and urban water quality, shift to more sustainable land uses and adapt to climate change.

Yours sincerely

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Shitt Lownder.

Lianne Dalziel Mayor, Christchurch City Council Chair, Canterbury Mayoral Forum

Steve Lowndes Acting Chair, Environment Canterbury

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- Canterbury Mayoral Forum directory

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28 November 2017

Hon Dr Megan Woods, Minister of Research, Science and Innovation Hon David Parker, Minister for Economic Development; Minister for Trade and Export Growth Hon Damien O'Connor, Minister of Agriculture; Minister for Rural Communities Hon Shane Jones, Minister for Infrastructure; Minister for Regional Economic Development

<u>m.woods@ministers.govt.nz</u> <u>d.parker@ministers.govt.nz</u> <u>d.o'connor@ministers.govt.nz</u> <u>s.jones@ministers.govt.nz</u>

Dear Ministers

Value-added production for export

The Canterbury Mayoral Forum congratulates you on your appointments as Ministers, and we look forward to working with you and your officials to progress our common interests and objectives during this parliamentary term.

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Value-added production is one of seven CREDS work programmes. The work programme is led by Mayor Craig Rowley (Waimate District Council).

Doing more with what we grow

Canterbury is one of the world's great food baskets. The challenge is to do more with what we grow, and to nurture a diverse business base that builds on and adds value to our primary industries. There are particular opportunities for our region in agri-technology, sustainable food production, value-added food processing, healthcare, medical technology, solar energy, electronics and high-value manufacturing.

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What industry has told us

The Canterbury Mayoral Forum has taken on board what we have heard from our industry reference group and engagement with a wide range of stakeholders.

- Infrastructure managed by local government is a key enabler for value-added production: a resilient, multi-modal transport network, fast broadband, reliable access to freshwater, and wastewater services.
- Complex regional water infrastructure schemes need to be built to scale to enable sustainable freshwater management and environmental restoration (e.g. through managed aquifer recharge).
- We have a very tight labour market that is putting the brake on regional development in Canterbury. While our regional unemployment rate has increased marginally from 3.5% in the September quarter 2015 to 3.6% in September 2017 quarter (cf. 4.6% for New Zealand as a whole),¹ outside Christchurch City, the unemployment rate is less than 3%. Skills shortages are a significant risk to high-value production across all districts within our region.

The Lincoln Hub

The Mayoral Forum has advocated strongly for the Lincoln Hub. The Hub is a unique opportunity to cluster globally connected agricultural science and research expertise to deliver industry-led innovation and improve New Zealand's productivity and competitiveness.

The partnering of Lincoln University as New Zealand's specialist land-based university with AgResearch, Landcare Research, Plant & Food Research and Dairy NZ is New Zealand's best shot at doing this.

We invite your ongoing support for the Lincoln Hub.

Initiatives to accelerate value-added production for export

The Mayoral Forum has placed a high priority on value-added production for export in this local government term. When we launched the CREDS for 2017–19 in June 2017, Ministers announced funding for two 'accelerator projects'.

Improving productivity (demand side)

A ChristchurchNZ-led project (\$1m over 5 years) to:

- investigate emerging trends, preferences and product needs in SE Asia, focusing on the Pearl River Delta (because of direct flights from Guangzhou to Christchurch), that align with Canterbury's unique offerings, particularly in primary production
- define Canterbury value chains and participants in the short and medium term to satisfy the identified emerging trends, preferences and needs
- work with potential value chain participants to link together producers, manufacturers, exporters and Pearl River Delta importers
- facilitate a virtual economic policy unit across South Island economic development agencies.

¹ Household Labour Force Survey, not seasonally adjusted.

High-value manufacturing (supply side)

A University of Canterbury-led project (\$450k over 4 years) to:

- identify potential value-add inventions and near inventions in the Canterbury agricultural research and innovation ecosystem
- broker the adoption and pathway to commercialisation of inventions through local networks and knowledge of primary sector and high-technology innovation leaders.

Our work on these projects has been on hold since June because at the time of writing, the Ministry of Business, Innovation and Employment has not yet released to us funding announced by Ministers in June 2017. We understand this requires a final sign-off by the Minister for Economic Development.

We invite the Minister for Economic Development to authorise MBIE to release the funding announced by Ministers in June 2017.

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Lianne Dalziel Mayor, Christchurch City Council Chair, Canterbury Mayoral Forum

Rowley

Craig Rowley Mayor, Waimate District Council Lead Mayor, Value-added production

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28 November 2017

Hon Dr Megan Woods, Minister of Research, Science and Innovation Hon Chris Hipkins, Minister of Education Hon Carmel Sepuloni, Minister for Social Development Hon Shane Jones, Minister for Regional Economic Development Hon Peeni Henare, Minister for Youth Hon Willie Jackson, Minister of Employment

<u>m.woods@ministers.govt.nz</u> <u>c.hipkins@ministers.govt.nz</u> <u>c.sepuloni@ministers.govt.nz</u> <u>s.jones@ministers.govt.nz</u> <u>p.henare@ministers.govt.nz</u> <u>w.jackson@ministers.govt.nz</u>

Dear Ministers

Education and training for a skilled workforce

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Background information on the Mayoral Forum and its Canterbury Regional Economic Development Strategy (CREDS) is appended (Attachment 1), with a Mayoral Forum directory (Attachment 2).

Education and training for a skilled workforce is one of seven CREDS work programmes. The work programme is led by David Ayers, Mayor, Waimakariri District. The work programme has three objectives.

- Business, education and local government sectors are aligned and working together to make Canterbury a great place to study, live and work.
- Canterbury has an appropriately skilled and educated workforce.
- Education and training institutions deliver an integrated education programme that maximises benefits to the institutions and to Canterbury.

Mayors standing together for Canterbury.

Secretariat, E: secretariat@canterburymayors.org.nz W: www.canterburymayors.org.nz C/- Environment Canterbury, PO Box 345, Christchurch 8140 T: 03 345 9323

Ashburton District Council • Canterbury Regional Council • Christchurch City Council • Hurunui District Council Kaikõura District Council • MacKenzie District Council • Selywn District Council • Timaru District Council Waimakariri District Council • Waimate District Council • Waitaki District Council

Why education and training matter for Canterbury

Canterbury has a higher median age (38.4 years) than New Zealand as a whole (37.0 years). Across our region, the median age ranges from 36.7 years (Christchurch City) to 47.2 years (Kaikōura District).¹

Strong demand for unskilled workers in the rebuild of greater Christchurch pushed the youth not in employment, education or training (NEET) rate well below the national average. As the rebuild eases, however, the NEET rate is projected to converge with the national rate.² Canterbury's Mayors have wanted to get ahead of any increase in the number and proportion of NEET youth in Canterbury – it's an opportunity for prevention rather than cure.

Similarly, Canterbury has a lower proportion of young jobseeker support recipients (aged 18–24 – both work ready and health or disability) than the national average. This proportion increased rapidly, however, in the past year, which largely reflects a marked increase in Christchurch.

Across our region, we have a very tight labour market and are effectively operating at full employment. As the rebuild eases off in greater Christchurch, we have seen a marginal increase in the unemployment rate across the region as a whole, from 3.5% in the September quarter 2015 to 3.6% in September 2017 quarter (cf. 4.6% for New Zealand as a whole³).

Statistics New Zealand does not report HLFS data at the sub-regional level, but particularly in midand South Canterbury, we estimate that the unemployment rate is significantly less than 3%.

Skills shortages are a significant risk to high-value production across all districts within our region. We want to keep our young people in the region and ensure they have the knowledge and skills to secure productive, rewarding work now and in the future.

The Lincoln Hub

The Mayoral Forum has advocated strongly for the Lincoln Hub. The Hub is a unique opportunity to cluster globally connected agricultural science and research expertise to deliver industry-led innovation and improve New Zealand's productivity and competitiveness.

The partnering of Lincoln University as New Zealand's specialist land-based university with AgResearch, Landcare Research, Plant & Food Research and Dairy NZ is New Zealand's best shot at doing this.

We invite your ongoing support for the Lincoln Hub.

¹ Sub-national population estimates as at 30 June 2017.

² Canterbury's March 2017 NEET rate was 10.6%, well below the national average of 13.5%. The Ministry of Business, Innovation and Employment monitors construction-related economic activity and employment in greater Christchurch.

³ Household Labour Force Survey, not seasonally adjusted.

Youth transitions

We are working with the Ministry of Social Development to develop and expand programmes piloted by Aoraki Development in Timaru. The programmes support youth transitions to further education, training and employment by:

- exposing all South Canterbury and Ashburton District Year 9–10 students and their teachers to industry opportunities within the region, to help guide further study and employment choices
- ensuring that at-risk Year 11–13 students have a tailored individual transition plan in place upon leaving school.

When the South Canterbury trial has been evaluated, we hope to partner with Government to roll out the programme to all Canterbury secondary schools. Our goal is that every student in Canterbury has a transition plan to help guide the next stage of their life.

Our immediate target is that by June 2019, the NEET rate for Canterbury remains equal to or less than the national rate.

We invite your continued support for youth transitions programmes we are piloting in Canterbury, so we can minimise the number of young people not in education, training or employment, and learn from what works.

International students and the Job Ready programme

We have received funding (\$40,000 over two years) from the Regional Growth Programme to expand Christchurch Educated's Job Ready programme in Canterbury, particularly in Timaru and South Canterbury. The programme leverages global talent (international students trained in New Zealand – focusing from 2018 on graduates at National Qualifications Framework Level 7 and above) to meet immediate and future labour shortages and support export-facing businesses with language and cultural competencies to expand or enter into trade with Asia.

If we can retain New Zealand-trained international students within our wider region, this may also bring a demographic dividend, as they potentially offset young people who leave our districts to pursue tertiary education and employment opportunities.

Increasing the number of international students attending Canterbury education organisations, and broadening the focus beyond current source markets, continues to be a priority for us. As New Zealand's fourth largest export earner, international education delivery is an important component of our economy. It has been critical, in particular, for the recovery of our three tertiary educational organisations (the University of Canterbury, Lincoln University and Ara Institute) following the Canterbury earthquakes of 2010–11.

We invite you to consider the contribution international students trained in New Zealand can make to meeting skills shortages in the regions, and to trade and export growth.

The Canterbury Mayoral Forum provides strong regional governance and looks forward to working with you to provide good government and create shared prosperity for New Zealand, its regions,

communities and peoples. As you identify issues, opportunities and common interests, we warmly invite you to make contact with us (a directory follows).

Yours sincerely

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Lianne Dalziel Mayor, Christchurch City Council Chair, Canterbury Mayoral Forum

David Ayes

David Ayers Mayor, Waimakariri District Council Lead Mayor, Education and training

Attachments:

- Canterbury Mayoral Forum and the CREDS
- Canterbury Mayoral Forum directory

Canterbury Mayoral Forum

The eleven local authorities of Canterbury are committed to 'flying in formation'. The Mayoral Forum comprises the Mayors of the ten territorial authorities and the chair of the regional council.⁴ We meet quarterly, and are supported by the Canterbury Chief Executives Forum, a number of other regional forums and working groups, and a permanent secretariat.

We want to work with the Government to achieve a more productive economy in Christchurch, Canterbury and the South Island that supports higher living standards for all New Zealanders. With strong regional governance and well-established support mechanisms, we can trial or pilot initiatives and leverage our local knowledge and networks to help create a more prosperous and inclusive New Zealand.

Canterbury Regional Economic Development Strategy

Our vision for Canterbury is: a region making the most of its natural advantages to build a strong, innovative economy with resilient, connected communities and a better way of life for all.

To achieve this vision, we developed the *Canterbury Regional Economic Development Strategy* (CREDS) in 2015 and refreshed this in 2017 for the local government term 2016–19.⁵ The CREDS builds on our experience of collaborative community governance of the Canterbury Water Management Strategy,⁶ which the Mayoral Forum initiated and continues to oversee. Our partners in the CREDS are Te Rūnanga o Ngāi Tahu, ChristchurchNZ, the Canterbury Employers' Chamber of Commerce and the Committee for Canterbury, along with a wider reference group of key stakeholders with whom we meet twice each year to review progress and priorities.⁷

Key drivers for our work together are:

- planning for population change the structural ageing of the population, and patterns of population growth and contraction that play out differently across our region, the South Island and New Zealand as a whole
- growing the underlying economy of Canterbury for when earthquake rebuild ceases to inflate economic activity and employment, with a particular focus on doing more with what we grow value-added production for export
- positioning Christchurch, Canterbury and the South Island for prosperity and as a counterweight to Auckland and the north – as a contribution to the resilience of the country as a whole and to lift living standards for all New Zealanders.

- integrated regional transport planning and investment led by Mayor Winton Dalley
- digital connectivity in rural Canterbury led by Mayor Damon Odey

⁴ Our work delivers on the Canterbury Local Authorities Triennial Agreement 2017–19 and Mayoral Forum Charter of Purpose. Further information is available on our website at <u>www.canterburymayors.org.nz</u>.

⁵ <u>http://canterburymayors.org.nz/creds/</u>

⁶ <u>http://www.cwms.org.nz/</u>

⁷ ChristchurchNZ produces an indicators report for these forums, which we use to assess progress in achieving agreed objectives. See <u>http://canterburymayors.org.nz/creds/</u>.

- sustainable freshwater management led by Steve Lowndes, Acting Chair, Environment Canterbury
- education and training for a skilled workforce led by Mayor David Ayers
- newcomer and migrant settlement led by Mayors Donna Favel and Sam Broughton
- value-added production led by Mayor Craig Rowley
- regional visitor strategy led by Mayors Winston Gray, Sam Broughton and Graham Smith.

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Mayor/Chair	Council	Mobile phone	Email
Lianne Dalziel (Chair)	Christchurch City	027 548 0644	lianne.dalziel@ccc.govt.nz
Damon Odey (Deputy Chair)	Timaru District	027 201 1920	damon.odey@timdc.govt.nz
Donna Favel	Ashburton District	027 540 7170	donna.favel@adc.govt.nz
Steve Lowndes	Environment Canterbury	027 668 0136	steve.lowndes@ecan.govt.nz
Winton Dalley	Hurunui District	029 770 2866	winton.dalley@hurunui.govt.nz
Winston Gray	Kaikōura District	027 434 5037	winston.gray@kaikoura.govt.nz
Graham Smith	Mackenzie District	027 228 5588	mayor@mackenzie.govt.nz
Sam Broughton	Selwyn District	027 223 8345	sam.broughton@selwyn.govt.nz
David Ayers	Waimakariri District	027 648 5677	david.ayers@wmk.govt.nz
Craig Rowley	Waimate District	027 839 7413	mayorcraigrowley@waimatedc.govt.nz
Gary Kircher	Waitaki District	021 463 546	gkircher@waitaki.govt.nz
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Secretariat	Dr David Bromell	027 839 2708	secretariat@canterburymayors.org.nz
Website	Website http://canterburymayors.org.nz/		

самтеквику Mayoral Forum

A strong regional economy with resilient, connected communities and a better quality of life, for all.

28 November 2017

Hon David Parker, Minister for Economic Development; Minister for Trade and Export Growth Hon Iain Lees-Galloway, Minister of Immigration Hon Jenny Salesa, Minister for Ethnic Communities Hon Damien O'Connor, Minister of Agriculture; Minister for Rural Communities Hon Shane Jones, Minister for Regional Economic Development Hon Willie Jackson, Minister of Employment

d.parker@ministers.govt.nz i.lees-galloway@ministers.govt.nz j.salesa@ministers.govt.nz d.o'connor@ministers.govt.nz s.jones@ministers.govt.nz w.jackson@ministers.govt.nz

Dear Ministers

Newcomer and migrant settlement in Canterbury

The Canterbury Mayoral Forum congratulates you on your appointments as Ministers, and we look forward to working with you and your officials to progress our common interests and objectives during this parliamentary term.

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Newcomer and migrant settlement is one of seven CREDS work programmes. The work programme is led by Donna Favel and Sam Broughton, Mayors of the Ashburton and Selwyn District Councils respectively.

The objective of this work programme is: Skilled workers, cohesive communities – newcomer and migrants are attracted to Canterbury and feel welcomed and supported to settle quickly and well, contribute in the workforce and call Canterbury home.

Mayors standing together for Canterbury.

Secretariat, E: secretariat@canterburymayors.org.nz W: www.canterburymayors.org.nz C/- Environment Canterbury, PO Box 345, Christchurch 8140 T: 03 345 9323

Ashburton District Council • Canterbury Regional Council • Christchurch City Council • Hurunui District Council Kaikōura District Council • MacKenzie District Council • Selywn District Council • Timaru District Council Waimakariri District Council • Waimate District Council • Waitaki District Council

An ageing population

Canterbury has a higher median age (38.4 years) than New Zealand as a whole (37.0 years). Across our region, the median age ranges from 36.7 years (Christchurch City) to 47.2 years (Kaikōura District).¹ 16% of our region's population is aged 65+ years, and the proportion is as high as 23% in the south of our region.

A tight labour market

Across our region, we have a very tight labour market and are effectively operating at full employment. As the rebuild eases off in greater Christchurch, we have seen a marginal increase in the unemployment rate across the region as a whole, from 3.5% in the September quarter 2015 to 3.6% in September 2017 quarter (cf. 4.6% for New Zealand as a whole).²

Statistics New Zealand does not report Household Labour Force Survey data at the sub-regional level, but particularly in mid- and South Canterbury, we estimate that the unemployment rate is significantly less than 3%. We simply don't have enough people to do the jobs that are available. Unless we can grow our labour force through net domestic and international migration, a shortage of workers will put a brake on our regional economy and ability to contribute to export growth and national prosperity.

Modelling by ChristchurchNZ has shown that structural ageing and employment growth are driving demand for workers in Canterbury. Projections indicate that 72,545 current workers will retire by 2031 and 94,522 jobs will be created through economic growth, assuming historic growth rates continue. Taking projected natural increase/decrease into account, to maintain even modest economic growth we need, at minimum, 105,989 migrants (from New Zealand and overseas) over the next 15 years – equivalent to 6,624 new people moving to the region per annum. This is similar to post-quake migration levels and well above historic (3,500 per annum) levels.

By occupation, we need both high-skilled and low-skilled workers to replace those retiring.

We understand drivers behind a 'New Zealanders first' policy, and the view that temporary migration is for short-term labour market gaps. Canterbury employers are committed to providing attractive employment and training to New Zealanders. *But there are simply not enough New Zealanders in Canterbury who are available to work on our farms and in our businesses.*

Immigration policy for the regions

Canterbury leaders, businesses and communities welcome population growth. Immigration is vital to complement natural increase and internal migration in our region. Over the long term, it seems likely that global competition for people and their skills will only intensify. This makes 'people attraction' a crucial focus for regional development in Canterbury. Canterbury's Mayors have consistently advocated that immigration is key to our region's continued prosperity and to the health and vitality of our towns and communities.

We are also concerned to maintain social cohesion and good settlement outcomes for newcomers. To help us achieve this, we need immigration policy settings that do not create 'churn' of migrant workers by granting fixed-term working visas with no right of renewal or pathway to permanent

¹ Sub-national population estimates as at 30 June 2017.

² Household Labour Force Survey, not seasonally adjusted.

residence. Given the investment of employers in recruiting, inducting and training staff, and the effort it takes from both newcomers and host communities to achieve good settlement outcomes, we strongly prefer policy settings that enable permanence.

Measures designed to manage Auckland issues do not well serve our region, businesses or communities. We encourage you to develop immigration policy in light of regional needs, and to investigate the option of providing incentives for migrants to settle and remain in the South Island.

International students

We have received funding (\$40,000 over two years) from the Regional Growth Programme to expand Christchurch Educated's Job Ready programme in Canterbury, particularly in Timaru and South Canterbury. The programme leverages global talent (international students trained in New Zealand – focusing from 2018 on graduates at National Qualifications Framework Level 7 and above) to meet immediate and future labour shortages and support export-facing businesses with language and cultural competencies to expand or enter into trade with Asia.

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We invite you to consider the contribution international students trained in New Zealand can make to meeting skills shortages in the regions, and to trade and export growth.

Welcoming Communities

Canterbury is participating as one of five pilot areas in Immigration New Zealand's Welcoming Communities initiative. Welcoming Communities aims to make the places we love more welcoming for everyone. Communities that make newcomers feel welcome are likely to enjoy better social outcomes, greater social cohesion and stronger economic growth.

The Ashburton and Selwyn District Councils are providing a strong lead in this initiative, as districts that have experienced high rates of net international migration. Newcomer settlement is not a one-way street, and we are committed to building inclusive, cohesive communities where everyone can belong, succeed, contribute and feel 'at home'.

The Canterbury Mayoral Forum provides strong regional governance and looks forward to working with you to provide good government and create shared prosperity for New Zealand, its regions, communities and peoples. As you identify issues, opportunities and common interests, we warmly

invite you to make contact with us (a directory follows).

Yours sincerely

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Lianne Dalziel Mayor, Christchurch City Council Chair, Canterbury Mayoral Forum

Donna Favel

LA

Sam Broughton Mayor, Selwyn District Council

Donna Favel Mayor, Ashburton District Council

Joint lead Mayors, Newcomer and migrant settlement

Canterbury Mayoral Forum

The eleven local authorities of Canterbury are committed to 'flying in formation'. The Mayoral Forum comprises the Mayors of the ten territorial authorities and the chair of the regional council.³ We meet quarterly, and are supported by the Canterbury Chief Executives Forum, a number of other regional forums and working groups, and a permanent secretariat.

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Key drivers for our work together are:

- planning for population change the structural ageing of the population, and patterns of population growth and contraction that play out differently across our region, the South Island and New Zealand as a whole
- growing the underlying economy of Canterbury for when earthquake rebuild ceases to inflate economic activity and employment, with a particular focus on doing more with what we grow – value-added production for export
- positioning Christchurch, Canterbury and the South Island for prosperity and as a counterweight to Auckland and the north – as a contribution to the resilience of the country as a whole and to lift living standards for all New Zealanders.

- integrated regional transport planning and investment led by Mayor Winton Dalley
- digital connectivity in rural Canterbury led by Mayor Damon Odey

³ Our work delivers on the Canterbury Local Authorities Triennial Agreement 2017–19 and Mayoral Forum Charter of Purpose. Further information is available on our website at <u>www.canterburymayors.org.nz</u>.

^{4 &}lt;u>http://canterburymayors.org.nz/creds/</u>

⁵ <u>http://www.cwms.org.nz/</u>

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- education and training for a skilled workforce led by Mayor David Ayers
- newcomer and migrant settlement led by Mayors Donna Favel and Sam Broughton
- value-added production led by Mayor Craig Rowley
- regional visitor strategy led by Mayors Winston Gray, Sam Broughton and Graham Smith.

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Winton Dalley	Hurunui District	029 770 2866	winton.dalley@hurunui.govt.nz
Winston Gray	Kaikōura District	027 434 5037	winston.gray@kaikoura.govt.nz
Graham Smith	Mackenzie District	027 228 5588	mayor@mackenzie.govt.nz
Sam Broughton	Selwyn District	027 223 8345	sam.broughton@selwyn.govt.nz
David Ayers	Waimakariri District	027 648 5677	david.ayers@wmk.govt.nz
Craig Rowley	Waimate District	027 839 7413	mayorcraigrowley@waimatedc.govt.nz
Gary Kircher	Waitaki District	021 463 546	gkircher@waitaki.govt.nz
Secretariat	Dr David Bromell	027 839 2708	secretariat@canterburymayors.org.nz
Website	Website http://canterburymayors.org.nz/		

самтеквику Mayoral Forum

A strong regional economy with resilient, connected communities and a better quality of life, for all.

28 November 2017

Hon Kelvin Davis, Minister of Tourism Hon Grant Robertson, Minister of Finance Hon Phil Twyford, Minister of Transport Hon David Parker, Minister for Economic Development Hon Nanaia Mahuta, Minister of Local Government Hon Shane Jones, Minister for Infrastructure; Minister for Regional Economic Development

k.davis@ministers.govt.nz g.robertson@ministers.govt.nz p.twyford@ministers.govt.nz d.parker@ministers.govt.nz n.mahuta@ministers.govt.nz s.jones@ministers.govt.nz

Dear Ministers

Regional visitor strategy for Canterbury

The Canterbury Mayoral Forum congratulates you on your appointments as Ministers, and we look forward to working with you and your officials to progress our common interests and objectives during this parliamentary term.

Background information on the Mayoral Forum and its Canterbury Regional Economic Development Strategy (CREDS) is appended (Attachment 1), with a Mayoral Forum directory (Attachment 2).

Regional visitor strategy is one of seven CREDS work programmes. The work programme is led by Mayors Winston Gray (Kaikōura District), Sam Broughton (Selwyn District) and Graham Smith (Mackenzie District). The objective of this work programme is to: *Grow sustainable tourism that focuses on the high-end market, encourages a wider seasonal 'spread', disperses visitors across the region and South Island, and keeps them here longer.*

Canterbury is New Zealand's largest region by land area, and many of New Zealand's iconic images and 'must do' visitor attractions are to be found here – from Kaikōura in the north, to Waitaki in the south, and from Arthur's Pass and Aoraki/Mt Cook to the Pacific.

Mayors standing together for Canterbury.

Secretariat, E: secretariat@canterburymayors.org.nz W: www.canterburymayors.org.nz C/- Environment Canterbury, PO Box 345, Christchurch 8140 T: 03 345 9323

Ashburton District Council • Canterbury Regional Council • Christchurch City Council • Hurunui District Council Kaikõura District Council • MacKenzie District Council • Selywn District Council • Timaru District Council Waimakariri District Council • Waimate District Council • Waitaki District Council Christchurch is New Zealand's second-largest city. With its world-class international airport and central location it is both a gateway to Canterbury and the South Island and a destination in its own right.

Earthquakes in 2010–11 and 2016 significantly impacted on the visitor sector, and the region lost market share. We want to attract both domestic and international visitors back to Christchurch and Canterbury, and to welcome tourists who are visiting us for the first time.

Infrastructure and its funding

Growth in tourism does, however, come at a cost. Increased visitor flows may not be sustainable in some districts, particularly where less than optimal visitor dispersal coincides with the burden of providing and maintaining visitor infrastructure in districts with a small ratepayer base.

The focus has often been on provision and maintenance of public toilets, but visitor infrastructure provided by local government extends to rubbish disposal, drinking water, effluent dumping stations and wastewater treatment, bus and car parks, and the maintenance of local roads. Within our region, this challenge impacts particularly on the Kaikōura, Hurunui and Mackenzie Districts.

While Canterbury has benefited from the Regional Mid-sized Tourism Facilities Fund, and five of our ten territorial authorities have submitted applications to the first round of the Tourism Infrastructure Fund, we note that applying to grants funds like this comes with a high transaction cost for local government. In addition, districts are then left to rate, maintain and depreciate the infrastructure.

We welcome the commitment in the Labour–New Zealand First Coalition Agreement to investigate the drivers of local government costs and its revenue base.

When the Government proceeds with an inquiry into this, we look forward in due course to having an opportunity to submit on its terms of reference, which we will want to take account of the impact of growth in tourism on districts with a small ratepayer base, as well as demographic trends, and the challenges of climate change adaptation.

Rail and tourism in Canterbury

Two of KiwiRail's iconic Scenic Journeys run through our region: the Coastal Pacific (estimated to return to service in mid-2018), and the TranzAlpine.

Through the Regional Growth Programme, the Mayoral Forum has received \$50,000 to work with KiwiRail on the business case for reintroducing passenger services in the Christchurch–Invercargill rail corridor. The lead Mayor for this piece of work is Damon Odey, Mayor, Timaru District Council.

We see scope for expansion of rail to support our regional visitor strategy by, for example:

- investing in additional rolling stock for KiwiRail Scenic Journeys
- helping disperse tourists around the region, taking pressure off key tourist routes and improving road safety
- facilitating access to South Island Cycle Trails.

We urge the Government to consider opportunities to support sustainable growth in tourism by targeted investment in passenger rail services.

Cycleways

Canterbury's Mayors have supported the proposed Coastal Cycle Trail from Marlborough to Canterbury and the opportunity to construct this as part of reinstating SH1.

It will, of course, assist if carriage of bikes by train can provide a 'bridge' across the section south of Kaikōura where it is not practicable to construct a coastal cycle trail.

We urge your support for the Coastal Cycle Trail, and the tourism and employment opportunities this will create in Marlborough and Canterbury.

The Christchurch and Canterbury brand stories

The Mayoral Forum is working closely with ChristchurchNZ to develop a 'Christchurch story' and a 'Canterbury story' that align with each other, and with the 'NZ story'.

In June 2017, the Minister of Tourism and the Minister for Economic Development announced funding of \$110,000 from the Regional Growth Programme to take the Canterbury story to the next stage, and provide an open-source toolkit of marketing assets that the tourism sector, businesses, councils, educational organisations and other stakeholders can use to attract business, capital, skilled workers, students and visitors to Canterbury.

At the time of writing, MBIE has not yet released this funding to us. We understand this requires a final sign-off by the Minister for Economic Development.

We invite the Minister for Economic Development to authorise MBIE to release the funding announced by Ministers in June 2017.

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Yours sincerely

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Lianne Dalziel Mayor, Christchurch City Council Chair, Canterbury Mayoral Forum

Winston Gray Mayor, Kaikōura District

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Graham Smith Mayor, Mackenzie District

Mayor, Selwyn District Mayor, Joint lead Mayors, Regional visitor strategy

Sam Broughton

Canterbury Mayoral Forum

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Mayor/Chair	Council	Mobile phone	Email
Lianne Dalziel (Chair)	Christchurch City	027 548 0644	lianne.dalziel@ccc.govt.nz
Damon Odey (Deputy Chair)	Timaru District	027 201 1920	damon.odey@timdc.govt.nz
Donna Favel	Ashburton District	027 540 7170	donna.favel@adc.govt.nz
Steve Lowndes	Environment Canterbury	027 668 0136	steve.lowndes@ecan.govt.nz
Winton Dalley	Hurunui District	029 770 2866	winton.dalley@hurunui.govt.nz
Winston Gray	Kaikōura District	027 434 5037	winston.gray@kaikoura.govt.nz
Graham Smith	Mackenzie District	027 228 5588	mayor@mackenzie.govt.nz
Sam Broughton	Selwyn District	027 223 8345	sam.broughton@selwyn.govt.nz
David Ayers	Waimakariri District	027 648 5677	david.ayers@wmk.govt.nz
Craig Rowley	Waimate District	027 839 7413	mayorcraigrowley@waimatedc.govt.nz
Gary Kircher	Waitaki District	021 463 546	gkircher@waitaki.govt.nz
Secretariat	Dr David Bromell	027 839 2708	secretariat@canterburymayors.org.nz
Website	Website http://canterburymayors.org.nz/		

самтеквику Mayoral Forum

A strong regional economy with resilient, connected communities and a better quality of life, for all.

28 November 2017

Hon David Clark, Minister of Health

d.clark@ministers.govt.nz

Dear Minister

Canterbury and the District Health Boards

The Canterbury Mayoral Forum congratulates you on your appointment as Minister of Health. We look forward to working with you and your officials to progress our common interests and objectives during this parliamentary term.

Because the Canterbury region extends from Kaikōura District in the north to Waitaki District in the South, our councils are served by three district health boards (DHBs): Canterbury, South Canterbury and Southern.

Supporting earthquake recovery in greater Christchurch following the 2010–11 earthquakes, and in the Hurunui and Kaikōura districts following the November 2016 earthquakes, has been a priority for us.

Thank you for visiting the Canterbury District Health Board (CDHB) so soon after being sworn in as Minister of Health. We have noted reports of poor working relationships between the Ministry of Health and the Treasury, and between the Ministry of Health, the Treasury and the CDHB. The manner in which Treasury published advice on its website in July 2017 that was highly critical of the CDHB was of particular concern to us.

We urge central government to engage fairly and constructively with the CDHB, particularly in relation to how the Ministry's Population Based Funding Formula is applied in a context of disaster recovery and regeneration, and taking account of the significant influx of rebuild workers on special three-year visas, a marked increase in post-quake mental health issues, and a major rebuild programme.

More broadly, we do not want under-funding of services provided by our three DHBs, or dysfunctional relationships and poor communication, to result in poor health outcomes in our region or increased difficulty for our DHBs in attracting and retaining suitably qualified staff.

Mayors standing together for Canterbury.

Secretariat, E: secretariat@canterburymayors.org.nz W: www.canterburymayors.org.nz C/- Environment Canterbury, PO Box 345, Christchurch 8140 T: 03 345 9323

Ashburton District Council • Canterbury Regional Council • Christchurch City Council • Hurunui District Council Kaikōura District Council • MacKenzie District Council • Selywn District Council • Timaru District Council Waimakariri District Council • Waimate District Council • Waitaki District Council At the southern end of our region, particular concerns are the retention of funding for services at the Council-owned hospital in Oamaru, and getting the much-needed hospital rebuild in Dunedin underway.

If there is anything Canterbury's Mayors can do to facilitate a constructive way forward, or otherwise to support the achievement of good health outcomes across our region, please do make contact with us.

Background information on the Mayoral Forum and its Canterbury Regional Economic Development Strategy (CREDS) is appended (Attachment 1), with a Mayoral Forum directory (Attachment 2).

Yours sincerely

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Lianne Dalziel Mayor, Christchurch City Council Chair, Canterbury Mayoral Forum

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Gary Kircher Mayor, Waitaki District Council

Attachments:

- Canterbury Mayoral Forum and the CREDS
- Canterbury Mayoral Forum directory

Canterbury Mayoral Forum

The eleven local authorities of Canterbury are committed to 'flying in formation'. The Mayoral Forum comprises the Mayors of the ten territorial authorities and the chair of the regional council.¹ We meet quarterly, and are supported by the Canterbury Chief Executives Forum, a number of other regional forums and working groups, and a permanent secretariat.

We want to work with the Government to achieve a more productive economy in Christchurch, Canterbury and the South Island that supports higher living standards for all New Zealanders. With strong regional governance and well-established support mechanisms, we can trial or pilot initiatives and leverage our local knowledge and networks to help create a more prosperous and inclusive New Zealand.

Canterbury Regional Economic Development Strategy

Our vision for Canterbury is: a region making the most of its natural advantages to build a strong, innovative economy with resilient, connected communities and a better way of life for all.

To achieve this vision, we developed the *Canterbury Regional Economic Development Strategy* (CREDS) in 2015 and refreshed this in 2017 for the local government term 2016–19.² The CREDS builds on our experience of collaborative community governance of the Canterbury Water Management Strategy,³ which the Mayoral Forum initiated and continues to oversee. Our partners in the CREDS are Te Rūnanga o Ngāi Tahu, ChristchurchNZ, the Canterbury Employers' Chamber of Commerce and the Committee for Canterbury, along with a wider reference group of key stakeholders with whom we meet twice each year to review progress and priorities.⁴

Key drivers for our work together are:

- planning for population change the structural ageing of the population, and patterns of population growth and contraction that play out differently across our region, the South Island and New Zealand as a whole
- growing the underlying economy of Canterbury for when earthquake rebuild ceases to inflate economic activity and employment, with a particular focus on doing more with what we grow value-added production for export
- positioning Christchurch, Canterbury and the South Island for prosperity and as a counterweight to Auckland and the north – as a contribution to the resilience of the country as a whole and to lift living standards for all New Zealanders.

- integrated regional transport planning and investment led by Mayor Winton Dalley
- digital connectivity in rural Canterbury led by Mayor Damon Odey

¹ Our work delivers on the Canterbury Local Authorities Triennial Agreement 2017–19 and Mayoral Forum Charter of Purpose. Further information is available on our website at <u>www.canterburymayors.org.nz</u>.

² <u>http://canterburymayors.org.nz/creds/</u>

³ <u>http://www.cwms.org.nz/</u>

⁴ ChristchurchNZ produces an indicators report for these forums, which we use to assess progress in achieving agreed objectives. See <u>http://canterburymayors.org.nz/creds/</u>.

- sustainable freshwater management led by Steve Lowndes, Acting Chair, Environment Canterbury
- education and training for a skilled workforce led by Mayor David Ayers
- newcomer and migrant settlement led by Mayors Donna Favel and Sam Broughton
- value-added production led by Mayor Craig Rowley
- regional visitor strategy led by Mayors Winston Gray, Sam Broughton and Graham Smith.

Attachment 2: Canterbury	Mayoral Forum directory
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