



# Private Sector Leadership for Regional Development

September 2024

Supported by:



# Introduction

**The overall purpose of the Canterbury Regional Leadership Discussion session was to consider how, as a group of senior regional business owners and executives, we work together to champion leadership and bring greater collaboration between the private and public sector, iwi and education. An amplified voice enhances collective alignment, offering a chance to stretch for growth opportunities, set priorities, and sustain and build momentum and greater reach throughout the Canterbury region.**

The outcomes sought for the workshop were to establish a starting point. To get a high-level of understanding and alignment and to share ideas. To obtain commitment between attendees to collectively champion leadership between the private and public sectors that seeks alignment for a thriving Canterbury future, through a united voice.

With the region nearing the end of more than a decade of rebuild activity following the Canterbury Earthquakes, the region is in a strong economic position with a revitalised central city, new amenities across the region, a strongly diversified economy that leverages the natural resources available and a large business sector committed to continued investment in the region. Continuing to build on this momentum provides the opportunity for the Canterbury Region to secure a strong, resilient future and cement its position as Aotearoa's second city and major player in NZ Inc.

The forum was curated by Business Canterbury in partnership with Beca against the backdrop of the interface between economic growth and economic development, the critical role private sector plays in this space, and the current conversation around the Regional Deals activity. A live case example in how Auckland is activating their private sector leadership was worked through by City Shaping experts Patrick McVeigh and Rupert Hodson.

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# Context

Patrick McVeigh convened the session, talking of the challenges and head winds in our economy. He provided a brief insight into the importance of economic growth and development. He highlighted a variety of key measurables and the defined role of the private sector and the increasing requirements for private sector to lead or be involved and vocal in such initiatives.

His presentation provided examples of the progress cycles and the increasing maturity of cities and regions through these cycles. The presentation is partially represented in the following slides.

## WE ARE FACING A CHALLENGING ECONOMIC ENVIRONMENT

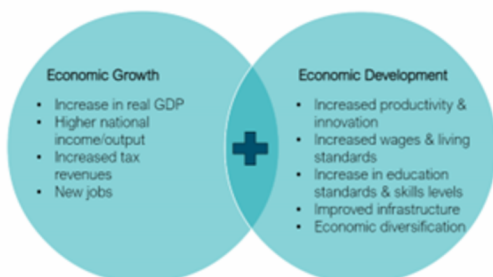
GDP Growth Slowing Annual Growth 0.6% Quarterly Growth -0.1%	Sluggish Productivity 2023 Annual Growth 0.4% 10-year average 0.7% pa	Inflation Rising 03/24 Yearly Change +4%
Employment Rate Falling 03/24 Quarter 68.4%	Unemployment Rising 03/24 Quarter 4.3%	Underutilisation Increasing 03/24 Quarter 11.2%

## IMPORTANCE OF ECONOMIC GROWTH AND DEVELOPMENT

While this is often a subject of discussion and debate, and while some of the key measures used are seen as imperfect, economic growth still matters

- 1 Generates wealth, raises living standards and increases choice
- 2 Generates jobs and lowers unemployment
- 3 Increases tax revenue, reduces government borrowing and improves public services
- 4 Encourages business investment, research and development and innovation
- 5 Can support sustainable development and environmental protection
- 6 Enables economic development and transition

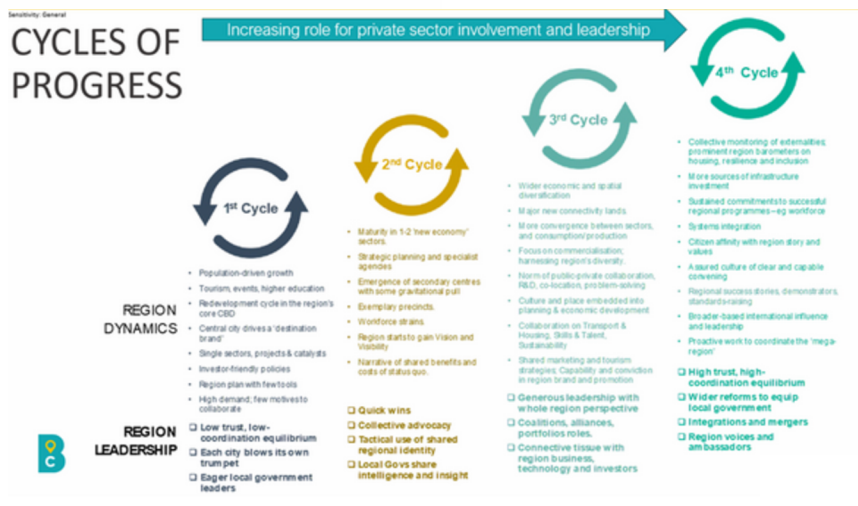
## ECONOMIC GROWTH AND ECONOMIC DEVELOPMENT ARE CLOSELY RELATED



## CRITICAL ROLE FOR PRIVATE SECTOR IN ECONOMIC DEVELOPMENT



## CYCLES OF PROGRESS



# Discussion

The key themes from the open discussion are summarised below. Contributions from all attendees have been included but not specifically attributed.

## Clear Vision

There was general consensus that a key component of the success and vibe of the region has been a direct result of this Blueprint for the City and Recovery Plans following the earthquakes. Strong alignment from the room that private sector led vision that could be aligned with public sector enablement could create an anchor point for the region. Creating a unified vision that includes whole-of-region perspectives to create clarity and defines regional drivers and priorities, helping to support further confidence and certainty for the private sector.

Such a vision would not only connect our region's rural sector to the vibrant city of Christchurch and beyond but also promote a clear understanding among central government of the region's drivers through the business sector's perspective, effectively articulating our value proposition.

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### Key aspects of this vision to include:

- Energy Infrastructure
- Transport Networks and Connections
- Accessibility and Public Transport
- Housing Supply
- Industry Attractiveness
- Retention of Talent
- Innovation and Scale

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A vision that celebrates our regions beginnings and achievements thus far, leverages lessons from past experiences, and identifies the critical path to sustain our momentum and build a resilient economy and the role we play in the New Zealand inc. story.



# Early thinking

The table below provides an overview of the key discussion points and some early thinking from the attendees in relation to the following key areas.

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## Energy Infrastructure

- With energy prices a significant and rising cost for business, increasing fuel in the system to stabilise the energy prices needs to be considered throughout the decarbonisation transition (e.g. gas could provide a stabilising impact). Risk to business and attracting industry if there is no certainty around energy pricing.
- Advocacy in supply chain to enable industry to get products to market more efficiently – specifically those exports that are already at a carbon/sustainability disadvantage due to Aotearoa's geographic location.

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## Transport Networks and Connections

- Strong and resilient networks. We have the basics in place but what is needed in the next 30-years to ensure we have the required level of connectivity across our communities and to move increased levels of exports.
- Preparedness of the networks to accommodate continued scaled growth in Selwyn and Waimakariri. (e.g. Lincoln, Rolleston, Rangiora could be future cities, are we planning for the inter-city connection – work in Sydney was used as an example where three 'cities' were created within the city with accessibility to education, health and transport facilities within 30 mins reach).
- Acknowledging the ability of the private sector to take risks/leverage investment opportunities when there is greater certainty that policy and legislation will not be upended every three years. Strong business sector support to lengthen political terms and/or gain bipartisan agreement on long term projects for the region.
- Christchurch is considered the gateway to the South Island how can we leverage to become the gateway to New Zealand.

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## Accessibility and Public Transport

- Leverage for greater 'ease of access' from the surrounding South Island to this region providing opportunity for import/export, business resilience and resilient corridors.
- Create a front door for the South Island for businesses to set up trade. What are the models needed to underpin this and what would help unlock this i.e. policy settings.



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## **Housing Supply**

- What is the type of density required across the region that will continue to play to our quality of life that is currently sought after and valued.
- Population growth is projected to continue in the region - there is land available and rezoning and planning for strategic growth is critical.
- Access to student accommodation or suitable housing surrounding our anchor universities will be essential in maintaining the level of service(s) being offered to students who contribute the regional economy and in turn are our future business owners/leaders.

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## **Industry Attractiveness**

- Regulators to facilitate effective and efficient consent processes that enable the private sector to invest and grow.
- Alignment of industry on what the region is willing to 'trade-off'.
- Advocate for bipartisan agreement across our region's priority industries (noted under Transport Networks and Connections as well).
- Identify, develop and leverage our resilience story – the past, here and now and looking to the future.

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## **Retention of Talent**

- Our universities are successfully attracting increasingly higher student numbers. How do we provide industry wrap around to cement this talent to this region after graduation?
- Acknowledgment of the anchor role our universities play in the region and the opportunity to further build deliberate partnerships in research and development anchoring our tertiary institutions to our city drivers and vision. (e.g. UC is the power educator of choice and have the only high voltage labs in NZ. A good news story when Transpower Christchurch is the fastest growing office for their business).
- Continue to create opportunity for the residing talent via the businesses that already call this region home.

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## **Innovation and Scale**

- Considered scale of farming and agri-business across the region and the impact it has on the regional economy. Consider the infrastructure assets that contribute to the success of this sector and risk to the future resilience and operation of those assets (e.g. irrigation schemes, aged road bridges, aged and limited rail infrastructure).
  - Planned sustainable growth that is supported by city-hub(s) - inbound, freight and export capacity.
  - Supported visitor growth targets that can bend and flex.
  - Include the rural sector/agri-business strong-holds (i.e. carrot seeds) to profile our unique offerings to the world. A united vision between our rural-folk and city-folk that articulates our points of difference.
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# Regional Deals in New Zealand

Albeit the initial tranche of the Regional Deals may not include our region, it does however present an opportunity for us to utilise the time to position well for subsequent tranches. The regional framework provides guidance in the private sector's role in this initiative and how to effectively include the private sectors broader regional agenda. Regional Deals calls for alignment and strong cross-sector collaboration.

## Understanding the risks

A high-level discussion was had within the group to undertake an exercise to better understand the risks to the region by 'not taking action'. They discussed that it would be a lost opportunity to not try to capitalise on the region's economic momentum particularly when many other regions are seeking to respond proactively to the Regional Deals Framework. Initial reoccurring emerging themes included:

- Resilience in our transport connection/network and the cost to private sector if it's not considered.
- Not having a regionally united voice that includes both the private and public sector perspective.
- Lack of central government ministers based regionally – where are our advocates/champions for greater investment in the region?
- Will our social amenities sustain the region's growth forecast as this plays into our livability and attractiveness.
- Ability to support growth in tourism across the region.

## Next steps

Action	Lead by	Time
Obtain private sector engagement and alignment	All	Ongoing
Engage with other key stakeholders	All	Ongoing
Vision Workshop with private sector and Canterbury Mayoral Forum	Business Canterbury	November
Launch joint plan	All	December