



## Weekly Report to the Minister for Regional Economic Development

For the period 7 May to 11 May 2018

<b>Date:</b>	11 May 2018	<b>Priority:</b>	Medium
<b>Security classification:</b>	In confidence	<b>Tracking number:</b>	3271 17-18

Action sought		
	Action sought	Deadline
Hon Shane Jones <b>Minister for Regional Economic Development</b>	Discuss at the next officials meeting	N/A
Fletcher Tabuteau <b>Parliamentary Under-Secretary to the Minister for Regional Economic Development</b>	Discuss at the next officials meeting	N/A

Contact for telephone discussion (if required)			
Name	Position	Telephone	
Ben Dalton	Head of Regions and Project Delivery	Privacy of	N/A
AJ Millward	General Manager Strategy and Governance	Privacy of	N/A
Robert Pigou	Acting Head of Investment	Privacy of	Privacy of

Ben Dalton

Acting Head of Provincial Development Unit

**Ministry of Business, Innovation and Employment**

# 1. PROVINCIAL GROWTH FUND UPDATES

## 1.1 Provincial Growth Fund weekly update

*Eliot Linforth-Hall*

Privacy of [REDACTED]

As at 9 May 2018, 164 projects have been lodged in PipeDrive. This is an increase of 30 from last week. Of the 164 projects, 77 are Expressions of interest (Eols) and 87 are applications. Officials will provide a fortnightly update on projects in PipeDrive.

## 1.2 Pipeline project – Kaikōura

*Abby Cheeseman*

Privacy of [REDACTED]

Officials are continuing to work with the Kaikōura District Council and the Canterbury Mayoral Forum on proposals for Kaikōura. The proposals are currently waiting to be submitted from the Council via the Mayoral Forum and are expected at the end of May 2018.

Minister Faafoi intends to visit Kaikōura on 15 May to meet with the Mayor and CE to discuss Kaikōura's earthquake recovery and funding.

# 2. PROVINCIAL DEVELOPMENT UNIT UPDATES

## 2.1 Visit to the Provincial Development Unit

*AJ Millward*

Privacy of [REDACTED]

On Thursday 17 May at 9.00am the Minister for Regional Economic Development and Under-Secretary Tabuteau will visit the Provincial Development Unit (PDU) at level 4, 160 Lambton Quay. The purpose of this visit is to meet members of the PDU. There will also be an opportunity to view PipeDrive, the cloud based system used to manage PGF projects.

# 3. REGIONAL ECONOMIC DEVELOPMENT INFORMATION

## 3.1 Forest Economic Advisors

*Robyn Henderson*

Privacy of [REDACTED]

As part of the Bay of Plenty Action Plan, MBIE contracted Forest Economic Advisors (FEA) in 2016 to provide a global market analysis on engineered lumber products with special reference to opportunities for New Zealand. This initial work resulted in a retainer agreement for the 12 months to 30 January 2018 with FEA to further assess a number of prima facie opportunities. The retainer agreement provided access to FEA's services for both the Ministry for Primary Industries (MPI) and New Zealand Trade and Enterprise (NZTE), as well as MBIE. It also included an option to extend for a further year under the same conditions.

As part of its 2017 deliverables FEA had identified the potential for a large scale saw-mill to process logs into a range of products for export.

With the establishment of the PGF it was anticipated that the Government is likely to receive proposals to establish wood processing plants aimed at processing A-K (industrial) grade logs into added-value products for export. Given its responsibility for the PGF, MBIE consulted with MPI and NZTE and it was agreed that a study into the commercial dynamics (from an international perspective) of increasing the processing of logs in New Zealand into sawn timber products for export would be valuable to effectively evaluate proposals and/or identify commercial opportunities.

As the work is directly relevant to the portfolios of both the Minister for Regional Economic Development and the Minister of Forestry, MPI and NZTE agreed that utilising MBIE's existing contractual relationship with FEA would enable this work to be expedited more quickly than would otherwise be the case. MBIE's key role is as the contracting entity for the work on behalf of MPI and NZTE. MBIE is working closely with MPI's forestry unit and NZTE to ensure that the work done by FEA will meet the needs and be beneficial for our different agencies. Both MPI and NZTE have been involved in the shaping of this work and will continue to be involved, receive reports and provide feedback. This work will be complementary to the Indofur Wood Fibre report, as any opportunities identified by FEA would likely increase the supply of wood fibre by increasing the domestic processing of logs that would otherwise be exported.

### 3.2 Pakihiroa event debrief

*Hinemaui Rikirangi*

Privacy of [REDACTED]

The Pakihiroa pre-event to the Aotearoa Māori Business Awards, hosted by MBIE, was a success last Friday afternoon. Over 50 Māori business leaders and rangatani attended to hear from the winner of the Māori Entrepreneurial Leader Award, Maruhaeremuri Nihoniho.

The 'Pakihiroa' theme, meaning business sustainability (both in the sense of responsible business, and of sustaining and growing a business), resonated well with the audience, and we intend to repeat this theme in future events. Several sponsors approached MBIE after the event looking to join this event next year.

## 4. OTHER UPDATES

### 4.1 Support for the Estimates 2018 Briefing on 7 June 2018

*AJ Millward*

Privacy of [REDACTED]

Officials are drafting briefing material and collating a list of hot topics for the Regional Economic Development Estimates Hearing on the 7 June 2018. The briefing pack will be with your office on 25 May 2018, ahead of the preparation session on 28 May 2018.

### 4.2 MBIE's Modelled Territorial Authority Gross Domestic Product released, Thursday 10 May 2018

*Mark Gordon*

Privacy of [REDACTED]

The latest release of MBIE's experimental Modelled Territorial Authority Gross Domestic Product estimates brings the time series up to the year ended March 2017 (in line with Stats NZ's Regional GDP series for regional council areas). The series also includes a breakdown by industry sectors for all territorial authorities for the years 2000 to 2016. Some of the key results include:

- Wellington City (\$112,700) had the largest GDP per capita in the year ended March 2017. It was followed by South Taranaki (\$78,600) and New Plymouth (\$72,900), and then by Queenstown-Lakes (\$66,900) and Christchurch (\$65,600).
- The territorial authorities with the lowest per capita GDP were Kapiti Coast (\$22,200), Waimakariri (\$26,400), South Wairarapa (\$26,700), and Horowhenua (\$27,700).
- Over a five year period from year ended March 2012 to 2017, 54 of the 66 territorial authority regions experienced GDP per capita growth. The strongest growth was seen in Queenstown (+30.8 percent) and Marlborough (+30.2 percent). Though the strongest, Queenstown's GDP per capita growth was heavily offset by large population growth of +28.8 percent over the five years. Other regions growing robustly in GDP per capita were Christchurch (+25.4 percent), Waitomo (+24.1 percent), Whangarei (+24.0 percent), and

Invercargill (+23.8 percent).

The data is available on the MBIE website and can be explored in MBIE's Regional Economic Activity Tools (including the mobile app and web tool).

**Table 1: Fastest growing TA regions by nominal GDP per capita growth over 5 years (2012-17)**

Territorial authority regions	GDP per capita growth		GDP growth		Population growth	
	2012-17	2016-17	2012-17	2016-17	2012-17	2016-17
Queenstown-Lakes	30.8%	1.1%	68.5%	8.1%	28.8%	6.9%
Marlborough	30.2%	4.4%	34.9%	6.0%	3.6%	1.5%
Christchurch	25.4%	3.2%	34.7%	5.0%	7.4%	1.7%
Waitomo	24.1%	4.2%	27.2%	5.0%	2.5%	0.7%
Whangarei	24.0%	5.9%	34.3%	8.3%	8.3%	2.3%
Invercargill	23.8%	8.8%	27.6%	9.0%	3.0%	0.2%
Timaru	23.3%	4.1%	28.7%	5.0%	4.4%	0.9%
Tauranga	22.8%	6.5%	36.5%	9.3%	11.2%	2.6%
Carterton	22.5%	4.1%	33.4%	5.7%	8.9%	1.6%
Westland	22.4%	9.3%	26.0%	9.9%	2.9%	0.6%

Source: MBIE

## 5. UPCOMING PAPERS FROM THE PROVINCIAL DEVELOPMENT UNIT

Tracker Number	Title	Minister/USEC	Signed Out By	Date expected
3233 17-18	Briefing request for Tax Status on Economic Development Agencies	USEC	AJ Millward	15 May 2018
3304 17-18	Event briefing for meeting with Mark Butcher, CEO NZ Local Government Funding Agency Ltd	Minister Jones	AJ Millward	17 May 2018
TBC	Information for visit to Nelson/Christchurch/Invercargill: 28 May – 1 June	USEC	Stephanie Weller	18 May 2018
TBC	Event briefing required to support the Ministers meeting with Minister Ron Mark and Mel Poulton from Connect Tararua 22 May	Minister Jones	Stephanie Weller	18 May 2018
3006 17-18	How tourism funding interacts with the Provincial Growth Fund (PGF)	Minister Jones	Richard Davies	22 May 2018
3236 17-18	PGF advice – how do existing funds work with the PGF	Minister Jones	AJ Millward	22 May 2018
2473 17-18	Māori Innovation Fund: briefing on governance arrangements and priorities for 2018/19	Minister Jones	Hinemaui Rikirangi	23 May 2018
3285-17-18	RED delegated Ministers meeting	Minister Jones/USEC	Ben Dalton	23 May 2018
3285 17-18	Meeting with Andrew Hamilton, CEO The Icehouse	USEC	Robert Pigou	24 May 2018
3303 17-18	Estimates 2018	Minister Jones	Ben Dalton	25 May 2018
TBC	Information for visit to the Bay of Plenty: 5-9 June	USEC	Stephanie Weller	28 May 2018
2823 17-18	Ongoing resourcing for the PDU and other agencies to administer the PGF	Minister Jones	Ben Dalton	30 May 2018
TBC	Towoonba and Surat Basin Enterprise conference opening in Auckland	USEC	AJ Millward	31 May 2018
TBC	Kōkiri Māori accelerator in Auckland	USEC	Hinemaui Rikirangi	31 May 2018
2824 17-18	Draft Investment Statement	Minister Jones	Ben Dalton	30 May 2018
TBC	Event briefing requested for meeting with Tourism Export Council NZ	USEC	Richard Davies	7 June 2018
TBC	Information for visit to Masterton/Palmerston North: 22-23 June	USEC	Stephanie Weller	8 June 2018
TBC	Information for visit to Northland 29 June	USEC	Stephanie Weller	21 June 2018
TBC	Cabinet paper seeking further decisions on the PGF	Minister Jones	Nigel Bickle	14 June 2018
TBC	Bay of Connections Annual Forum	Minister Jones	Stephanie Weller	TBC July 2018

## 6. UPCOMING EVENTS AND MEETINGS

Date	Details	Minister/USEC	Briefing
15 May 2018	Ministers Robertson, Davis, Twyford re: Queenstown infrastructure	Minister Jones	Tourism policy to prepare a briefing
16 May 2018	Northland announcements meeting	Minister Jones	Officials to attend
17 May 2018	Visit to the Provincial Development Unit	Minister Jones/USEC	N/A
18 May 2018	Ōpōtiki meeting	Minister Jones	Briefing to be provided and officials to attend
21 May 2018	NZ Local Government Funding Agency Ltd, Mark Butcher CEO	Minister Jones	Briefing due 17 May
22 May 2018	Meeting with Minister Ron Mark and Mel Poulton from Connect Tararua	Minister Jones	Briefing due 18 May
24 May 2018	Hon Ron Mark, Mayor Tracey Collis and Mel Poulson re Connect Tararua Project	Minister Jones	Briefing due 18 May
28 May 2018	MBIE officials – Estimates hearing preparation	Minister Jones	Briefing due 25 May
28 May 2018	Regional Economic Development Ministers Meeting	Minister Jones	Briefing due 24 May
28 May – 1 Jun 2018	Visiting Nelson/ Christchurch/ Invercargill	USEC	Briefing due 18 May
31 May 2018	Meeting with Andrew Hamilton, CEO The Icehouse in Parnell	Minister Jones	Briefing due 24 May
1 Jun 2018	Northland announcements	Minister Jones	Briefing due 27 May
5-9 Jun 2018	Visiting the Bay of Plenty	USEC	Briefing due 28 May
12 Jun 2018	Toowoomba and Surat Basin Enterprise Conference opening in Auckland	USEC	Briefing due 31 May
14 Jun 2018	Meeting with Tourism Export Council NZ	USEC	Briefing due 7 June
15 Jun 2018	Kōkiri Māori accelerator in Auckland	Minister Jones/USEC	Briefing due 31 May
15 Jun 2018	Site visit to MBIE Auckland offices	USEC	N/A
18 Jun 2018	Independent Advisory Panel meeting	For information	N/A
22 Jun 2018	Launch of Pakihi	Minister Jones/USEC	Briefing to be provided
22 Jun 2018	Visiting Masterton/Palmerston North	USEC	Briefing due 8 June
29 Jun 2018	Visiting Northland	USEC	Briefing due 21 June
30 Jun 2018	Launch of the Wairarapa Economic Strategy	Minister Jones/USEC	Briefing to be provided
TBC Jun 2018	Hawkes Bay Matariki Event	Minister Jones/USEC	Briefing to be provided
TBC Jul 2018	Bay of Connections Forum	Minister Jones/USEC	Briefing to be provided
23 & 24 Aug 2018	Waikato Economic Summit	Minister Jones/USEC	Briefing to be provided

## 7. MEDIA AND COMMUNICATIONS SCHEDULE – RED and ED

Date	Details	Communications material
18 May	Ōpōtiki Harbour Project investment announcement	Minister Jones' office will be provided with communications material
1 June	Multiple Northland-related investment announcements	Minister Jones' office will be provided with communications material
25 June	TBC - Matariki announcements	Minister Jones' office will be provided with communications material
TBC – July	Provincial Growth Fund Investment Statement	Minister Jones' office will be provided with communications material
TBC	Ruapehu Alpine Lifts investment	Minister Jones' office will be provided with a draft media release
TBC	Bay of Plenty event and announcement on Visitor Economic Strategies	Minister Jones' office will be supplied with press release and supporting communications material

PROACTIVELY RELEASED



## 8. MINISTERIAL SERVICING

### 8.1 Written Parliamentary questions

Member	Tracker	Question	Date due to Minister's Office	Date due for reply
Hon Paul Goldsmith	PQ 10003 (2018)	Approximately how many hours were spent by Ministry of Business, Innovation and Employment staff working on the internal review into the Renew Energy waste-to-energy scheme?	15 May 2018	16 May 2018
Hon Paul Goldsmith	PQ 10004 (2018)	How many Ministry of Business, Innovation and Employment staff worked on the internal review into the Renew Energy waste-to-energy scheme?	15 May 2018	16 May 2018
Hon Paul Goldsmith	PQ 10005 (2018)	What is the average salary of Ministry of Business, Innovation and Employment employees who worked on the internal review into the Renew Energy waste-to-energy scheme?	15 May 2018	16 May 2018
Hon Paul Goldsmith	PQ 10006 (2018)	What is the estimated cost, in dollar terms, of the internal review into the Renew Energy waste-to-energy scheme?	15 May 2018	16 May 2018
Hon Paul Goldsmith	PQ 10007 (2018)	What is the estimated time spent by Ministry of Business, Economic Development and Employment staff on supporting the administration of the Independent Advisory Panel 'as and when required', to date?	15 May 2018	16 May 2018
Hon Paul Goldsmith	PQ 10008 (2018)	How many staff, both individual and full-time equivalent, has the Ministry of Business, Economic Development and Employment assigned in total to date to support the administration of the Independent Advisory Panel?	15 May 2018	16 May 2018
Hon Paul Goldsmith	PQ 10010 (2018)	How many staff, both individual and full-time equivalent, does the Ministry of Business, Economic Development and Employment currently have to support the administration of the Independent Advisory Panel?	15 May 2018	16 May 2018

### 8.2 Departmental Official Information Act requests

Tracking number	Requestor	Summary of request	Date due to Minister's Office	Date due to requestor
1718-1349	Privacy of [REDACTED]	Any advice given to the govt or any minister assessing the risk and or benefits of the Provincial Growth Fund including but not limited to memos, letters, reports or briefing papers.	17 May 2018	26 Apr 2018
1718-1380	Privacy of [REDACTED]	Any emails or other correspondence with the Serious Fraud Office relating to or referencing an investigation or inquiry into Privacy of [REDACTED]	15 May 2018	22 May 2018



Tracking number	Requestor	Summary of request	Date due to Minister's Office	Date due to requestor
1718-1391	Privacy of [REDACTED]	All documentation prepared for Ministers, the Cabinet, or the Independent Advisory Panel in relation to all approved projects under the Provincial Growth Fund, and All internal MBIE emails in relation to the approval of the 'waste-to-energy plant' in the Buller District and the 'Manea Footprints of Kupe Cultural Heritage and Education Centre' in Hokianga projects since the Provincial Growth Fund was announced by the Government	8 May 2018	15 May 2018
1718-1071	Privacy of [REDACTED]	All information regarding the Renew Energy waste management project in Buller	16 May 2018	23 May 2018

### 8.3 Ministerial Official Information Act requests

Tracking number	Requestor	Summary of request	Date due to Minister's Office	Date due to requestor
SJOIA69	Privacy of [REDACTED]	A copy of event briefing titled "Launch of the Taranaki Regional Economic Development Action Plan – Tapuae Roa Make Way For Taranaki", dated 3 April 2018	18 May 2018	25 May 2018
SJOIA70	Privacy of [REDACTED]	A list of all briefings, reports, aide memoirs, weekly bullets/reports, and memos received by the Minister in his capacity as Forestry, Infrastructure & Regional Development Minister between 1 April 2018 and 30 April 2018	22 May 2018	29 May 2018
SJOIA59	Privacy of [REDACTED]	Minutes recorded and any notes taken during the Ministers meetings with Ministers Robertson and Parker and Advisors on March 20, Meeting with Minister Robertson, Parker and Twyford on 21 March, and Meeting with MBIE Weekly officials meeting 22 March with Minister Robertson, Treasury and MBIE officials	24 May 2018	31 May 2018
SJOIA58	Privacy of [REDACTED]	Minutes recorded and any notes taken during the Ministers meetings with MBIE head of Regional Economic Development on March 13, Meeting with PGF Independent Advisory Panel 13 March and Meeting with Ngai Tahu Representatives	24 May 2018	31 May 2018
SJOIA60	Privacy of [REDACTED]	Minutes recorded and any notes taken during the Ministers meetings with Minister Faafoi, Rino Tirikatene MP, Kaikoura Mayor Winston Gray, KDC Chief Executive Angela Oosthuizen and Hurunui Mayor Winton Dalley on 6 March	24 May 2018	31 May 2018

Tracking number	Requestor	Summary of request	Date due to Minister's Office	Date due to requestor
SJOIA61	Privacy of	Minutes recorded and any notes taken during the BNZ/NAB Board and Client Dinner - 6 March 2018, Meeting with Mayor and CE of Kaikoura District Council, 6 March, Taranaki Economic Actions Plan – Proposals for consideration, New Zealand Initiative Retreat 8 March, Event Briefing - LGNZ meeting 8 and 9 March, Regional Economic Development Weekly Report week Ending 9 March 2018	24 May 2018	31 May 2018
SJOIA62	Privacy of	Regional Economic Development Weekly Report week Ending 16 March 2018, Agenda RED Officials Meeting 21 March 2018, External Permanent and Long-Term Migration - February 2018, Treasury Report: Treasury Publications, RED Estimates Briefing, Regional Economic Development Weekly Report week Ending 23 March 2018	24 May 2018	31 May 2018
SJOIA63	Privacy of	Briefing to support the Minister in Economic Development Workstream Meeting, briefing to support the Minister in Infrastructure workstream meeting, NZTE Provincial Growth Fund meeting, Agenda - Weekly MBIE Officials meeting, National Survey of Employers 2016/17, Event Briefing: Employers and Manufacturing Association, Leasehold Products to Assist Households in Home Ownership	24 May 2018	31 May 2018
SJOIA71	Privacy of Nat	Costs relating to the Independent Advisory Panel, including travel/accommodation, remuneration, anticipated number of meetings and length of time of the panel	29 May 2018	5 Jun 2018