

Manawatū-Whanganui Region (Post-COVID-19) Economic Recovery Strategy

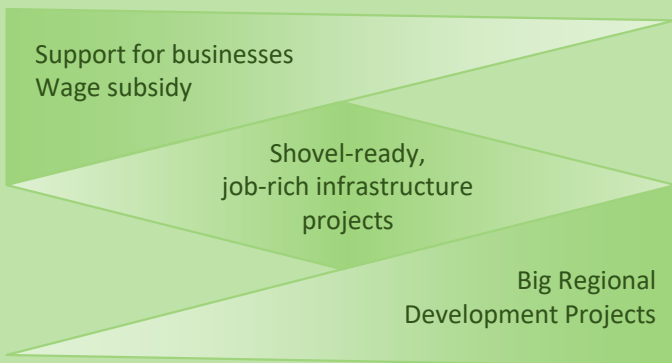
“WHAT”

3 Phases

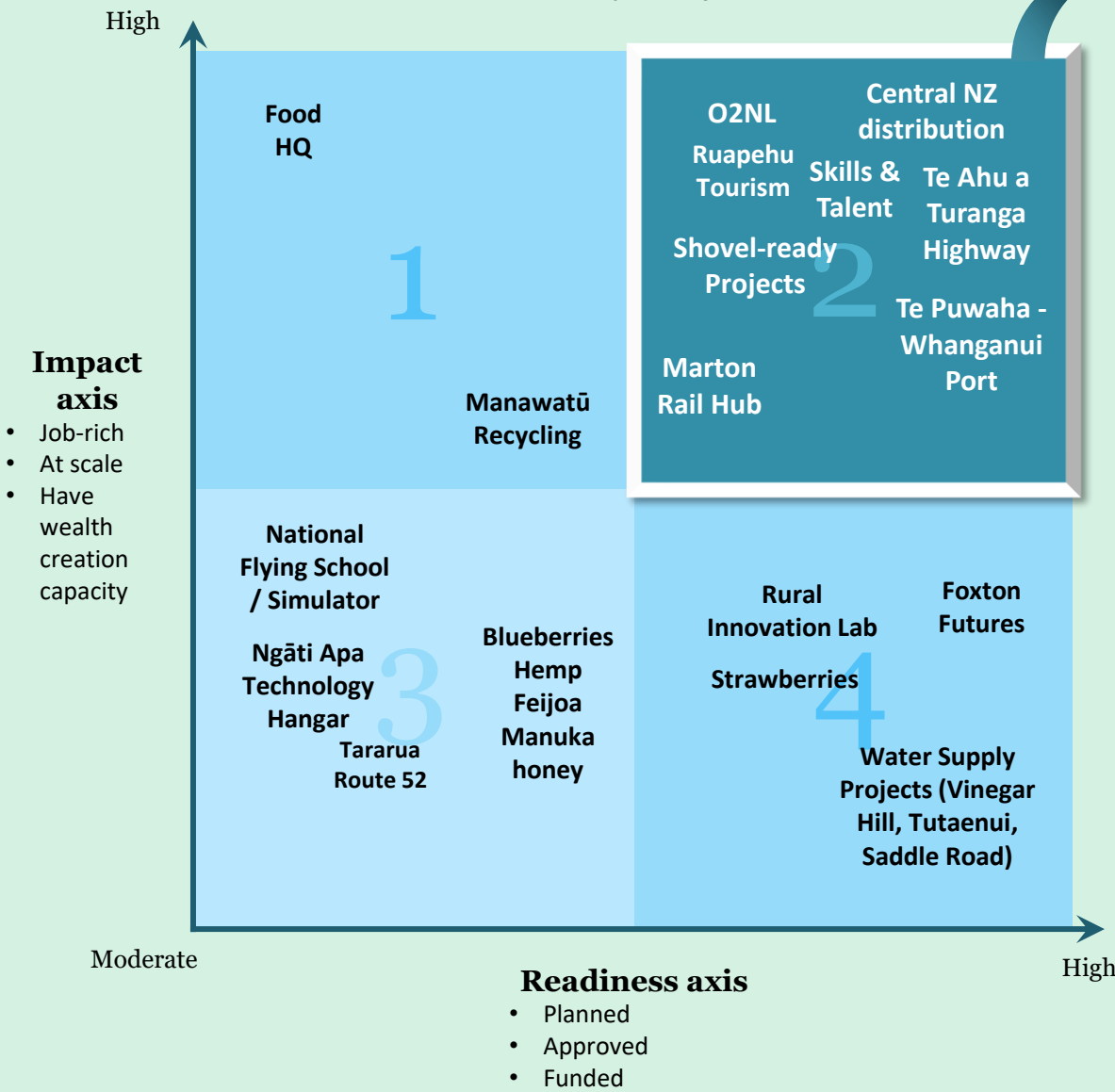
- Survive** - Keep people in their jobs; keep businesses alive
- Revive** - Keep people in work; provide work for businesses suffering from the COVID downturn
- Thrive** - Create new, valuable jobs. Build vigorous, productive businesses. Achieve ambitious regional goals.

3 Work Plans

- Survive** 0-6 months
 - Short-term
 - Cash
 - Advice
- Revive** 6-12 months
 - Medium-term
 - Jobs
 - Businesses
- Thrive** 12+ months
 - Long-term
 - Resilience
 - Future-proof



Priority Projects



Box 2 – Project Detail

Projects	\$ Investment	Estimated Jobs	Impact
Central NZ distribution – Regional Freight Ring Road and Central North Island Freight Hub - significant development project: new KiwiRail distribution hub, new regional freight ring road <i>Lead: PNCC – Heather Shotter</i>	c. \$3-3.5 billion (public and commercial)	c. 350 for construction	Freight efficiency and connectivity across central New Zealand and ports, reduced freight costs, reduced carbon emissions, major wealth and job creation
SH1 – Otaki to North of Levin (O2NL) – major new alignment for SH1 around Levin <i>Lead: Horowhenua District Council – David Clapperton</i>	c. \$800 million	c. 300 over 5 years for construction	Critical north-south connection, freight efficiency, safety and hazard resilience, major wealth and job creation through processing, manufacturing and logistics growth
Ruapehu Tourism - increasing Tourism revenue from \$180m to \$400m per year <i>Lead: Ruapehu District Council – Warren Furner</i>	c. \$300 - \$400 million	Retain c150, Create c750	Facilities and tourism services development throughout Ruapehu and wider supporting region
Te Puwaha- Whanganui Port - major project with port redevelopment, marine precinct, skills hub, all guided by Tupua te Kawa <i>Lead: Whanganui District Council – Kim Fell</i>	c. \$200 million	c. 100 for construction	Enabling marine servicing and manufacturing, regeneration of industrial area, enhance health and wellbeing of the Whanganui River, significant job, skills and training opportunities
Te Ahu a Turanga Highway (Manawatū George Highway replacement) - key national arterial link east-west <i>Lead: NZTA – Lonnie Dalziel</i>	c. \$600-700 million	c.350 for construction	Critical east – west connector, freight efficiency, safety, major wealth and job creator during and post construction
Shovel-ready Projects - significant bundle of 88 environmental and infrastructure projects across the region <i>Leads: Various</i>	c. \$1 billion	c.15,000	Critical focus is on job creation, infrastructure improvement and environmental sustainability
Marton Rail Hub – significant opportunity linked to forestry logistics and products <i>Lead: Rangitikei District Council – Peter Beggs</i>	c. \$14.5 million	c.90 for construction and rail hub operations	Key stimulator of forestry logistics and manufacturing opportunities
Skills & Talent – Regional leadership and coordination; local projects. <i>Significant skills projects established across the region with central coordination through Regional Skills and Talent Leadership Group</i>	Operational cost only	Enabling role	Directly matching labour opportunities and demands with people; strong effective regional network covering iwi / Maori, business, EDAs, government

“WHY”

What has the A25 Refresh work told us about how we should work together?

Our leaders tell us:

- Have ambition for the future
- Be a joined-up region with a common voice to Government
- Take a region-wide approach – no one left behind
- Use both economic and social wellbeing indicators
- Get out of our silos and collaborate, but stick to our swim lanes
- Have a coordinated/common approach to government
- The importance of Iwi/Māori to the projects and the region’s economic future

What has the A25 Refresh work told us about our priorities?

We can create a strong regional comparative advantage with an ambition beyond the ordinary:

- Enhanced agriculture AND Food-tech expertise
- Transport AND a vision of a Central NI hub
- Restored tourism AND connection to the NZ lifestyle
- Emerging Māori economy AND an accelerated approach
- Basic training AND a focus on a high-skilled workforce
- Enhanced agricultural productivity AND an enhanced, sustainable environment

“HOW”

Optimising success by:

- Having a focus and a plan
- Utilising key data on economic and social impacts of COVID-19
- Connection to Central Government
- Strong connection with industry and the private sector
- Working with Iwi/Māori throughout projects
- Visionary and robust regional projects
- Using government funding to leverage private sector investment for the long-term

The Long Term Destiny of the Region

The destiny of Manawatū-Whanganui is to be a growth centre at a national scale

The “Pillars”

Creating wealth in a sustainable future:

- **Sustainable food and fibre production** – nature-based strategies
- **Food-tech and agri-tech** – value-added production
- **Visitor/Tourism** – value over volume
- **Māori Economy** – Māori-driven enterprises
- **Specialised Services and Manufacturing** – e.g. National Simulator, Manfeild Centre, Whanganui Manufacturing Cluster

The “Bearers”

Supporting the creation of wealth; making it possible:

- **Transportation** – connection, hubbing, access
- **Education, learning and skills** – strengthening the labour market
- **Connectivity** – integrating the rural and urban areas
- **Community Infrastructure** – modernising ageing infrastructure e.g. Three Waters
- **Energy and environmental sustainability** – e.g. Manawatū Recycling Centre, wind and hydrogen power

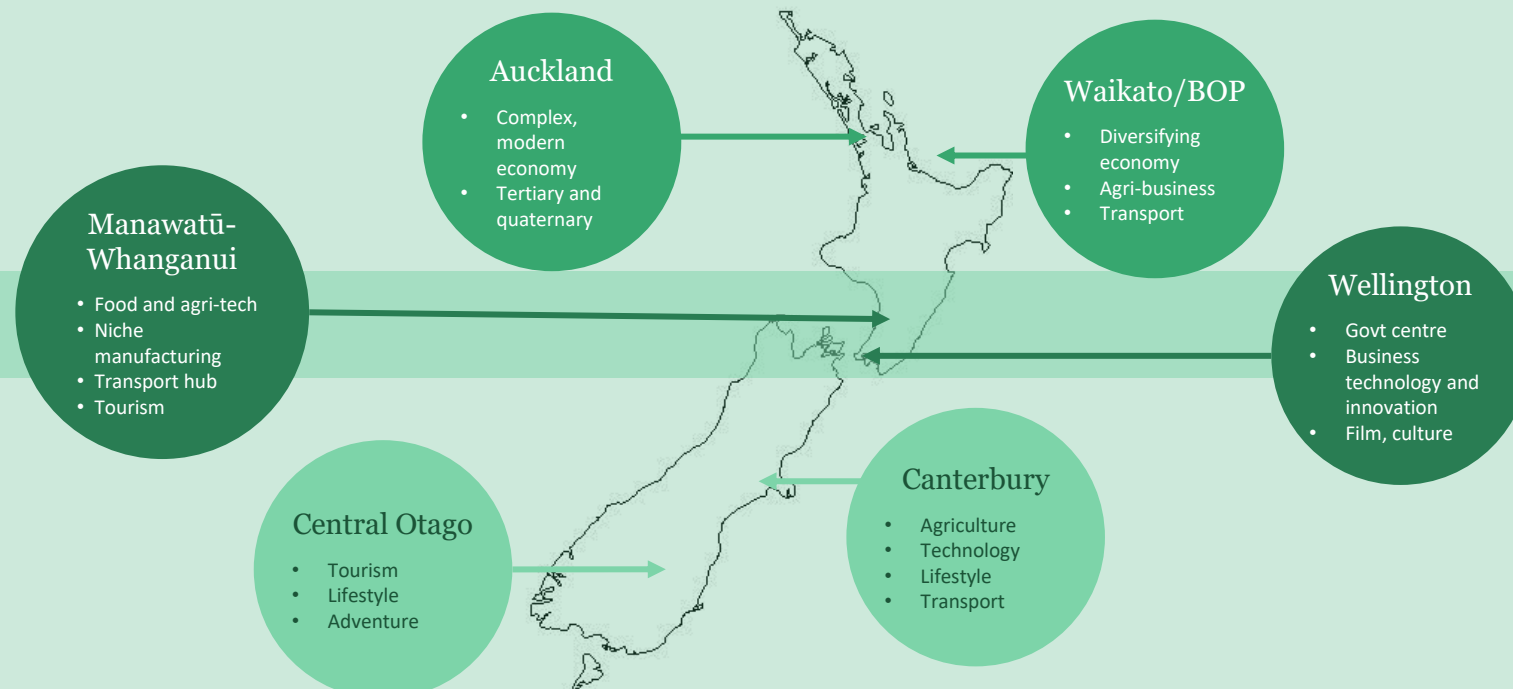
Activating Central Government channels, through:

- Senior Regional Official
- Recovery and economic growth funds
- Public sector lead
- Senior public servants
- Political relationships

Partnering for success by everyone playing their role:

- Working closely together with industry, Iwi/Māori, local and central government.
- Staying in our swim lanes
- Sharing resources
- Sharing success and credit

A Glimpse of the Future - New Zealand’s “Growth Bubbles”



What are our roles?

Survive

- Jobs and business retention
- EDAs, Chamber of Commerce and Government agencies (MSD, TPK, etc)

Revive

- Employment creation and business support
- Councils, EDAs, Iwi/Māori and Government agencies (PDU, MPI, TPK, NZTA, MBIE)

Thrive

- Create new valuable jobs and businesses in key areas
- Recovery Task Force/A25 - advocacy, support and connection for regional projects
- Better together – in partnership with leads, partnering for delivery with EDAs, sector groups, councils, Government agencies, Iwi/Maori agencies and private sector enterprises

Role of the Task Force/A25

- Championing of a regional vision
- Advocacy for a regional plan and priorities and Government resources
- Thought leadership and stakeholder connection
- Facilitation of formal partnerships, joint ventures and relationships

Priority Projects

Ruapehu Tourism

Project Owner / Leader: Warren Furner / Ruapehu District Council

Description of Project:

A range of key initiatives to unlock the significant tourism opportunity that exists across the Ruapehu district and greater Whanganui river area. The programme of work aims to lift visitor revenue from \$180 to \$400 million per annum by 2028.

The programme is based on two main focus areas:

1. Develop tourism infrastructure
2. Develop an aligned marketing platform

The initial components are:

- Development of five iconic visitor experiences:
 1. Pōkākā ecosanctuary
 2. Ohakune Mountain Bike Trail
 3. Ohakune Ngāti Rangī waharoa (National Park Gateway)

4. Tūroa Gondola
 5. Whanganui River Region infrastructure
- Establishment of a regional business model to lead development and management.
 - Increase promotional activity to grow awareness and further develop the Ruapehu 'Our Greater Outdoors' brand.
 - Connectivity investments in:
 1. KiwiRail increased capacity via the Northern Explorer
 2. Taupō Airport terminal
 3. Potential alternative mountain transport/carbon free national park

The overall objective is to achieve growth by enhancing the quality of the visitor experience, while sustaining environmental, wilderness and heritage values, and actively encouraging and assisting Iwi to achieve their aspirations.

Regional Benefits

The targeted increase in visitor expenditure from current \$180 million p.a to \$400 million p.a by 2028 will:

- Retain and create jobs
- Grow the population by 900

- Generate \$200 - \$300 million of commercial investment
- Support the development of ten new Iwi businesses

Estimated jobs to be created and over what period:

- Retention of c.150 current jobs under threat from COVID-19
- Creation of c.750 new jobs by 2028

\$ Investment:

\$300-400 million

Start date:

1 July 2018

Estimated completion date:

30 June 2028

Regional Freight Ring Road and Central North Island Freight Hub

Project Owner / Leader: Heather Shotter, Palmerston North District Council

Description of Project:

To develop a multi modal distribution hub that has become possible through the KiwiRail rail hub relocation and development of the regional freight ring road. The project is led by PNCC in close partnership with KiwiRail and NZTA. The components are:

- 120 ha new rail operational site
- 50 kms of roading circling the city, upgraded to State Highway status and including a new bridge crossing of the Manawatū river
- Connectivity to Palmerston North airport one of the three New Zealand airfreight hubs
- A futureproof and fully integrated industrial development by PNCC

Regional Benefits

- Large scale increases in infrastructure and employment across the logistics, processing and manufacturing industries.
- Improved connectivity to enable the region to capitalise on its central geographic location and solidify its function as the premier central North Island business location and distribution hub.
- 66% carbon emissions savings as a result of the transition of road freight to rail.
- The aim of the project is to enable the lowest cost and fastest freight distribution system in New Zealand that meets and or exceeds the best in world standards. Achieving this will make Manawatū/ Whanganui very attractive to new national and international logistics, manufacturing and processing industry development.
- Palmerston North city will benefit by moving freight distribution out of the city, improving people focussed transportation, access and safety levels.

Estimated jobs to be created and over what period:

- 350 through the construction period

\$ Investment:

\$3 -3.5 billion (public and commercial)

Estimated start date:

2021

Estimated completion date:

2030

Priority Projects (cont.)

Ōtaki to north of Levin (O2NL) Expressway

Project Owner / Leader: David Clapperton, Horowhenua District Council

Description of Project:

Upgrade of State Highway 1 to an expressway from Ōtaki to North of Levin. This is a length of 24 kms which reaches 2km north of Levin.

The upgrade involves major widening and new highway development to realign the road that bypasses the heavily congested Levin town centre.

The investment is committed to build this four lane highway.

Regional Benefits

The decreased travel time from Wellington will make Horowhenua more easily commutable and can be expected to drive population and (therefore) economic growth through attracting industrial development.

Safety improves markedly for regional residents, along with drivers transiting through the region.

Foxton gets an additional visitor economy opportunity by becoming the first natural driving stop coming North from Wellington and the last stop driving South.

Estimated jobs to be created and over what period:

- 300 over 5 years for construction

\$ Investment:	Estimated start date:	Estimated completion date:
\$800 million	2025	2029

Te Puwaha - Whanganui Port

Project Owner / Leader: Kim Fell, Whanganui District Council

Description of Project:

To restore the Whanganui river structure and health, regenerate the Whanganui industrial area and stimulate the marine servicing and manufacturing sectors.

This project is guided by Tupua te Kawa, the innate values of Te Awa Tupua and managed via a true community-based governance group.

The project is to develop, via key investment, a future-proofed industrial and recreational environment at the head of the Whanganui river.

Components are:

- Shoring up the river embankments to solidify the current river course.
- Regeneration of the Whanganui port infrastructure, including docks and access.
- Development of the port precinct for recreational fishing and visitor usage.
- Support funding to marine industry companies

Regional Benefits

- This proposed infrastructure will support current marine services and coastal shipping and freight services.
- It will also encourage potential tenants in the marine industry, as well as from the seafood harvesting and processing sector, to consider co-locating and investing in the port.
- General industry investment will be able to be leveraged off the coastal and inland distribution infrastructure improvement.
- The Whanganui River precinct will be beautified for industry, recreation and community benefits.

Estimated jobs to be created and over what period:

- Over 300 new jobs

\$ Investment:	Estimated start date:	Estimated completion date:
Total investment is over \$50 million, funding from PGF, WDC, HRC, WDETT, Q-West and the Te Ara Mahi fund.	2020	2023

Priority Projects (cont.)

Marton Rail Hub

Project Owner / Leader: Peter Beggs, Rangitikei District Council

Description of Project:

The objective of the project is to regenerate and modernise the Marton rail hub, including developing an industrial land precinct. This is driven by the demand for timber logistics processing and manufacturing.

- New rail infrastructure to replace outdated layout.
- Roading connections to State Highways.
- Integrated industry development of wood movement and processing activity.

Components are:

- Transform rural land to 40ha zoned industrial.

Regional Benefits

- Efficient and lower cost transport options, boosting industry profitability.
- Increased returns from Iwi forest estate rentals attributable to proximity to the rail hub.
- Associated business flows and new investment in timber processing and manufacturing activity.
- Facilitation of reduced fossil fuel usage and emissions through bulk movement of timber from road to rail.
- General investment development through new industrial land availability that is strategically positioned to service central New Zealand

Estimated jobs to be created and over what period: • 90 though construction and rail hub operations

\$ Investment:	Estimated start date:	Estimated completion date:
\$14.5 million	August 2020	October 2021

Te Ahu a Turanga (Manawatū Gorge Highway Replacement)

Project Owner / Leader: Lonnie Dalziel, NZTA

Description of Project:

Construction of new highway between Manawatū and Tararua to replace the redundant Manawatū Gorge route, connecting eastern and central New Zealand.

This will safely transport vehicles across 11.5 kilometres with a general travel time of 12.5 minutes, compared with

the current 22 minutes.

Components are:

- A new four lane highway traversing a new route across the Ruahine Range.
- A new bridge crossing the Manawatū Gorge.
- Cycling and walking trails
- Tourist access sites spread along the new road.

Regional Benefits

- Decreased travel times and increased safety between Ashurst and Woodville, effectively bringing Tararua much closer to Palmerston North. This makes Tararua a more attractive place to both live and develop industry - which will integrate with the new
- distribution infrastructure.
- Build stronger economic and social links between Tararua and the wider Manawatū-Whanganui region.
- Attract tourism through incorporating Māori heritage and environmental features.

Estimated jobs to be created and over what period: • 350 for highway construction

\$ Investment:	Estimated start date:	Estimated completion date:
\$600 -700 million	October 2020	November 2024

Shovel-ready Projects

Project Owner / Leader: Eight Territorial authorities across the Manawatū-Whanganui region

Description of Project:

A bundle of 88 environmental and infrastructure projects across the region.

These projects have been brought forward to combat COVID-19 effects, and cover a range of areas.

Funding these projects will provide immediate employment within each area.

These projects are in response to Governments invitation to councils to submit proposals to the recovery fund.

Regional Benefits

- Immediate job creation, helping to sustain the regional economy
- Longer term infrastructure improvement and environmental sustainability' aligned to the region's planned priorities

Estimated jobs to be created and over what period: • 15,000 (for total application)

\$ Investment:

c. \$1billion. To date Government has announced \$148 million to support infrastructure, \$26.9 million to support flood control and \$18.5 million for environmental projects

Estimated start date:	Estimated completion date:
August 2020	December 2021