



**PAPAIOEA
PALMERSTON
NORTH
CITY**

PALMERSTON NORTH CITY COUNCIL

AGENDA

ECONOMIC DEVELOPMENT COMMITTEE

9AM, WEDNESDAY 16 MARCH 2022
COUNCIL CHAMBER, FIRST FLOOR, CIVIC ADMINISTRATION BUILDING
32 THE SQUARE, PALMERSTON NORTH

MEMBERS

Leonie Hapeta (Chairperson)

Vaughan Dennison (Deputy Chairperson)

Grant Smith (The Mayor)

Brent Barrett

Susan Baty

Rachel Bowen

Zulfiqar Butt

Renee Dingwall

Lew Findlay QSM

Patrick Handcock ONZM

Orphée Mickalad

Bruno Petrenas

Aleisha Rutherford

Ruma Karaitiana

AGENDA ITEMS, IF NOT ATTACHED, CAN BE VIEWED AT

pncc.govt.nz | Civic Administration Building, 32 The Square

City Library | Ashhurst Community Library | Linton Library

Heather Shotter

Chief Executive | PALMERSTON NORTH CITY COUNCIL

To Marae o Hine | 32 The Square
Private Bag 11034 | Palmerston North 4442 | New Zealand
pncc.govt.nz

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CITY

ECONOMIC DEVELOPMENT COMMITTEE MEETING

16 March 2022

ORDER OF BUSINESS

1. Apologies

2. Notification of Additional Items

Pursuant to Sections 46A(7) and 46A(7A) of the Local Government Official Information and Meetings Act 1987, to receive the Chairperson's explanation that specified item(s), which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded, will be discussed.

Any additions in accordance with Section 46A(7) must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

Any additions in accordance with Section 46A(7A) may be received or referred to a subsequent meeting for further discussion. No resolution, decision or recommendation can be made in respect of a minor item.

3. Declarations of Interest (if any)

Members are reminded of their duty to give a general notice of any interest of items to be considered on this agenda and the need to declare these interests.

4. Public Comment

To receive comments from members of the public on matters specified on this Agenda or, if time permits, on other Committee matters.

(NOTE: If the Committee wishes to consider or discuss any issue raised that is not specified on the Agenda, other than to receive the comment made or refer it to the Chief Executive, then a resolution will need to be made in accordance with clause 2 above.)

5. **Presentation - Humphries Construction and Racing Awapuni Combined Enterprise (RACE)** Page 7

6. **Presentation - Central Economic Development Agency (CEDA)** Page 9

7. **Presentation - Manawatū Chamber of Commerce** Page 11

8. **Confirmation of Minutes** Page 13
 "That the minutes of the Economic Development Committee meeting of 8 December 2021 Part I Public be confirmed as a true and correct record."

9. **Summary report on the December 2021 Quarterly Economic Monitor** Page 19
 Memorandum, presented by Peter Crawford, Economic Policy Advisor.

10. **International Relations and Education Update Report** Page 35
 Memorandum, presented by Gabrielle Nguyen, International Relations Manager.

11. **Health Care and Social Assistance Sector Profile 2021 and Logistics Sector Profile 2021** Page 47
 Memorandum, presented by Julie Macdonald, Strategy and Policy Manager.

12. **Committee Work Schedule** Page 105

13. Exclusion of Public

To be moved:

“That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as stated in the above table.

Also that the persons listed below be permitted to remain after the public has been excluded for the reasons stated.

[Add Third Parties], because of their knowledge and ability to assist the meeting in speaking to their report/s [or other matters as specified] and answering questions, noting that such person/s will be present at the meeting only for the items that relate to their respective report/s [or matters as specified].

PRESENTATION

TO: Economic Development Committee

MEETING DATE: 16 March 2022

TITLE: Presentation - Humphries Construction and Racing Awapuni Combined Enterprise (RACE)

RECOMMENDATION TO ECONOMIC DEVELOPMENT COMMITTEE

- 1. That the Economic Development Committee receive the presentation for information.**
-

SUMMARY

Paul Humphries from Humphries Construction and former Chairperson of Racing Awapuni Combined Enterprise (RACE) will present to the Committee on:

- housing and economic development
- what projects they are working on
- Racing Awapuni Combined Enterprise (RACE)

ATTACHMENTS

Nil

PRESENTATION

TO: Economic Development Committee

MEETING DATE: 16 March 2022

TITLE: Presentation – Central Economic Development Agency (CEDA)

RECOMMENDATION TO ECONOMIC DEVELOPMENT COMMITTEE

- 1. That the Economic Development Committee receive the presentation for information.**
-

SUMMARY

Jerry Shearman, Chief Executive of the Central Economic Development Agency (CEDA) will update the Committee on the work they have been doing on logistics.

ATTACHMENTS

Nil

PRESENTATION

TO: Economic Development Committee

MEETING DATE: 16 March 2022

TITLE: Presentation – Manawatū Chamber of Commerce

RECOMMENDATION TO ECONOMIC DEVELOPMENT COMMITTEE

- 1. That the Economic Development Committee receive the presentation for information.**
-

SUMMARY

Amanda Linsley, Chief Executive of the Manawatū Chamber of Commerce will update the Committee on the work they have been doing.

ATTACHMENTS

Nil

PALMERSTON NORTH CITY COUNCIL

Minutes of the Economic Development Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 08 December 2021, commencing at 1.06pm

Members Present: Councillor Leonie Hapeta (in the Chair), The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Bruno Petrenas, Aleisha Rutherford and Mr Ruma Karaitiana.

Non Members Present: Councillors Lorna Johnson, Billy Meehan and Karen Naylor.

Apologies: Councillors Lew Findlay QSM and Orphée Mickalad,

Councillor Susan Baty left the meeting at 1.25pm during consideration of clause 29. She entered the meeting again at 1.27pm after the consideration of clause 30. She was not present for clause 29.

27-21 **Apologies**

Moved Leonie Hapeta, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the Committee receive the apologies.

Clause 27-21 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Leonie Hapeta, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Ruma Karaitiana.

28-21 **Retail Health Check Profile – November 2021**

Memorandum, presented by Julie Macdonald, Strategy and Policy Manager.

Moved Leonie Hapeta, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the memorandum titled 'Retail Health Check Profile –

November 2021', be received for information.

Clause 28-21 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Leonie Hapeta, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Ruma Karaitiana.

29-21 Presentation - Andrew Heaphy

Andrew Heaphy, Plaza Director spoke on the retail health of the Plaza shopping centre. He made the following comments:

- Covid has distorted the numbers, the Plaza prefers to compare the 2019 year with 2021, to get a more accurate reflection on the health of the centre.
- Generally retail in the Plaza has bounced back but some services are struggling.
- Personal services sales have decreased by 30% and food outlets sales are struggling.
- Some well-known retailers have gone – Lush is only trading in the main centres and STA travel has ceased.
- Have noticed a change in shopping habits of the mature customer, with stores that cater for those shoppers experiencing lower sales.
- In terms of property, there are some vacancies in the Plaza. We are prepared to wait for a 'quality offer' and have pop up stores to fill the vacancies.
- Over the last year, there has been pressure on landlords for abatements to keep the tenants going. Rising rates has not helped and insurance premiums keep increasing (30-45%).
- Crime continues to be a problem with burglaries and vandalism causing a nuisance and adding to costs. Tenants are responsible for store security.
- The Plaza is not responsible for vaccines mandate passes as it is an essential service. Mandates are managed at the store level.

Councillor Susan Baty left the meeting at 1.25pm

Moved Leonie Hapeta, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the Economic Development Committee receive the presentation for information.

Clause 29-21 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Leonie Hapeta, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Ruma Karaitiana.

30-21 Presentation – Central Economic Development Agency (CEDA)

David Wright, Interim Chief Executive and Sarah Towers, Talent and Skills Officer provided an update on CEDA's current workstreams

They spoke on the following topics:

- Food Strategy - purpose of draft strategy is to identify the economic areas of the region which CEDA can capitalise on to exploit our competitive advantage.
- Central NZ Distribution Hub – Strategy is developed and is being implemented.
- Profiling the region – critical enabler of economic development.
- Regional identity brand being launched.
- NZ house and garden event scheduled for 2022.
- Talent and Skills - focus on infrastructure and construction; and food and fibre sectors. Sector profiles have been developed and 'talent-attraction' marketing campaign has begun for the infrastructure and construction industry in partnership with the sector. Campaign focusses on the lifestyle options of the region to attract workers.
- Defence force – relocation project for defence families into region with a focus on careers and transitioning outside of the force into other work.

Councillor Susan Baty entered the meeting again at 1.27pm.

Moved Leonie Hapeta, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the Economic Development Committee receive the presentation for information.

Clause 30-21 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Leonie Hapeta, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Ruma Karaitiana.

31-21

Presentation – Palmy Business Improvement District (BID)

Rob Campbell, Chair and Amanda Linley from the Palmy Business Improvement District (BID) updated the committee on the work done in the last 6 months,

Purpose of the BID is to grow the city centre, advocate for its members and increase vibrancy in the city centre.

They outlined their key milestones for the last 6 months:

- Advocacy on behalf of community in relation to increase in carpark changes and extending hours.
- Engaging and supporting businesses to find solutions to nuisance problems in the city centre (eg begging).
- Working on a vision and mission for the Palmy BID.
- Working with Council to negotiate a funding agreement.

Future work proposed includes: finalising an operation structure, advocacy focus will be on centre city parking, regional transport and civic and cultural prescient

Moved Leonie Hapeta, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the Economic Development Committee receive the presentation for information.

Clause 31-21 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Leonie Hapeta, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Ruma Karaitiana.

32-21

Confirmation of Minutes

Moved Leonie Hapeta, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the minutes of the Economic Development Committee meeting of 15 September 2021 Public be confirmed as a true and correct record.

Clause 32-21 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Leonie Hapeta, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Ruma Karaitiana.

- 33-21 Summary report on the September 2021 Quarterly Economic Monitor, Annual Population report and Annual Business and Employment report**
Memorandum, presented by Peter Crawford, Economic Policy Adviser.

Moved Leonie Hapeta, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the Summary report on the September 2021 Palmerston North Quarterly Economic Monitor, Annual Population report and Annual Business and Employment report is received.

Clause 33-21 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Leonie Hapeta, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Ruma Karaitiana.

- 34-21 Portfolio Update 2020/21 – Education and Students**
Memorandum, presented by Councillor Rachel Bowen, Education and Students Portfolio Lead.

Moved Leonie Hapeta, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the Committee receive the Portfolio Update – Education and Students for information.

Clause 34-21 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Leonie Hapeta, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Ruma Karaitiana.

- 35-21 Committee Work Schedule**

Moved Leonie Hapeta, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the Economic Development Committee receive its Work Schedule dated December 2021.

Clause 35-21 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Leonie Hapeta, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Ruma Karaitiana.

The meeting finished at 2.25pm

Confirmed 16 March 2022

Chairperson

MEMORANDUM

TO: Economic Development Committee

MEETING DATE: 16 March 2022

TITLE: Summary report on the December 2021 Quarterly Economic Monitor

PRESENTED BY: Peter Crawford, Economic Policy Advisor

APPROVED BY: David Murphy, Chief Planning Officer

RECOMMENDATION TO ECONOMIC DEVELOPMENT COMMITTEE

1. That the Summary report on the December 2021 Quarterly Economic Monitor is received for information.

- 1.1 This memorandum presents a summary of key themes in the latest Palmerston North Quarterly Economic Monitor for the December quarter,
- 1.2 COVID-19 restriction levels applying in Palmerston North during the December quarter were:
 - a. Level-2, 1 October – 2 December
 - b. COVID-19 Protection Framework, Orange traffic light setting, 3 – 31 December
- 1.3 Economic activity accelerated strongly in the December quarter, despite the constraints on some sectors from the COVID-19 Level-2 and Orange Traffic light settings, which were in place during the quarter. Growth improved from an increase of 1.1% in the September quarter to 8.0% in the December quarter. Infometrics revised its initial estimates for the September quarter, which had suggested City GDP declined by 2.6% in the quarter. GDP in the City increased by 7.8% in the 12 months ended December 2021, the highest recorded in the 20-year Infometrics series.
- 1.4 Retail spending in the City was strong during the December quarter, but the growth rate for the City hides significant differences in growth rates in the sector. Accommodation spending declined by 20% in the quarter, while the cafes, restaurants, bars and takeaways sector declined by 0.6%. The strongest growth was in the fuel and automotive sector, increasing by 21%.
- 1.5 Daily retail data for January shows a weakening in retail growth in Palmerston North after the move to the Red Traffic Light setting. Average growth in spending for the month of January was 8.6%, but growth reduced to 4.0%

after the move to the Red setting. In the last week of January grocery and liquor spending increased by 11% and fuel automotive spending increased by 19%. The cafes, bars restaurant and takeaways sector declined by 8%, with electronic card turnover down by \$213,000 in that week, while accommodation spending declined by 33%. Apparel and personal goods and services spending declined by 15%.

2. PALMERSTON NORTH QUARTERLY ECONOMIC MONITOR – DECEMBER

2.1 Estimated annual gross domestic product (GDP) growth in Palmerston North was 8.0% in the December 2021 quarter, while GDP growth for New Zealand was estimated to be 2.8%.

a. Provisional GDP in Palmerston North was \$5,864 million (2021 prices) in the year ended December 2021, an increase of 7.8% from the previous year. New Zealand GDP is estimated to have increased by 5.5%

2.2 Infometrics estimates for total filled jobs for residents of Palmerston North suggest 37,703 residents were employed in the December 2021 quarter, increasing by 1.8% from the previous year, while filled jobs for New Zealand increased by 1.7%. There were 641 more residents employed in the City in December 2021 compared with December 2020.

2.3 Electronic card retail spending in Palmerston North in the December quarter was \$393 million, an increase of 7.4% from the December 2020 quarter, while national spending declined by 0.4%.

a. Annual electronic card retail spending in Palmerston North for the year ended December 2021 was \$1,343 million, an increase of 9.2% from 2020. This compares with an increase of 5.0% for New Zealand.

2.4 The total value of building consents issued in Palmerston North in the December 2021 quarter was \$90 million, an increase of 35% from the December 2020 quarter. National consent values increased by 25%.

a. Building consents to the value of \$421 million were issued in Palmerston North in the year to December 2021, an increase of 16% from the previous year. National consent values increased by 20%.

b. Consents for 124 new residential dwellings were issued in Palmerston North in the December 2021 quarter, compared with 110 in the December 2020 quarter, an increase of 13%. National consents increased by 14%.

c. Consents for 557 new residential dwellings were issued in Palmerston North in the year ended December 2021, compared with 524 in the previous year, an increase of 6%. National consents increased by 24%.

d. Commercial/non-residential consents to the value of \$170 million were issued in Palmerston North during the year to December 2021, a

decline of 4% from the previous year. National consents increased by 17% over the same period.

- 2.5 The average value of residential properties in Palmerston North was \$750,536 in the three months ended December 2021, an increase of 29% from the December 2020 quarter (QV estimate). The average value for New Zealand was \$1,006,632, an increase of 27.6%. The values shown in the Infometrics report are an average of the past 12 months.
- 2.6 Car registrations in Palmerston North increased by 23% in the year ended December 2021 (national registrations increased by 20%) while the number of commercial vehicles registered increased by 9% (compared to a national increase of 25%).
- 2.7 It is estimated the annual average unemployment rate in Palmerston North in the year ended December 2021 was 3.4%, which was below the unemployment rate of 3.8% for New Zealand.
- 2.8 The number of people in Palmerston North registered for the MSD Job Seekers benefit declined by 17% in December 2021 from December 2020, while the number in New Zealand declined by 11.5%. The MSD benefit numbers reported in the Infometrics report are based on the average of the last four quarters.
- 2.9 Traffic flows in Palmerston North in the year to December 2021 increased by 11% from 2019, while there was an increase of 4% for New Zealand.
- 2.10 Electronic card tourism spending in Palmerston North was \$275 million in the year ended December 2021, increasing by 16% from the previous year (New Zealand increased by 4%).
 - a. Domestic electronic card visitor spending in Palmerston North was \$260 million in the year ended December 2021, increasing by 15% from the previous year (12% increase for New Zealand).
 - b. International electronic card spending in Palmerston North was \$15 million in the year ended December 2021, increasing by 24% from the previous year (44% decline for New Zealand). MBIE is unable to identify the amount of spending on international cards by New Zealanders returning from overseas, so is unable to distinguish between spending by visitors and returning residents.
- 2.11 Population estimates, based on primary health organisation registrations, suggest Palmerston North's population increased by 663 people between December 2020 and December 2021, an increase of 0.8% (0.9% increase for New Zealand).
- 2.12 The Palmerston North Quarterly Economic Monitor report for the December 2021 quarter is attached.

3. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual 166		Yes
Are the decisions significant?		No
If they are significant do they affect land or a body of water?		No
Can this decision only be made through a 10 Year Plan?		No
Does this decision require consultation through the Special Consultative procedure?		No
Is there funding in the current Annual Plan for these actions?		No
Are the recommendations inconsistent with any of Council's policies or plans?		No
The recommendations contribute to Goal 1: An Innovative and Growing City		
The recommendations contribute to the achievement of action/actions in Economic Development		
The action is: Implement Inward Investment Strategy		
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Reporting on economic trends in the City and the longer-term outlook for growth is important for encouraging local businesses to invest in growing their business and attracting new businesses to the City.	

ATTACHMENTS

- Palmerston North Quarterly Economic Monitor December 2021 [↓](#)


Overview of Palmerston North City

In the December 2021 year, The Palmerston North outpaced the national economy on a number of key economic indicators. Infometrics provisionally estimates that the city's GDP grew 7.8% in the December 2021 year compared with national growth of 5.5%. Over the same period, traffic flows rose 11.3% compared with 3.5% nationally, according to Marketview data consumer spending was up 9.3% compared with 5.0% across the country as a whole, spending by tourists grew 16% - well ahead of 3.9% growth across New Zealand, and employment of Palmerston North residents grew 1.8% compared with a 1.7% rise nationwide.

Employment has grown across a broad range of sectors, spearheaded by strong gains in construction, retail, health care and social assistance, and accommodation and food services. Job creation has seen the region's unemployment rate fall to 3.4% for the December 2021 year compared with 3.8% nationally – the fifth consecutive quarter that the city's unemployment rate has been below the national average. Jobseeker Support recipients also continue to fall back from their peak in March 2021, down 3.9% in Palmerston North in contrast to 1.9% growth nationally.

House values in Palmerston North rose 27%pa in the December 2021 year, which is down from the peak of 39%pa in the June 2021 quarter. Residential consents remain elevated, growing 6.3% in Palmerston North in the December 2021 year. If higher interest rates and tighter credit conditions start to weaken housing demand, 2022 could see the city's house price inflation continue to fall away.

Despite falling 3.9% in the December 2021 year, Palmerston North's non-residential consents remain at very high levels with factories and industrial buildings, education buildings, office, administration, and public transport buildings, and shops restaurants and bars all posting strong numbers in 2021.

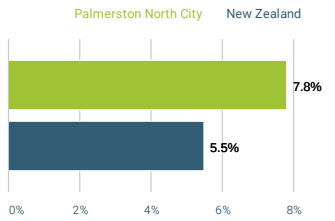
Indicator	Palmerston North City	Manawatū-Whanganui Region	New Zealand
Annual Average % change			
Gross domestic product (provisional)	7.8 % ▲	7.6 % ▲	5.5 % ▲
Traffic flow	11.3 % ▲	7.4 % ▲	3.5 % ▲
Consumer spending	9.3 % ▲	8.8 % ▲	5.0 % ▲
Employment (place of residence)	1.8 % ▲	2.4 % ▲	1.7 % ▲
Jobseeker Support recipients	-3.9 % ▼	-3.0 % ▼	1.9 % ▲
Tourism expenditure	15.5 % ▲	12.5 % ▲	3.9 % ▲
Health enrolments	0.8 % ▲	0.7 % ▲	0.9 % ▲
Residential consents	6.3 % ▲	26.1 % ▲	24.0 % ▲
Non-residential consents	-3.9 % ▼	13.3 % ▲	16.2 % ▲
House values *	27.2 % ▲	28.5 % ▲	27.3 % ▲
House sales	-0.4 % ▼	-7.7 % ▼	3.5 % ▲
Car registrations	22.6 % ▲	19.9 % ▲	20.2 % ▲
Commercial vehicle registrations	9.0 % ▲	14.8 % ▲	25.4 % ▲
Level			
Unemployment rate	3.4 %	3.5 %	3.8 %

* Annual percentage change (latest quarter compared to a year earlier)

Gross domestic product

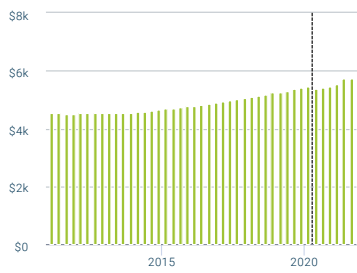
Gross domestic product growth (provisional)

Annual average % change December 2020 - December 2021



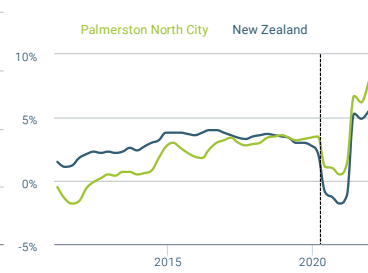
Gross domestic product (\$m)

Annual level, Palmerston North City



Gross domestic product growth

Annual average % change



Highlights for Palmerston North City

- GDP in Palmerston North City was provisionally up 7.8% for the year to December 2021 compared to a year earlier. Growth was higher than in New Zealand (5.5%).
- Provisional GDP was \$5,864 million in Palmerston North City for the year to December 2021 (2021 prices).
- Annual GDP growth in Palmerston North City peaked at 7.8% in the year to December 2021.

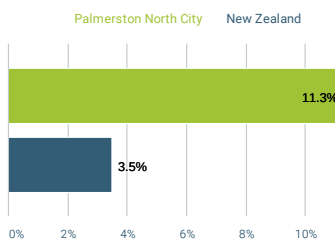
National overview

The New Zealand economy saw a determined but short-lived rebound in economic activity in the December 2021 quarter, as restrictions were relaxed across the country over the course of the quarter. Provisional estimates from Infometrics show a 2.8% rise in economic activity, leaving annual activity over the 2021 calendar year sitting 5.5% above the 2020 total, and 3.6% above pre-pandemic levels. There was substantial regional variation, with a longer period of Alert Level and Traffic Light restrictions keeping upper North Island activity lower than last summer. Other areas saw a rush back to building, manufacturing, and primary sector activities in December, alongside strong summer holiday spending boosts in many areas. Expectations remain for the Omicron outbreak to disrupt this rebound and economic activity over the early stages of 2022.

Traffic flow

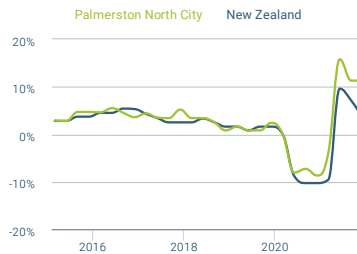
Annual change in traffic flows

Annual average % change December 2020 - December 2021



Traffic volume growth

Annual average % change



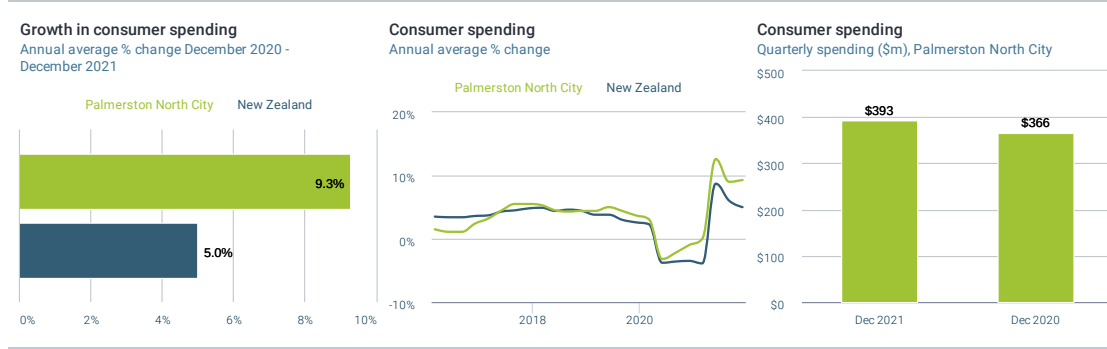
Highlights for Palmerston North City

- Traffic flows in Palmerston North City increased by 11.3% over the year to December 2021. This compares with an increase of 3.5% in New Zealand.

National overview

Traffic activity remained subdued in the December 2021 quarter, driven by considerably lower movement in the upper North Island. Auckland's third of the national population weren't able to move outside the Super City boundaries for most of the quarter, with a 31%pa drop in traffic from a year earlier. Northland's traffic volumes were sitting nearly 40% below last summer's levels, due to the lack of Auckland traffic, and Red setting over the key summer period. Rising fuel prices over the December quarter will also have contributed to traffic activity, with a 30%pa increase in prices at the pump. A more expensive trip, combined with uncertainty over possible Covid restrictions over summer, appears to have kept New Zealanders home more throughout the December quarter.

Consumer spending



Highlights for Palmerston North City

- Electronic card consumer spending in Palmerston North City as measured by Marketview, increased by 9.3% over the year to December 2021 compared to the previous year. This compares with an increase of 5.0% in New Zealand.

National overview

National spending activity was still slightly down on a year earlier, as the sustained lockdown restrictions in the upper North Island for part of the quarter limited activity. Marketview card spending data shows a 0.4%pa drop in national spending over the December quarter, representing a further \$68m drop in spending. However, excluding Auckland, spending rose 4.4% from a year earlier as the rebound in activity occurred and savings from the Delta lockdown were spent. Higher inflation means that underlying spending growth wasn't as impressive, with the consumers price index rising 5.9%pa in the December quarter as supply chain disruptions and a stretched economy hit household wallets.

Note that we have now switched our reporting basis to align with Marketview's Council Tool spending definitions, resulting in a revision in the consumer spending timeseries.

Employment (place of residence)



Highlights for Palmerston North City

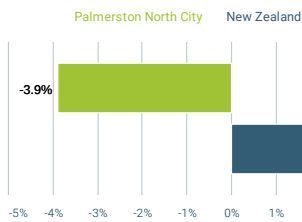
- Employment for residents living in Palmerston North City was up 1.8% for the year to December 2021 compared to a year earlier. Growth was higher than in New Zealand (1.7%).
- An average of 35,703 people living in Palmerston North City were employed in the year to December 2021.
- Annual employment growth for Palmerston North City residents peaked at 2.6% in the year to March 2020.

National overview

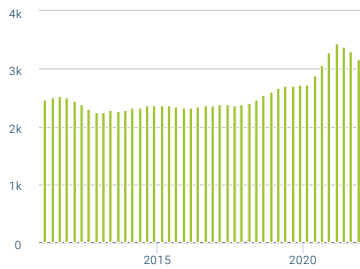
Labour market pressures remain intense, with more people still getting into jobs. December quarter filled jobs are estimated to have risen 3.7%pa, with construction and professional service employment leading the way. However, jobs growth slowed or fell in tourism-related industries, and the primary sector remains smaller than usual due to the difficulty finding staff. Wage pressures are rising, with an average 7.2% increase in earnings per filled job in 2021. High inflation, higher levels of staff turnover, and continued economic demand are set to see workers demand higher wages in 2022, particularly with a further rise in the minimum wage to match inflation.

Jobseeker Support recipients

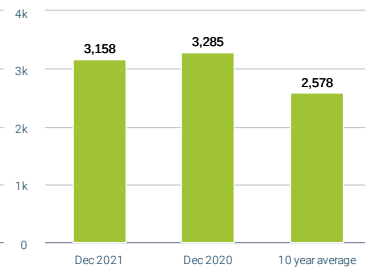
Annual change in Jobseeker Support recipients
Annual average % change December 2020 - December 2021



Jobseeker Support recipients
Annual average, Palmerston North City



Jobseeker Support recipients
Annual average, Palmerston North City



Highlights for Palmerston North City

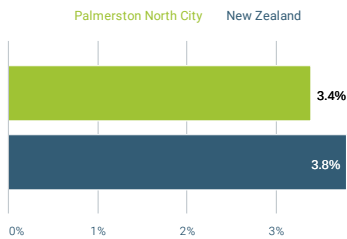
- Jobseeker Support recipients in Palmerston North City in the year to December 2021 decreased by 3.9% compared with previous year. Growth was lower relative to New Zealand (1.9%).
- An average of 3,158 people were receiving a Jobseeker Support benefit in Palmerston North City in the 12 months ended December 2021. This compares with an average of 2,578 since the start of the series in 2012.

National overview

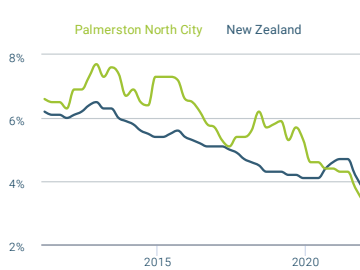
Jobseeker Support recipient levels resumed their downward path in the December 2021 quarter, to sit nearly 12% below December 2020 levels. Around a fifth (18%) of the fall in Jobseekers is due to policy changes reclassifying some benefit recipients. On an annual average basis, Jobseeker figures are now just 1.9% higher than in the 2020 year. Jobseeker numbers remain around 40,000 (28%) higher than pre-pandemic levels, indicating that despite the tight labour market there remain some discouraged potential workers available. Additionally, there remain some with more complex support needs which need to be addressed to get them into sustainable employment.

Unemployment rate

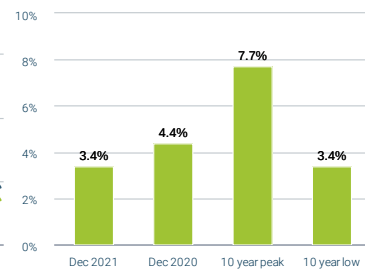
Unemployment rate
Annual average % change December 2020 - December 2021



Unemployment rate
Annual average rate



Unemployment rate
Annual average, Palmerston North City



Highlights for Palmerston North City

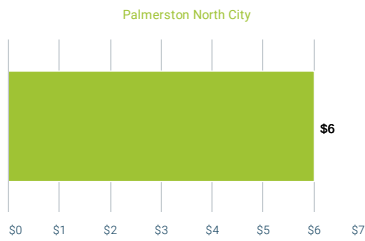
- The annual average unemployment rate in Palmerston North City was 3.4% in December 2021, down from 4.4% 12 months earlier.
- The unemployment rate in Palmerston North City was lower than in New Zealand (3.8%) in December 2021.
- Over the last ten years the unemployment rate in Palmerston North City reached a peak of 7.7% in December 2012.

National overview

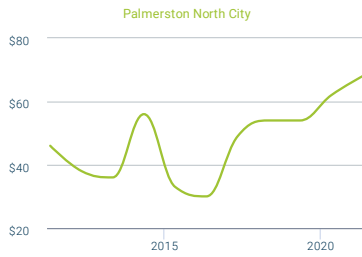
The labour market tightened even further in December 2021, with the unemployment rate hitting a new record low of 3.2%, just below our (and the market's) pick of 3.3%. The underutilisation rate was steady at 9.2%, as part-time employment growth (5.6%pa) outpaced full-time employment (3.2%pa). The labour market is at its tightest since the Household Labour Force Survey began in the mid-1980s, with employment struggling to grow in the face of worker shortages. The pressure across the labour market suggests that wage growth will have to pick up during 2022, as firms compete more for talent.

Dairy payout

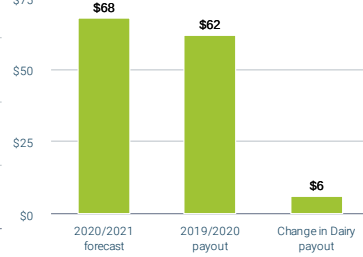
Total dairy payout (provisional)
Change (\$m) between 2019/2020 and 2020/2021 seasons



Total dairy payout
\$m each season, Palmerston North City



Total dairy payout
\$m each season, Palmerston North City



Highlights for Palmerston North City

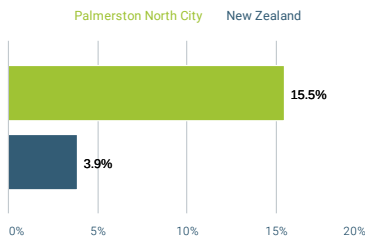
- Palmerston North City total dairy payout for the 2019/2020 season is estimated to have been approximately \$62 million.
- Palmerston North City's dairy payout for the 2020/2021 season is expected to be approximately \$68 million, \$6 million higher than last season, assuming that production levels from last season are maintained.
- The total dairy payout for New Zealand is estimated to have been approximately \$13,537 million in the 2019/2020 season, and is expected to be \$1,147 million higher in the 2020/2021 season.

National overview

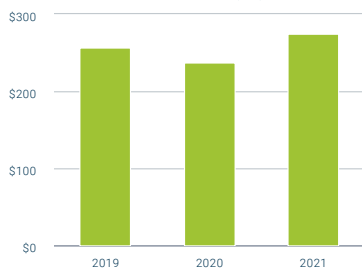
Milk prices continue to rise as demand remains strong, but milk supplies shrink. Fonterra has further increased the farmgate milk price for the 2021/22 season to between \$8.90 and \$9.50, with a midpoint of \$9.20/kgms. The estimated pay-out has risen to \$17.6b, around \$2.2b higher than the peak seen in the 2013/14 season. New Zealand milk volumes have been falling for five straight months now and are down 3.2%pa for the season to date. However, substantial cost rises will skim some cream off the top. Global feed prices were up 40%pa in 2021, and domestic fertilizer costs were up 58%pa rise in the December quarter. Our estimates suggest that the milk price could rise further still.

Tourism expenditure

Tourism expenditure
Annual average % change December 2020 - December 2021



Tourism expenditure
Annual total, Palmerston North City (\$m)



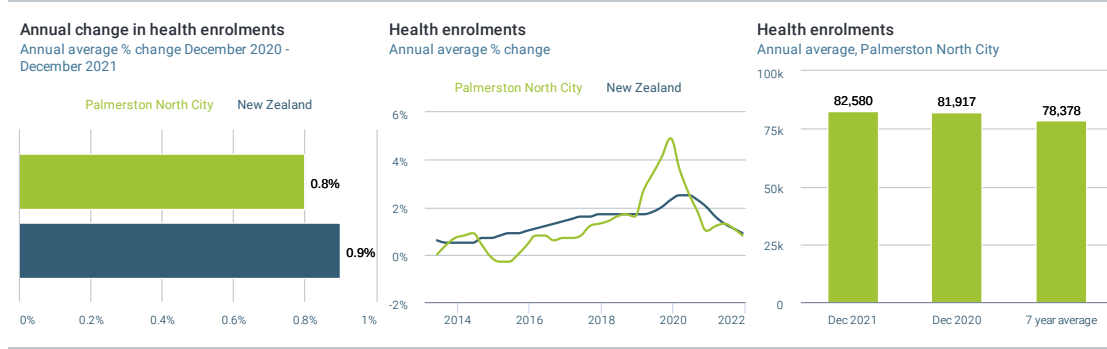
Highlights for Palmerston North City

- Total tourism expenditure in Palmerston North City increased by 15.5% in the year to December 2021. This compares with an increase of 3.9% in New Zealand.
- Total tourism expenditure was approximately \$275 million in Palmerston North City during the year to December 2021, which was up from \$238 million a year ago.

National overview

Visitor spending growth over the 12 months to December 2021 slowed back further, up 3.9% from a year earlier. Tourism card spending growth has slowed from above 5%pa in June, as last summer's strong run is replaced with lower tourism spending since August 2021. Domestic travel spending was down 14%pa nationally over the December 2021 quarter, reinforcing the softer level of travel undertaken by Kiwis this summer.

Health enrolments



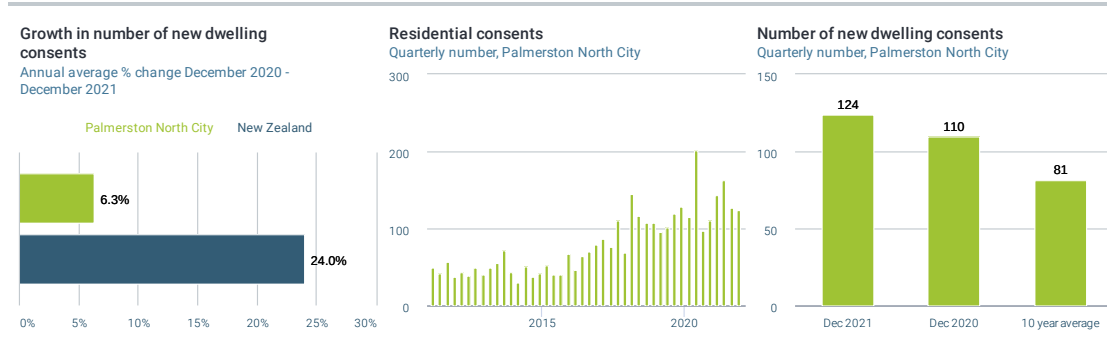
Highlights for Palmerston North City

- The number of people enrolled with a primary health organisation in Palmerston North City in the year to December 2021 increased by 0.8% compared with previous year. Growth was lower relative to New Zealand (0.9%).
- An average of 82,580 people were enrolled with primary healthcare providers in Palmerston North City in the 12 months ended December 2021. This compares with an average of 77,862 since the start of the series in 2014.

National overview

Population growth remained low in the December quarter, as the population ages and the workforce remains limited. Health enrolments, which provide insight into local populations, rose 0.7%pa in the December quarter, the slowest rate in eight years. This low growth took annual average growth to below 1.0% for the first time since late 2015. Provisional net migration data shows a net loss of around 4,000 over the year to December 2021 – the first drain of talent in a decade. Some regional economies are showing slower or negative growth, as the labour market and regional migration becomes the driver of local population changes.

Residential consents



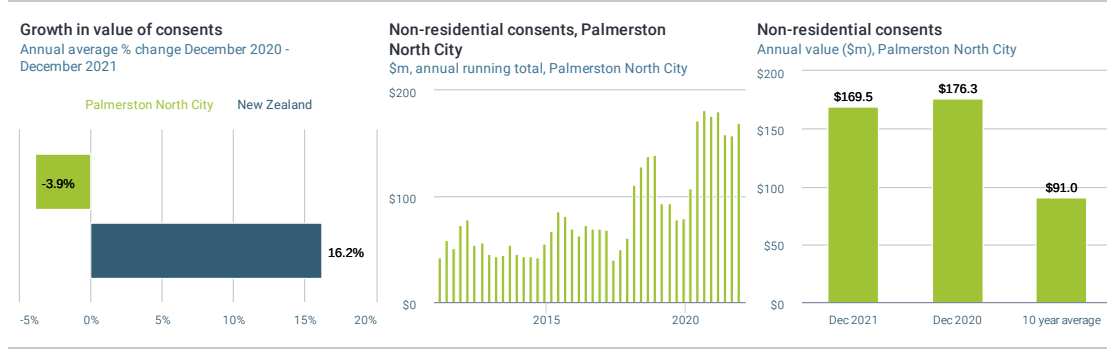
Highlights for Palmerston North City

- A total of 124 new residential building consents were issued in Palmerston North City in the December 2021 quarter, compared with 110 in the same quarter last year.
- On an annual basis the number of consents in Palmerston North City increased by 6.3% compared with the same 12-month period a year ago. This compares with an increase of 24.0% in New Zealand over the same period.

National overview

Residential consents have climbed even higher to 48,899 consents approved over the year to December 2021, sitting up 24% higher than throughout 2020. Townhouses remain the driving factor of growth, with 16,327 in 2021, up 41% compared to 2020. However, we are starting to see momentum wane, with quarterly growth in December sitting at 14%pa, compared to 30%pa in September. New Zealand has had an undersupply of housing for many years, and as a result house prices have been pushed incredibly high as supply has been unable to match strong demand. The record number of consents over the past year will help making some headway into alleviating some of the supply issues.

Non-residential consents



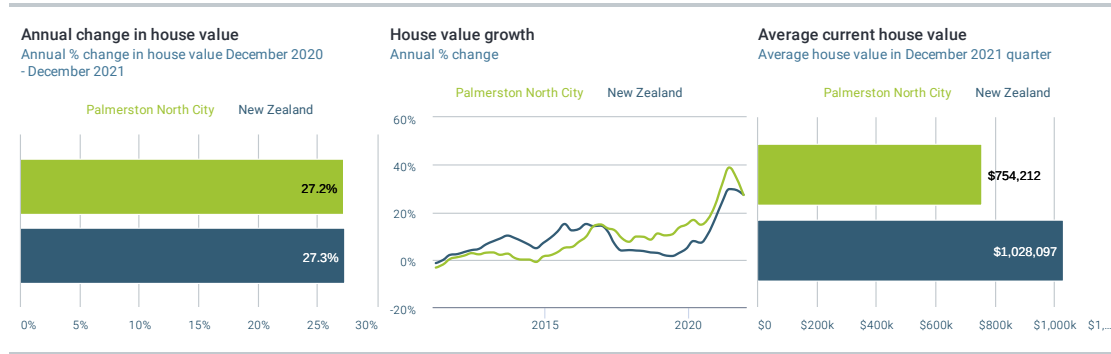
Highlights for Palmerston North City

- Non-residential building consents to the value of \$169.5 million were issued in Palmerston North City during the year to December 2021.
- The value of consents decreased by 3.9% over the year to December 2021. By comparison the value of consents increased by 16.2% in New Zealand over the same period.
- Over the last 10 years, consents in Palmerston North City reached a peak of \$181.7 million in the year to September 2020.

National overview

The value of non-residential consents was \$8.2b in the year to December 2021, sitting 16% higher than in the 2020 year. Public consents drove growth over 2021, with the value of public consents sitting up 42%. Hospitals were responsible for a large share of this growth, with over a billion dollars of hospital consents approved in 2021. Factory and education consents were also strong, sitting up 63% and 22% respectively. Although non-residential consents were very strong over 2021, there was massive difference across building types, with those most impacted by COVID restrictions, such as accommodation, offices, and retail being notably weaker than others.

House values



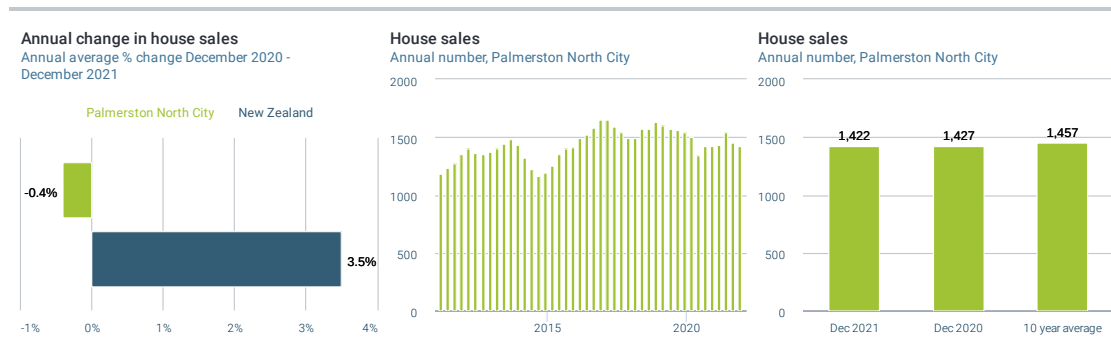
Highlights for Palmerston North City

- The average current house value in Palmerston North City was up 27.2% in December 2021 compared with a year earlier. Growth underperformed relative to New Zealand, where values increased by 27.3%.
- The average current house value was \$754,212 in Palmerston North City in December 2021. This compares with \$1,028,097 in New Zealand.

National overview

House values in New Zealand were sitting up 23%pa in December, with values across the country reaching incredible highs over the year. Value growth across the country has been absurd over the past year, driven by incredibly low interest rates encouraging buyers into the market, and demand outstripping supply pushing prices up even further. It appeared as though there was no end in sight for house value growth, however the most recent months show the market has begun to turn a corner. Annual value growth has started to flatten off from earlier highs, driven by new lending restrictions making it harder for buyers to access credit.

House sales



Highlights for Palmerston North City

- House sales in Palmerston North City in the year to December 2021 decreased by 0.4% compared with the previous year. Growth underperformed relative to New Zealand, where sales increased by 3.5%.
- A total of 1,422 houses were sold in Palmerston North City in the 12 months ended December 2021. This compares with the ten year average of 1,457.

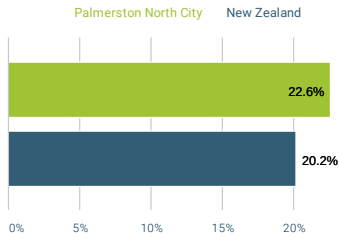
National overview

House sales grew 3.5% over the year to December 2021. House sales have seen a dramatic slowdown in the second half of the year, after strong growth in the first half of 2021. The initial decline in sales was driven by a lack of available supply, with not enough houses being available on the market for buyers. However, particularly in recent months, new lending restrictions have made it harder for buyers to access credit and sales are continuing to drop despite listing numbers picking back up.

Car registrations

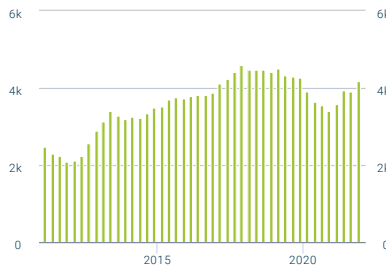
Car registrations

Annual average % change December 2020 - December 2021



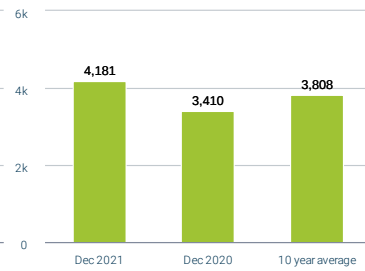
Car registrations

Annual number, Palmerston North City



Car registrations

Annual number, Palmerston North City



Highlights for Palmerston North City

- The number of cars registered in Palmerston North City increased by 22.6% in the year to December 2021 compared with the previous 12 months. Growth was higher than in New Zealand (20.2%).
- A total of 4,181 cars were registered in Palmerston North City in the year to December 2021. This compares with the ten year average of 3,808.

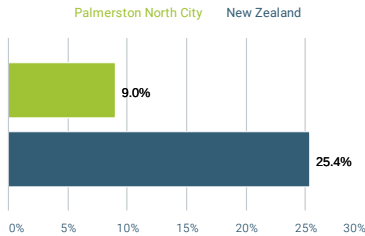
National overview

New car registrations ended 2021 at a new annual record, with solid lift in the December month to see year-end growth sitting at 20%pa. Full-battery EV registrations rose 142% in 2021, accounting for 4.0% of total registrations – double their share in 2020. The new car market continues to go gangbusters, although used cars are still struggling, with less supply and sometimes eye-wateringly high prices. The 2022 year could see momentum in the car market shift back a gear, due to a range of factors. Interest rates are heading higher, and consumer confidence has weakened considerably, which is expected to limit household spending.

Commercial vehicle registrations

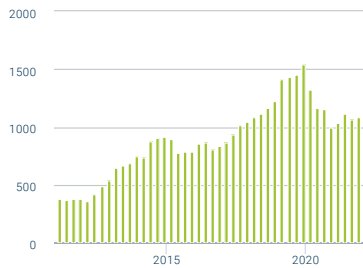
Commercial vehicle registrations

Annual average % change December 2020 - December 2021



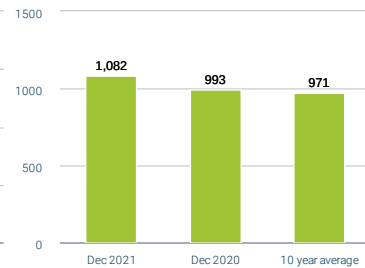
Commercial vehicle registrations

Annual number, Palmerston North City



Commercial vehicle registrations

Annual number, Palmerston North City



Highlights for Palmerston North City

- The number of commercial vehicles registered in Palmerston North City increased by 9% in the year to December 2021 compared with the previous 12 months. Growth was lower than in New Zealand (25.4%).
- A total of 1,082 commercial vehicles were registered in Palmerston North City in the year to December 2021. This is higher than the ten year annual average of 971.

National overview

Total new commercial registrations were up 34%pa in the December quarter, leaving commercial registrations in the 2021 year sitting 25% higher than 2020. There were nearly 51,000 new commercial vehicle registrations in 2021, the most we have on record since 1991. The bounce-back has been reflective of the boom in construction, high commodity prices, but also making up for the lack of activity in 2020. Early 2022 is expected to see this pickup in activity continue, particularly ahead of Clean Car Standard fees for higher-emitting vehicles (like some utes) entering in April 2022.

Technical notes

Building Consents

Building consents data is sourced from Statistics New Zealand. The number of residential consents issued for new dwellings is the measure for residential consents. For non-residential consents, the measure is the value of both new buildings and alterations.

Consumer Spending

The consumer spending data is sourced from Marketview. It measures total electronic card spending using spending through the Paymark network and adding to it an estimate of non-Paymark network spending using the pattern of BNZ card holder spending at non-Paymark retailers. For further breakdown of the data by storetype and other variables contact Marketview.

Employment (place of residence)

Employment data is based off a range of Stats NZ employment datasets, and represents the number of filled jobs, based on the area of residential address for the employee (rather than workplace address). This place of residence location means that the employment series reflects trends in employment of an area's residents, which may be different to trends in employment at businesses in an area, particularly when there are strong commuting flows. The most recent quarter is based off the average of Monthly Employment Indicator (MEI) filled jobs from Statistics New Zealand for the past three months, with previous quarters being backcasted using the percentage change in the quarterly Business Data Collection dataset published by Statistics New Zealand.

Gross Domestic Product

Gross Domestic Product is estimated by Infometrics. A top-down approach breaks national industrial production (sourced from production based GDP measures published by Statistics New Zealand) to TA level by applying TA shares to the national total. Each TA's share of industry output is based on labour market data from LEED. GDP growth in recent quarters is based on a model which uses the various partial economic indicators presented in this report as inputs. Estimates of GDP for these most recent quarters are provisional until Infometrics updates its annual GDP series in the Regional Economic Profile at the beginning of each year. Gross domestic product is measured in 2021 dollar terms.

Health Enrolments

Health enrolments are sourced from the Ministry of Health. They record the number of people in each area who are enrolled with a Primary Health Organisation (PHO). Enrolment is voluntary, but most New Zealanders enrol at a general practice for health reasons and for the benefits of enrolment, such as cheaper doctors' visits and reduced costs of prescription medicines. Changes to how the Ministry of Health recorded this data led to Infometrics revising our approach to health enrolment figures for the March 2019 Quarterly Economic Monitor onwards. Our new approach completely revises our timeseries of health enrolments, so care should be taken when comparing the March 2019 report with previously downloaded reports.

Previously, the data provided was only for those people whose addresses are able to be accurately recorded by the Ministry of Health. We have now switched to breaking down TA-level health enrolments based on trends in stated health enrolments by area, to ensure that the total number of enrolees published in the Monitor align with the national-level figures published by the Ministry of Health. A new system for classifying and recording health enrolment addresses from March 2019 onwards by the Ministry means significantly higher numbers of unallocated enrolees, resulting in the need to review our model.

House Sales

The number of house sales is sourced from REINZ. The indicator measures the number of house sales at the point when the sale becomes unconditional. The unconditional date is the date when all the terms of an agreement have been satisfied and the sale and purchase can proceed to settlement.

House Values

House values (dollar value) are sourced from CoreLogic. The levels quoted in the report are average values for the quarter.

MEMORANDUM

TO: Economic Development Committee

MEETING DATE: 16 March 2022

TITLE: International Relations and Education Update Report

PRESENTED BY: Gabrielle Nguyen, International Relations Manager

APPROVED BY: David Murphy, Chief Planning Officer

RECOMMENDATION TO ECONOMIC DEVELOPMENT COMMITTEE

- 1. That the Committee note the progress on the International Relations and Education activity over the past six months, contributing to the Economic Development Plan and Innovative and Growing City Strategy.**
-

1. ISSUE

The purpose of this memorandum is to update the Economic Development Committee on the development of Palmerston North's key international relations and international education outcomes and activities over the past six months, and their contribution to the relevant goal, strategy and plan.

2. BACKGROUND

The position of International Relations Manager was vacant from May 2021–November 2021. Most communication, events and activities during that period were paused.

In addition, programmes such as Global Ambassadors and other ceremonies were postponed due to COVID restrictions.

The International Education function has been transferred to PNCC from CEDA. A new position of International Relations and Education Advisor was created to manage the International Education portfolio and provide support to the International Relations activities.

The International Relations and Education Advisor works with the International Education Leadership Group (IELG) and International Education Manawatu (IEM) on strategic plans and their implementation.

3. OVERVIEW OF CURRENT STATUS

International Relations

The previous International Relations Manager established a solid foundation for the city's international network. The initial priority of the new International Relations division has been to reconnect with key partners and stakeholders and establish new relationships. Within the first six weeks, all key partners and stakeholders have been contacted and introduced to the new team.

The second priority was for Palmerston North's annual Lunar New Year celebration in January and the Festival of Cultures in February. All embassies and high commissions based in Wellington received a save the date communication in December 2021 about these events. Much work went into liaising with Massey University, Mercury Energy (the Turitea windfarm), the central New Zealand Distribution Hub and Wildbase Recovery to prepare for a city tour highlighting sustainable development initiatives. When the red-light settings came into effects on January 23, 2022, these events were unfortunately cancelled. Nonetheless, the communication remains open with the diplomatic corp to continue to raise Palmerston North's profile and promote our emerging sectors.

2022 marks our 40 years sister city relationship with Missoula – USA and 30 years with Guiyang – China. In order to deepen the partnerships, celebrations are being planned in ways to engage the wider public and realise benefits to the art and business communities.

With Missoula, we are discussing:

- A livestreamed introduction to Missoula's screening of the NZ movie An Angel at My Table as part of their Spring World View Film Series.
- A movie screening of A River Runs Through It – a movie filmed in Missoula and The Power of the Dog – the recent nominee for multiple Oscar awards set in rural Montana in the 1920s but filmed in New Zealand.
- A live chat booth for various groups to connect/reconnect with their counterparts in Missoula.
- A square-dancing event alongside one of the regular Block Party events.
- A potential MOU signing between Downtown Missoula Partnerships and Palmy BID.
- A potential visit to Missoula after October, subject to border controls and covid-19 pandemic.

With Guiyang, we are discussing:

- A seminar on business opportunities for Palmerston North – Guiyang in collaboration with Chamber of Commerce and CEDA

- A potential display of digital artworks from Guiyang's Bid Data Expo at Te Manawa
- Opportunity to showcase Māori culture and Guiyang's rich ethnic cultural diversity to the wider communities of both cities.
- Celebrations of the Dragon Boat Festival and the mid-autumn festival in conjunction with local Chinese communities.

In addition, we are working with the New Zealand embassy in Tokyo to produce some visual materials for their social media platform, marking 70 years of diplomatic relations between Japan – New Zealand. We are also in communication with other partner cities: Mihara – Japan, Wageningen – the Netherlands, Kunshan – China, and Ho Chi Minh City – Vietnam. We expect that deepening our relationships with these cities will open up new opportunities to explore in the coming years.

International Education

The international education function for the city was transferred to PNCC from CEDA from 1 July 2021, in the middle of the COVID pandemic. The once ranked 4th export industry in New Zealand – worth \$5 billion dollars – was significantly impacted. According to Education New Zealand's (ENZ) study, the total international enrolments in New Zealand decreased by more than 40% in 2020, and further reduced in 2021 (see Figure 1 below). Other countries like Canada and Australia have already reopened their borders for international students, meaning New Zealand is losing market share to them and risking a reputation of being unwelcoming to international students.

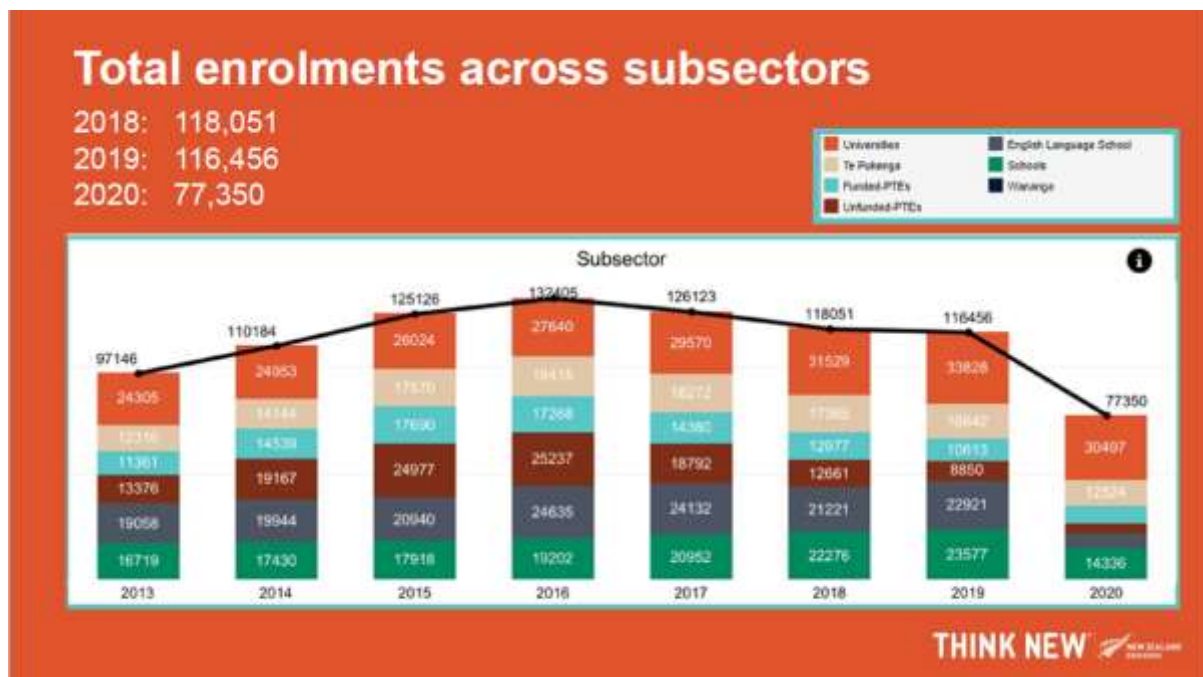


Figure 1: Total enrolments across subsectors 2020

PNCC's International Education remit includes all schools in Palmerston North but also includes Feilding High School and Nga Tawa Diocesan School outside of the city, Massey University, UCOL, IPU and ETC – our English language school. While the data captured by ENZ in 2020 only shows a slight reduction in international enrolment numbers in the region (see Figure 2 below), this is not a true reflection of the international student numbers present in Palmerston North because all our tertiary institutions offer offshore online learning.

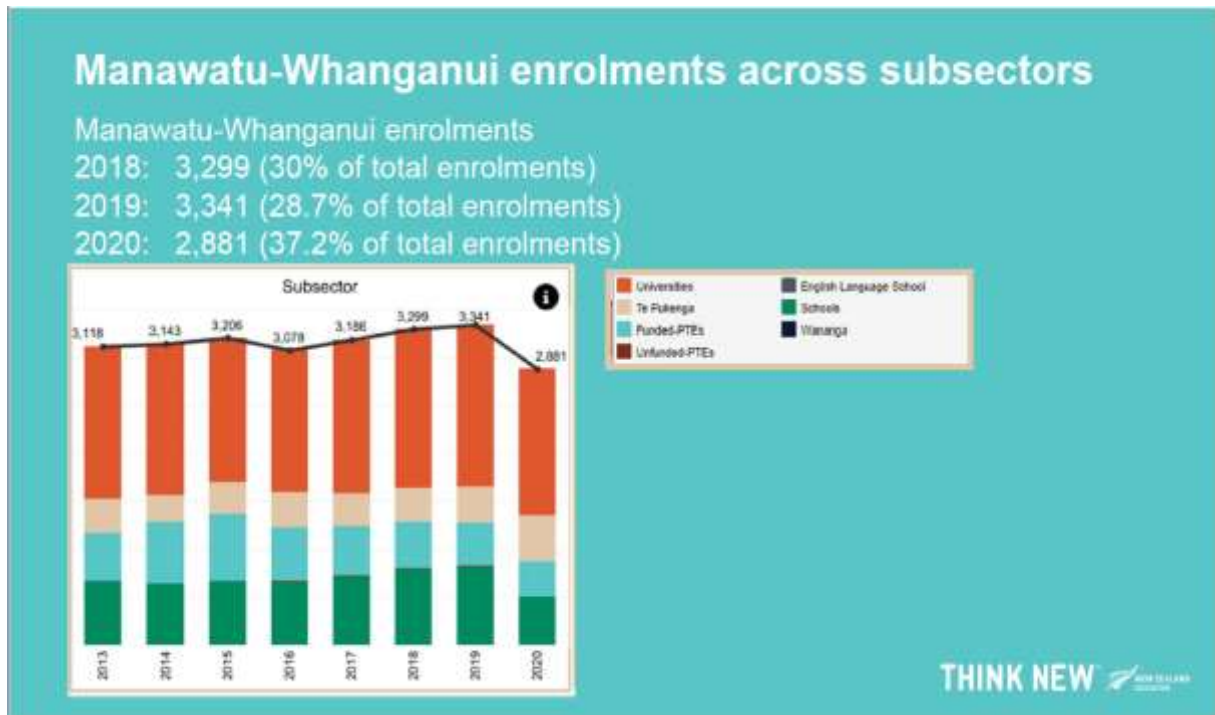


Figure 2: Manawatu-Whanganui enrolments across subsectors 2020

By the end of 2021, IELG reported a further decrease in international student numbers with significant decreases in the school sector. With the exception of Palmerston North Boys' High School and Palmerston North Girls' High School who have managed to hold on to 26 and 17 international students respectively, most other schools only have international student numbers in the single digits or none at all in Term 1 2022.

IPU has suffered the most during this pandemic, having lost approximately 80% of total students due to border restrictions and has reported to have an estimated loss of \$3 million dollars each year.

UCOL is waiting on a decision on how enrolment will work once it has been completely absorbed as part of Te Pūkenga. There is a concern that if enrolment becomes centralised then Palmerston North will be disadvantaged as students typically prefer to go to the big cities.

A further study produced by ENZ shows that students are not rating their study experience in Palmerston North as high as in other cities (See Figure 3). Therefore, our focus will be on improving a holistic student experience in Palmerston North, getting students to connect deeper with our community, and mapping out a promising

career pathway we are more and retain and skills in the

for them so that able to attract young talents city.

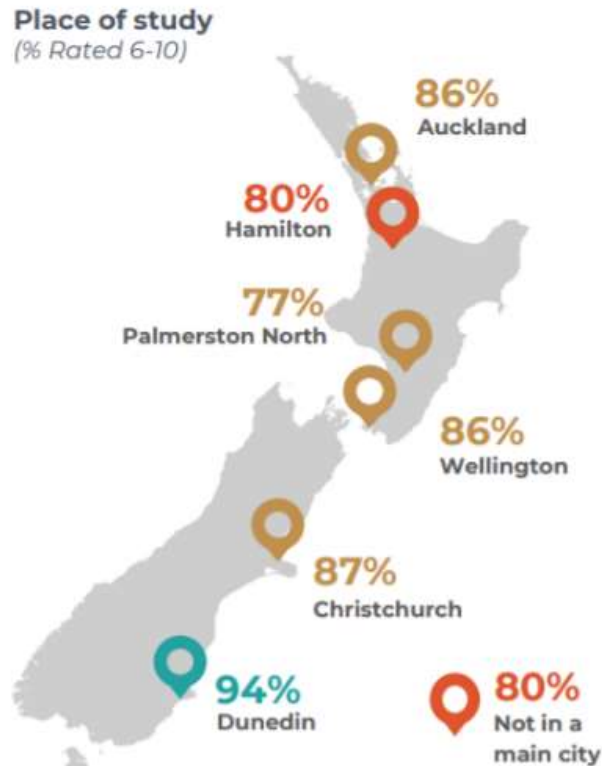
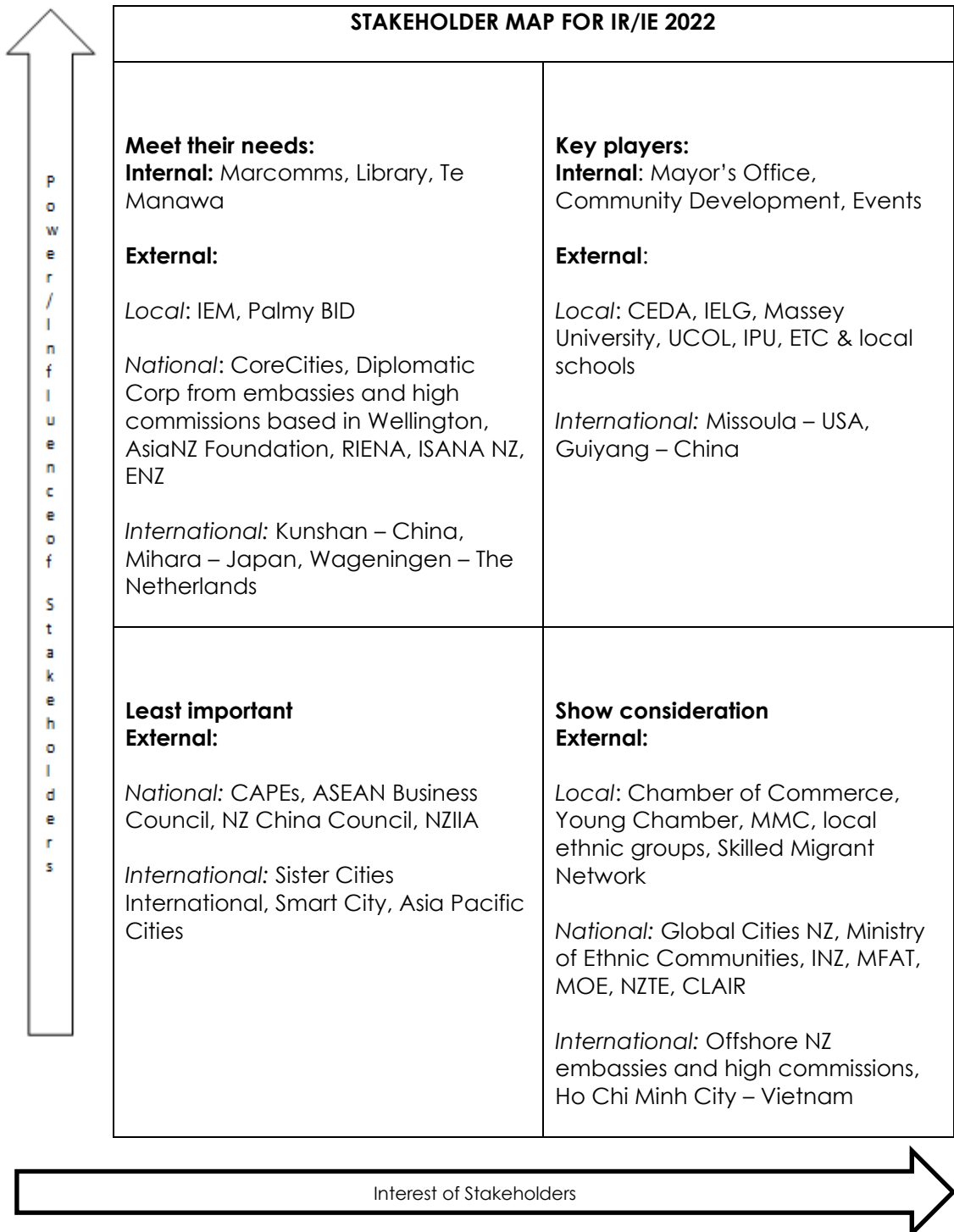


Figure 1: Students' rating of preferred study destination by ENZ

4. STAKEHOLDER MAPPING

The International Relations and Education division works with multiple stakeholders across a wide range of sectors within limited resources. Therefore, it is essential to assess our stakeholder list by impact and influence in order to prioritise and maximise effective communication. This map will constantly be reviewed and re-assessed for accuracy and relevancy.



5. ACTIVITY UPDATES

DESIRED OUTCOMES AS OUTLINED IN THE INTERNATIONAL RELATIONS CHAPTER OF THE ECONOMIC DEVELOPMENT PLAN	ACTIVITIES TO DATE	NEXT STEPS
<p>Palmerston North has a positive international reputation and is successful in attracting investment, businesses, visitors and students.</p>	<ul style="list-style-type: none"> • Reconnected with Embassies and High Commissions and invited to 2022 Festival of Cultures with a special city tour prepared with a 'Sustainability and Distribution' theme. This was cancelled due to the shift to red light settings. • Renewed dialogue with Wageningen City Council to formalise a strategic partner city relationship. • Designed a diplomats' city tour for 2022 Festival of Cultures with a focused theme on Sustainability and Distribution which has been cancelled under the red-light settings. 	<ul style="list-style-type: none"> • Invite a small number of relevant diplomats to the New Zealand AgriFood Talks 2022. • Organise diplomat visit to city highlights i.e. Central New Zealand Distribution Hub, Wildbase Recovery Centre, Massey University School of Aviation etc.
<p>Rangitāne o Manawatū have opportunities for involvement in projects and initiatives to achieve the partnership aspirations identified in this plan.</p>		<ul style="list-style-type: none"> • Connect and engage with Rangitāne on the matter of official city gifts to Missoula and Guiyang on our anniversaries.
<p>Rangitāne o Manawatū and Council have clearly defined roles in civic engagement on behalf of the community</p>		<ul style="list-style-type: none"> • Engage with Rangitāne on the orientation programme for international students to the city, the concept of kotahitanga and extending āwhina to everyone.
<p>Palmerston North has a rationalised network of global city partnerships</p>	<ul style="list-style-type: none"> • Reconnected with our international partner cities Missoula, Guiyang, 	<ul style="list-style-type: none"> • Continue to work on finalising the celebration plans with

DESIRED OUTCOMES AS OUTLINED IN THE INTERNATIONAL RELATIONS CHAPTER OF THE ECONOMIC DEVELOPMENT PLANT	ACTIVITIES TO DATE	NEXT STEPS
and is focused on managing them well	<p>Kunshan, Mihara, and Wageningen.</p> <ul style="list-style-type: none"> Established reliable digital communication channels for regular dialogue. Sent Mayoral letter to congratulate Ambassador Ito on Japan's National Foundation Day (11 Feb) and remark on 70 years of diplomatic relations between Japan and New Zealand. Reconnected with ENZ in Ho Chi Minh City (HCMC) to organise the official signing of the MOU on Education between the two cities. 	<p>each city.</p> <ul style="list-style-type: none"> Ensure that each activity planned can still go ahead under red light settings but has the flexibility to expand if we move back to orange or green. Start planning a Mayoral visit to commemorate these significant milestones as well as to reconnect with our longest-standing sister city relationships. The trip will be planned for the end of the year when our border is reopened.
The City has excellent economic and education connections to its international partners	<ul style="list-style-type: none"> Initiated discussions with local stakeholders i.e. CEDA, Manawatu Chamber of Commerce, Te Manawa, etc. on how to better utilise our international city partnerships for the community's economic, educational and cultural development. Attended Japan's Local Government Exchange & Cooperation Seminar focused on the Zero Emission Tokyo Strategy to establish networks. 	
A greater proportion of visitor spending in Palmerston North is by international visitors	<ul style="list-style-type: none"> Discussed virtual tours with NZ Nature Highlights to increase level of attraction of international visitors to Palmerston 	<ul style="list-style-type: none"> Collaborate with Marcomms and other relevant stakeholders to tell the Palmy story to the world

DESIRED OUTCOMES AS OUTLINED IN THE INTERNATIONAL RELATIONS CHAPTER OF THE ECONOMIC DEVELOPMENT PLANT	ACTIVITIES TO DATE	NEXT STEPS
	North utilizing digital platforms	
<p>There are deeper relations with Palmerston North global city partners, and greater economic, education and community cooperation.</p>	<ul style="list-style-type: none"> • Prioritised sister city anniversary's celebrations: Missoula – 40 years (Oct 1982), Guiyang – 30 years (Aug 1992). • Mayors of Guiyang and Palmerston North exchanged letters of greeting and support as we entered the new year. • Worked together with our partners to draft a bilateral celebration for each city in which activities will be planned for every 2-3 months, commencing in March 2022. Activities proposed include: movie showing events, digital art displays, live chat booths, educational exchange/programmes in schools, etc. 	<ul style="list-style-type: none"> • Discuss a MOU on collaboration between Palmy BID and Downtown Missoula. • Discuss to organise a seminar to introduce business opportunities between Guiyang and Palmy in collaboration with CEDA, Manawatu Chamber of Commerce, Guiyang City, and AsiaNZ Foundation.
<p>The community is familiar with the city's international city partnerships and have opportunities to be involved through the Global Ambassadors programme.</p>	<ul style="list-style-type: none"> • Connected with Te Manawa to arrange for a long-term display of partner cities' gifts with an educational purpose for a young audience. 	<ul style="list-style-type: none"> • Discuss educational programmes with the library and explore a set-up enabling our community and sister city communities to interact virtually. • Plan social media posts with MarComms to share with our community about our international city relationships and opportunities to get involved.

DESIRED OUTCOMES AS OUTLINED IN THE INTERNATIONAL RELATIONS CHAPTER OF THE ECONOMIC DEVELOPMENT PLANT	ACTIVITIES TO DATE	NEXT STEPS
		<ul style="list-style-type: none"> Plan to collaborate with ENZ and ISANA NZ on a Global Citizenship programme for school students. Liaise with Community Development and Youth Space to revive the city's Global Ambassador programme.
<p>Palmerston North is internationally recognised as a preferred destination in New Zealand for international education and research.</p>	<ul style="list-style-type: none"> Attended ENZ Brief for Regions – Studying Sustainability in Aotearoa New Zealand webpage for Japanese audience. 	<ul style="list-style-type: none"> Liaise with MarComms and CEDA to review and update existing collaterals for promoting Palmy as a preferred study destination. Exploring work with ENZ and the US National Science Foundation to connect indigenous academics to post videos of the MULTIPLIER event. Exploring work with ENZ and the Global Engagement Office at the University of Montana to engage indigenous community members around international education and partnering with NZ. Review marketing materials to promote Palmy as a preferred study and research destination

DESIRED OUTCOMES AS OUTLINED IN THE INTERNATIONAL RELATIONS CHAPTER OF THE ECONOMIC DEVELOPMENT PLAN	ACTIVITIES TO DATE	NEXT STEPS
Opportunities for digital engagement are maximised.	<ul style="list-style-type: none"> Registered to attend Smart City Summit on Smart City Planning and Digital Transformations. 	
Recovery from the disruption of international education and other activities occurs as quickly as possible and is supported by strong international city partnerships.	<ul style="list-style-type: none"> Worked with IELG on regional strategy for IE recovery. Discussed IE Advisor's role and the future working relationship between PNCC, IELG and IEM. Established connections with all institutions and schools to form appropriate working groups and work with IEM on implementation. Connected with ENZ, ISANA NZ, and the Regional International Education Network Aotearoa (RIENA) to keep abreast with the national IE recovery plan and advocacy. 	<ul style="list-style-type: none"> Attend Local Government COVID-19 Community and Business Reactivation and Recovery Initiatives Forum by CLAIR.

6. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or	No

plans?	
The recommendations contribute to Goal 1: An Innovative and Growing City	
The recommendations contribute to the achievement of action/actions in Economic Development Plan	
The actions in the: International Relations Chapter	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The International Relations 6-month report outlines the progress of actions in the International Relations Chapter, which contributes to the Economic Development Plan and Innovative and Growing City Strategy.

ATTACHMENTS

Nil

MEMORANDUM

TO: Economic Development Committee

MEETING DATE: 16 March 2022

TITLE: Health Care and Social Assistance Sector Profile 2021 and Logistics Sector Profile 2021

PRESENTED BY: Julie Macdonald, Strategy and Policy Manager

APPROVED BY: David Murphy, Chief Planning Officer

RECOMMENDATION TO ECONOMIC DEVELOPMENT COMMITTEE

1. That the memorandum titled 'Health Care and Social Assistance Sector Profile 2021 and Logistics Sector Profile 2021', be received for information

1. HEALTH CARE AND SOCIAL ASSISTANCE SECTOR PROFILE - 2021

- 1.1 Attached is a copy of the full Health Care and Social Assistance Sector Profile and the summary profile, which have been updated.
- 1.2 The sector has a regional workforce of 8,000 people, annual earnings (salaries, wages and self-employment income) of \$500 million and a contribution to GDP of \$513 million.

2. LOGISTICS SECTOR PROFILE 2021





- 2.1 Also attached is a copy of the full Logistics Sector Profile and the summary profile, which have been updated.
- 2.2 The sector has a regional workforce of 6,638 people, annual earnings (salaries, wages and self-employment income) of \$440 million and a contribution to GDP of \$704 million.

3. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual 166	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special	No

Consultative procedure?		
Is there funding in the current Annual Plan for these actions?		No
Are the recommendations inconsistent with any of Council's policies or plans?		No
The recommendations contribute to Goal 1: An Innovative and Growing City		
The recommendations contribute to the achievement of action/actions in Economic Development Plan		
The action is: Attract investment expansion and new business		
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Reporting on economic trends in the city and the longer-term outlook for growth is important for encouraging local businesses to invest in growing their businesses and attracting new businesses to the city.	

ATTACHMENTS

1. Health Care and Social Assistance Sector Profile 2022 - Executive Summary [↓](#) 
2. Health Care and Social Assistance Sector Profile 2022 [↓](#) 
3. Logistics Sector Profile 2022 - Executive Summary [↓](#) 
4. Logistics Sector Profile 2022 [↓](#) 

COMMITTEE WORK SCHEDULE

TO: Economic Development Committee

MEETING DATE: 16 March 2022

TITLE: Committee Work Schedule

RECOMMENDATION TO ECONOMIC DEVELOPMENT COMMITTEE

1. That the Economic Development Committee receive its Work Schedule dated March 2022.

ATTACHMENTS

1. Work Schedule March 2022 [↓](#) 

