

Workshop purpose

- 1. Review and provide feedback** on the draft regional economic development strategy and implementation plan
- 2. Test** the initiatives by Waikato Regional Council to support these
- 3. Opportunity** to suggest other initiatives that drive economic development.

Council process since October 2025

1. November 2025: Council agreed regional economic development definition and strategy approach, including partnerships and identifying initiatives for inclusion in the strategy in 2026/27
2. February 2026: councillor input to draft SWOT analysis and approval for further discussion with business stakeholders - **has anything changed?**
3. March 2026: 43 potential initiatives proposed by 14 parties to contribute to outcomes (**to be prioritised by proposed steering group**)
4. May 2026: RGRC feedback on draft strategy, including enablers and measures of success – **has anything changed?**
5. May 2026: RGRC approved draft for consultation and requested this workshop to **discuss initiatives, potential funding requests/opportunities and finalise the draft strategy.**

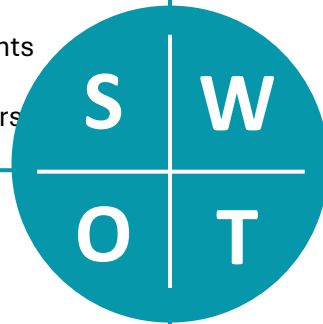
SWOT Analysis

Strengths

- Relatively large area and labour force
- Relatively high economic diversity
- Favourable natural capital and environment (e.g. climate, Waikato River, rainfall, soils, coastal and marine, geology)
- Attractive place to live; and to invest when priorities agreed
- Popular amenities, visitor destinations and events
- Unique Māori identity and values: Kiingitanga, Tainui and Te Arawa waka
- Second-largest Māori asset base, growing talent & opportunity
- Relatively secure infrastructure (electricity, water)
- Leader in electricity generation and energy distribution
- Strong inter-regional links, e.g. with Auckland and BoP (goods, people, businesses)
- Abundant primary sectors, in vibrant rural and coastal communities
- Large and specialised role of metro area, supported by joint planning arrangements
- Excellent education and research organisations
- Nationally significant activities (including sports and cultural) and industry sectors
- Councils generally business friendly, some shared services

Opportunities

- Growing and young population in some areas
- Improve productivity of existing industries, e.g. through adding value
- Optimise economic role within upper North Island
- Build economic resilience and adaptability (e.g. resource efficiency, water storage, shorten supply chains)
- Grow newer activities/industries (e.g. energy-dense)
- Improve intra-regional, inter-regional and international connections
- Optimise economic advantages of metro area
- Better match business skill needs with regional education offerings
- Develop & promote region as a place to work, invest, study, visit etc
- Coordinate infrastructure planning and investment
- Increase efficiency of council functions, e.g. expand shared services
- Partner with Māori for shared prosperity, adding value
- Leverage government policy to grow housing supply



Weaknesses

- Low productivity compared to other regions and NZ
 - Pressure on resources
 - Lower education and higher unemployment and NEET
- Competition (and proximity) between urban and rural land uses
 - High telecommunications fault rate per connection
- High electricity costs (national market structure and settings)
 - Relatively low productivity in metro area
 - Relatively low public R & D capacity
 - Attraction and retention of capital, talent etc
- Many council entities with varying priorities, inconsistent responses to business needs, regulatory complexity and uncertainty, including for blue economy activities in marine area
 - Housing supply/quality, particularly outside metro area

Threats

- Increasing number of dependents per worker in some areas
- Biosecurity threats, pressure on marine environment and other natural risks
- Constraints on expansion of existing and attraction of new industries, such as water and electricity
 - Constraints on capacity to meet domestic or international market requirements
 - Inconsistent planning or infrastructure across upper North Island
 - Hydrological risks to existing large-scale hydro generation
 - Diversion away of talent, capital and customers
 - Future risks to resilient infrastructure pipeline
 - Impact of shocks (e.g. February 2026 storms, 2026 Iran war)
 - International risks to imports or exports
- Central or local government policy shifts worsen business environment

Enablers of regional economic development

<p>Labour productivity Economic output (GDP) per full-time equivalent (FTE)</p>	<p>Labour skills E.g. formal educational attainment and achievement, on-going development of skills</p>	<p>Ease of doing business Implementation of government regulations; development and implementation of local government policy, planning, consents etc</p>
<p>Transport services Modes and systems; land (road, rail and coastal shipping), air and maritime; intra-regional, inter-regional, international</p>	<p>Energy Generation and distribution of power for businesses, fuel for vehicles</p>	<p>Infrastructure investment Spending, stock and quality of energy, transport, telecommunications, water assets</p>
<p>Perception of the region Value proposition and image of the region among businesses and individuals onshore, offshore and within Waikato. <u>Both branding for different audiences and purposes, and placemaking of physical spaces</u></p>	<p>Industry diversity or performance Diversity: the contribution of different industries to economic output Business growth: increase in business size, proportion of high-growth businesses</p>	<p>Innovation Business capability to undertake innovation, linkages between researchers and businesses, technical and knowledge-based skills, support for innovation</p>
<p>Entrepreneurship Business entry: proportion of new firms to existing firms Business growth: increase in business size, proportion of high-growth businesses</p>	<p>Culture Identity. Creativity. Beliefs, values and preferences: influencing economic behaviour; that promote and support entrepreneurship, innovation and economic development generally</p>	<p>Access to capital Access to capital for business innovation and growth at different business life cycle stages</p>
<p>Amenities The range of natural, cultural, sports, <u>recreational</u> and retail amenities available and access to facilities or services</p>	<p>Housing Affordability, quality, tenure</p>	<p>Commercial property Office, commercial and industrial property capacity, value and rentals</p>
<p>Business land and water space Stock, availability and cost of different land types. <u>Quality and availability of water space for blue economy</u></p>	<p>Ecosystem services Stock and quality of land, minerals, forests, freshwater, coastal and marine, biodiversity</p>	<p>Inter-regional enterprise connections Connections based on enterprises employing people in multiple regions</p>

Success measures – strategy

Final outcomes (30-year horizon)	Increase household incomes	Increase productivity	Increase employment
Intermediate outcomes (10-year horizon)	Increase factor mobility Factors of production such as labour and capital move to priority activities that support the final outcomes	Reduce barriers To the entry or exit of businesses to priority activities that support the final outcomes	Shared direction Parties make aligned decisions, such as investment in areas with the greatest net benefits
Outputs and immediate-short term outcomes (3-year horizon)	Improve information and insights Fill gaps and develop new information to achieve efficient outcomes or maximise economic opportunities	Improve coordination Provide strategy and forums to bring together parties with common interests. Deliver/facilitate infrastructure to align activities around it	Positive spillovers Facilitate market solutions by establishing connections between parties, providing information, or subsidising positive activities in some way
Problems	Imperfect information Where parties lack perfect information, markets can fail to achieve efficient outcomes or to maximise economic opportunities	Coordination failures Opportunities missed because of independent actions across parties, which working together would have provided	Poor economic performance Under-provision of economic activities with positive spillovers contributes to sub-optimal incomes, productivity, employment

Regional economic development strategy

- changes as a result of feedback

1. Separated strategy from background document
2. Changes incorporated. E.g. natural assets, tourism, sports, circular bioeconomy, towns, resilience
3. Your feedback?

Implementation plan

1. Governance and accountability: steering group
2. Investment promotion and facilitation:
 - a) resources and online portal
 - b) coordinated regional response to business investment
3. Initiatives proposed/in train by others

New Zealand Graduate School of Medicine

1. Presentation by UoW to RGRC on 12 May 2026 foreshadowed potential funding request through LTP
2. Community clinical learning centres announced this month in
 - North Waikato
 - Hauraki/Thames-Coromandel
 - South Waikato
 - Waipa/King Country

Taakiri Tuu Te Matatini 2027

1. Biennial kapa haka multi-million dollar event (\$24 million, 2025, Taranaki)
2. February 2027 event to be hosted by Waikato-Tainui at Hopu Hopu.
3. WRC is considering request for transport services for Waikato event.

WRC initiatives

1. Facilitation: strategy development process and secretariat support
2. Evidence and insights: monitoring, compiling and sharing data and insights
3. Convening of groups: **primary industry representative group (see slide 11)**
4. Investment promotion and facilitation (**see slide 12**)
5. Other initiatives within WRC's sphere of responsibility. **Water storage and use (see slide 14)**
6. No additional funding requested for 2026/2027
7. **Your ideas?**

Primary Industry Representative Group

Description	Staff recommendation
<p>A regular structured event hosted by WRC councillors with primary sector representatives. Structured similarly to Auckland rural advisory board.</p> <p>The primary sector is a significant contributor to the regional economy. Confidence and certainty provide the sector the ability to continue to boost productivity. A strong regional relationship with the council and sector is important to enabling growth.</p>	<p>Similar to Rural Advisory Panel (Auckland Council).</p> <p>Staff present options to seek views of councillors to implement.</p>

Waikato investment promotion and facilitation

1. Strategy/plan
2. Online portal (updated, maintained website), including:
 - a) relevant data and information
 - b) priority activities/sectors
3. Promotional activities/campaigns
4. Focal point and person to respond to investment enquiries and undertake promotion
5. Business-friendly council-wide operations
6. **Your ideas?**

Success measures - Waikato investment promotion and support

1. Increased awareness of the Waikato as an investment destination
2. Increased number of investment enquiries
3. Increased number of investment prospects identified in the region
4. Increased number and value of investment matches and deals facilitated
5. **Your ideas?**

Water Storage and Use

Description

A regional focus on the barriers to entry and adoption of water storage for catchments, farms and communities to efficiently utilise water resources available. Resource management reforms and new regional planning direction opens the opportunity to explore water storage at scale which is not commonly used in the Waikato.

A council led piece of work looking from a policy, environmental and implementation roll out of water storage throughout the region. This would be a council led piece of work with key community stakeholders (Iwi, Industry etc) in tandem. Advocacy into national direction impacting the scope of decisions regional councils can make on water management will be a follow-on action from the initial work to open barriers currently restricting water storage.

Staff recommendation

Can be addressed through implementation of the draft Water Security Action Plan developed by Beca under contract to Waikato Regional Council.

Water storage, both small scale and large scale, are presented as strategic options for improving water security in the Waikato region. More specifically, the plan provides a dynamic adaptive path drafted for the two priority catchments - Piako and Waikato River. Multi-organisation representatives would be appointed to a Catchment Water Security Groups to work through the recommended options, including water storage, to meet levels of service for water users and the river.

It is a non-statutory plan, providing a path forward for council and the community to improve water security (e.g. water use efficiency, water reuse). The water security plan does not set the rules and limits for water use – that is

Next steps

1. Finalise draft strategy based on councillors' feedback
2. Present strategy and implementation plan for adoption at council meeting on 25 June 2026
3. Implementation: convene Steering Group, prioritise initiatives, go