

Regional Development – Unlocking potential Dunedin

THE ISSUE

The economic and employment needs of regional New Zealand have been ignored by National over the past 8 years. While some areas are growing, others are lagging behind. Figures from Statistics New Zealand show that in the year to March 2015¹ Auckland's economy grew by 7%, Otago's grew only 2%, and regions such as the Waikato (-2%), Taranaki (-3%) and West Coast (-5%) all saw economic output decline. Southland's economic output fell by 10%.

While National has looked on, the economy in some regions has not been delivering for New Zealanders. The unemployment rate is higher than when Labour left office in 11 of New Zealand's 12 regions, according to Statistics New Zealand. In Otago median weekly earnings² fell by 3.5% last year. This postcode lottery of economic development needs to change to ensure that all areas of New Zealand benefit from growth.

HOW LABOUR WILL BE DIFFERENT

Unlike National, Labour cares about helping to make sure that every New Zealander gets to benefit from economic growth, and will work to ensure that all regions get the support they need to realise their long-term economic potential. Labour has announced that regional development will be a priority for the next government, and has committed to the delivery of a Regional Development Fund.

The fund will provide financial backing for projects that have the potential to become game changing developments for a region, and that will help deliver long-term sustainable growth for New Zealand.

WHAT THIS MEANS FOR DUNEDIN

Labour will:

- **set up a Centre of Digital Excellence (CODE) in Dunedin.** The Centre will build on existing gaming and digital businesses and the existing academic centres. CODE would cost around \$10m over ten years and would have three main elements:
 - **set up a new Chair of Computer Gaming at Otago University**
 - **accelerate existing digital start-ups with an incubator space that includes a motion-capture studio, access to publishing software & mentorship programmes**
 - **establish a funding pool administered by private industry aimed at attracting young talent to the industry with post-school digital pathways and scholarships.**

Over ten years, the ambition of CODE would be to move the computer gaming industry to a sector generating \$1bn of output.

Dunedin and the wider Otago region has an opportunity to develop a sector that will deliver new economic growth and highly skilled sustainable employment. This support from a Labour-led government is a crucial step in helping to build a more resilient economy in Otago, and is an example of how we will help build stronger local economies across the country.

¹ This is the last time period for measurement. Regional Gross Domestic Product: Year ended March 2015

² Labour Market Statistics (Income): June 2016 quarter

