

SmartGrowth Strategy 2023–2073

ISSUES AND OPTIONS PAPER

Economic Wellbeing

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Topic	SGS23-11: Economic wellbeing
Issues	<ol style="list-style-type: none"> 1. Oppose 2. Environmental sustainability 3. Existing industrial activity 4. Region's role in upper North Island 5. Data source for employment figures

Staff Narrative
<p><u>Overview of feedback received</u></p> <p>3 submitters generally support the Strategy, with 2 noting particular support for the recognition given to how interconnected the WBOP subregion is with the upper North Island and the importance of taking an integrated approach to planning.</p> <p>4 submitters have provided general comments noting the importance of the Port of Tauranga; the need for affordable housing to retain talent; the interest and role of Māori land trusts in contributing to economic development; and the role Te Puke could play in supporting housing and industrial development.</p> <p>7 submitters oppose the strategy.</p> <p>Issue 1: Oppose the Strategy.</p> <p>4 submitters generally oppose the Strategy.</p> <p>Issue 2: Incorporate greater emphasis on environmental sustainability.</p> <p>1 submitter (Julian Richmond Fitter) proposes the Strategy places greater emphasis on the protection and enhancement of the environment when considering economic development opportunities.</p> <p>Issue 3: Recognise and support existing industrial activity.</p> <p>1 submitter (Golden Bay, a Division of Fletcher Concrete & Infrastructure Ltd) has proposed adding a new economic objective that recognises and supports existing industrial activities contributing to the regional and national economy.</p> <p>Issue 4: Region's role in the upper North Island.</p> <p>1 submitter (Beth Willard Bowden) notes Tauranga's place in the 'golden triangle' is not adequately acknowledged.</p> <p>Issue 5: Data source for employment figures.</p>

1 submitter (Beth Willard Bowden) requests the source for employment numbers on page 136 be added.

Options overview	
Issue 1: Oppose the Strategy.	
Option 1A	Note the submissions and make no changes. <i>Recommended option.</i>
Issue 2: Changes to Strategy to incorporate greater emphasis on environmental sustainability.	
Option 2A	Continue with Strategy as drafted but noting clear actions to deliver a more sustainable regional economy that enhances and protects the environment and mitigates the impact of climate change will be picked up in the Strategy Implementation Plan under Economic Development Directive number 5: <i>Transition to a low carbon, circular economy</i> , and Economic Development Directive number 6: <i>Economic Development supports environmental protection and enhancement.</i> <i>Recommended option.</i>
Option 2B	Strengthen wording within the Strategy to emphasise how future economic development will minimise environmental impact.
Issue 3: Add a new economic objective that recognises and supports existing industrial activities contributing to the regional and national economy.	
Option 3A	Continue with the Strategy as drafted but noting actions to recognise and support existing industrial activities that provide for economic and housing growth and contribute to the regional and national economy will be picked up in the Strategy Implementation Plan under Economic Development Directive number 1: <i>Lift earnings by focusing on high-value and knowledge-intensive job creation and enabling employment pathways for local people.</i> <i>Recommended option.</i>
Option 3B	Change Economic Development Directive number 2: <i>Shift our industry sector mix to be more knowledge-intensive by increasing technology capability, research and development</i> to incorporate support for existing industrial activities contributing to the local and national economy e.g. Economic Development Directive number 2 is rewritten as: <i>Enable and support existing industrial activities contributing to regional and national prosperity whilst focusing on shifting our industry sector mix to be more knowledge-intensive by increasing technology capability, research and development.</i>
Issue 4: Changes to Strategy to strengthen the importance of the role the sub-region has in the upper North Island economy.	

Option 4A	Continue with the Strategy as drafted but noting that actions to ensure that the sub-region's economy and interests are adequately acknowledged and represented in the context of the upper North Island will be picked up in the Strategy Implementation Plan under Economic Development Directive number 6: <i>Economic development - is integrated within sub-regional spatial planning; supports the Urban Form and Transport Initiative (UFTI) connected centres approach; supports environmental protection and enhancement; and takes account of wider regional and Upper North Island economic plans.</i>
Option 4B	Change Economic Development Directive number 6: <i>Economic development - is integrated within sub-regional spatial planning; supports the Urban Form and Transport Initiative (UFTI) connected centres approach; supports environmental protection and enhancement; and takes account of wider regional and Upper North Island economic plans</i> to strengthen the sub-region's importance within the upper North Island's economy. <i>Recommended option.</i>
Issue 5: Add a source for the employment data in the chart on page 136	
Option 5A	Note the submission and make no change.
Option 5B	Add the data source for employment figures on page 136. The data source is: SmartGrowth Housing and Business Capability Assessment, 2022. <i>Recommended option.</i>

Issue 1: Oppose the strategy.**Option 1A:** Note the submissions and make no changes. *Recommended option.***Advantages**

- N/A

Disadvantages

- N/A

Financial implications

N/A

Other considerations

The 4 submissions generally opposed to the Strategy either propose no changes or provide no commentary for the Strategy to address. Therefore, noting the submissions and making no changes to the Strategy is the only viable option.

Issue 2: Changes to the Strategy to incorporate greater emphasis on environmental sustainability.

Option 2A: Continue with Strategy as drafted but noting clear actions to deliver a more sustainable regional economy that enhances and protects the environment and mitigates the impact of climate change will be picked up in the Strategy Implementation Plan under Economic Development Directive number 5: *Transition to a low carbon, circular economy*, and Economic Development Directive number 6: *Economic Development - supports environmental protection and enhancement*. *Recommended option.*

Advantages

- The Strategy already contains strong statements regarding the importance of environmental sustainability to maintaining a competitive regional economy. Two of the six Economic Development Directives (Directives 5 & 6) specifically reference significant environmental sustainability goals.

Disadvantages

- The specifics as to how the economic development strategy will enhance environmental sustainability are not articulated in detail.

Financial implications	
N/A	
Other considerations	
N/A	
Option 2B: Strengthen wording within the Strategy to emphasise how future economic development will minimise environmental impact.	
Advantages <ul style="list-style-type: none"> Provides greater confidence that there are actions to back up the strategy. 	Disadvantages <ul style="list-style-type: none"> Takes the Strategy into the realm of implementation and would be inconsistent with other economic development directives.
Financial implications	
N/A	
Other considerations	
N/A	
Issue 3: Add a new economic objective that recognises and supports existing industrial activities contributing to the regional and national economy.	
Option 3A: Continue with the Strategy as drafted but noting actions to recognise and support existing industrial activities that provide for economic and housing growth and contribute to the regional and national economy will be picked up in the Strategy Implementation Plan under Economic Development Directive number 1: <i>Lift earnings by focusing on high-value and knowledge-intensive job creation and enabling employment pathways for local people. Recommended option.</i>	
Advantages <ul style="list-style-type: none"> Keeps the Strategy focussed on addressing key economic challenges, opportunities and the need for change in key areas such as environmental sustainability, rather than on a business-as-usual approach. 	Disadvantages <ul style="list-style-type: none"> Existing businesses, particularly those that contribute to regional and national prosperity through provision of housing or key infrastructure, may not see themselves as supported by the Strategy.
Financial implications	
N/A	

Other considerations	
There will be conflicts that exist between supporting existing industrial activity, jobs etc... and the social licence of certain industries to continue to operate, particularly with respect to environmental impacts.	
Option 3B: Change Economic Development Directive number 2: <i>Shift our industry sector mix to be more knowledge-intensive by increasing technology capability, research and development</i> to incorporate support for existing industrial activities contributing to the local and national economy e.g. Economic Development Directive number 2 is rewritten as: <i>Enable and support existing industrial activities contributing to regional and national prosperity whilst focusing on shifting our industry sector mix to be more knowledge-intensive by increasing technology capability, research and development.</i>	
Advantages	Disadvantages
<ul style="list-style-type: none"> Existing businesses are more likely to see themselves as being supported by the Strategy. 	<ul style="list-style-type: none"> May dilute the Strategy's overall vision and impact by giving the impression that a business-as-usual approach will be fully supported and endorsed.
Financial implications	
N/A	
Other considerations	
N/A	
Issue 4: Changes to Strategy to strengthen the importance of the role the sub-region has in the upper North Island economy.	
Option 4A: Continue with the Strategy as drafted but noting that actions to ensure that the sub-region's economy and interests are adequately acknowledged and represented in the context of the upper North Island will be picked up in the Strategy Implementation Plan under Economic Development Directive number 6: <i>Economic development - is integrated within sub-regional spatial planning; supports the Urban Form and Transport Initiative (UFTI) connected centres approach; supports environmental protection and enhancement; and takes account of wider regional and Upper North Island economic plans.</i>	

<p>Advantages</p> <ul style="list-style-type: none"> • There are several submissions in support of the current wording referencing the upper North Island. • There are references and maps in the Chapter context which signal the increasing importance of the upper North Island's economy and the sub-region's place in it; including reference to the Port of Tauranga as a critical piece of national infrastructure. 	<p>Disadvantages</p> <ul style="list-style-type: none"> • The wording as currently drafted may not adequately acknowledge the sub-region's economic importance within the upper North Island or the potential to collaborate more closely with neighbouring regions.
<p>Financial implications</p>	
<p>N/A</p>	
<p>Other considerations</p>	
<p>N/A</p>	
<p>Option 4B: Add additional wording to Economic Development Directive number 6 as follows: <i>Economic development - is integrated within sub-regional spatial planning; supports the Urban Form and Transport Initiative (UFTI) connected centres approach; supports environmental protection and enhancement; collaborates and takes account of wider regional and Upper North Island economic plans</i> to strengthen how the sub-region interacts with neighbouring regions and its importance within the upper North Island's economy. Recommended option.</p>	
<p>Advantages</p> <ul style="list-style-type: none"> • Acknowledges the importance of working closely with neighbouring regions, particularly within the upper North Island, as economic geography is not constrained by Council boundaries. 	<p>Disadvantages</p> <ul style="list-style-type: none"> • The sub-region has little control over how other region's undertake their own planning; we can only control how we interact with neighbouring regions and take their plans into consideration when developing our own plans.
<p>Financial implications</p>	
<p>N/A</p>	
<p>Other considerations</p>	
<p>N/A</p>	

Issue 5: Add a source for the employment data in the chart on page 136.

Option 5A: Note the submission and make no change.

Advantages

- None.

Disadvantages

- No source for the employment data in the chart on page 136 is provided.

Financial implications

N/A

Other considerations

N/A

Option 5B: Add the data source for employment figures on page 136. The data source is: SmartGrowth Housing and Business Capability Assessment, 2022. ***Recommended option.***

Advantages

- Source for the employment data on page 136 is provided.

Disadvantages

- None

Financial implications

N/A

Other considerations

N/A

Recommended Decisions
<p>Issue 1: Oppose the Strategy.</p> <p>Option 1A: Note the submissions and make no changes.</p>
<p>Issue 2: Changes to the Strategy to incorporate greater emphasis on environmental sustainability.</p> <p>Option 2A: Continue with Strategy as drafted but noting clear actions to deliver a more sustainable regional economy that enhances and protects the environment and mitigates the impact of climate change will be picked up in the Strategy Implementation Plan under Economic Development Directive number 5: <i>Transition to a low carbon, circular economy, and Economic Development Directive number 6: Economic Development – supports environmental protection and enhancement.</i></p> <p><i>The Strategy already contains strong statements regarding the importance of environmental sustainability to maintaining a competitive regional economy. Two of the six Economic Development Directives (Directives 5 & 6) specifically reference significant environmental sustainability goals.</i></p>
<p>Issue 3: Add a new economic objective that recognises and supports existing industrial activities contributing to the regional and national economy.</p> <p>Option 3A: Continue with the Strategy as drafted but noting actions to recognise and support existing industrial activities that provide for economic and housing growth and contribute to the regional and national economy will be picked up in the Strategy Implementation Plan under Economic Development Directive number 1: <i>Lift earnings by focusing on high-value and knowledge-intensive job creation and enabling employment pathways for local people.</i></p> <p><i>Reasons for recommendation</i></p> <p><i>Keeps the Strategy focussed on addressing key economic challenges, opportunities and the need for change in key areas such as environmental sustainability, rather than on a business-as-usual approach.</i></p>
<p>Issue 4: Changes to Strategy to strengthen the importance of the role the sub-region has in the upper North Island economy.</p> <p>Option 4B: Add additional wording to Economic Development Directive number 6 as follows: Economic development – is integrated within sub-regional spatial planning; supports the Urban Form and Transport</p>

Initiative (UFTI) connected centres approach; supports environmental protection and enhancement; collaborates and takes account of wider regional and upper North Island economic plans.

Reasons for recommendation

Acknowledges the importance of working closely with neighbouring regions, particularly within the upper North Island, as economic geography is not constrained by Council boundaries.

Issue 5: Add a source for the employment data in the chart on page 136.

Option 5B: Add the data source for employment figures on page 136.

Reasons for recommendation

Clarity

Decision

(To be completed in the decision-making meeting)

Reason

(To be completed in the decision-making meeting)

Date approved:

Approved by: