

Our contribution

WAIKATO REGIONAL COUNCIL CONTRIBUTES TO ECONOMIC WELLBEING IN A NUMBER OF WAYS:

- Flood protection schemes owned and maintained in the Lower Waikato, Piako River and Waihou Valley provide a direct protection benefit to 305,000 hectares of farmland.
- The council provides transport planning services under the Land Transport Management Act 2003 and Public Transport Management Act 2008. These support the economy through transport infrastructure such as roads, and public transport services that reduce congestion.
- Regulation contributes to a secure operating environment for business and helps achieve the allocative efficiency of natural resources. For example, Waikato Regional Plan Variation 6 is progressively introducing new policies and rules for allocating and using water in the region.
- The Regional Policy Statement is an important document under the Resource Management Act 1991 for managing the way natural and physical resources are used.
- Waikato Regional Council is part of the Upper North Island Strategic Alliance, a long term collaboration with the Auckland Council, Bay of Plenty and Northland regional councils, Hamilton and Tauranga city councils and Whangarei District Council for responding to and managing a range of inter-regional and inter-metropolitan issues.
- Waikato Regional Council is actively supporting the work of the Waikato Local Government Forum, which comprises the regional council chair and mayors of the region's 11 territorial authorities. The forum is focusing on identifying efficiencies within local government in the region.



Waikato Regional Council makes publicly available a wide range of resource and planning information that can assist economic decision-making by firms. There is also demand from territorial authorities, business organisations and the media, amongst others, for accurate, timely, easy-to-understand information about the regional economy. This profile and subsequent work will contribute to meeting this.

**FOR THE FULL REPORT, PLEASE VISIT
WWW.WAIKATOREGION.GOV.T.NZ**

Waikato Regional Council

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Stephen Barker, Vanessa Moore, Harley Grant, Craig Brown, J Barran,
Destination Lake Taupo and Dave Abbot (Liquid Action Films).

Waikato region Economic profile Highlights



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The Waikato region

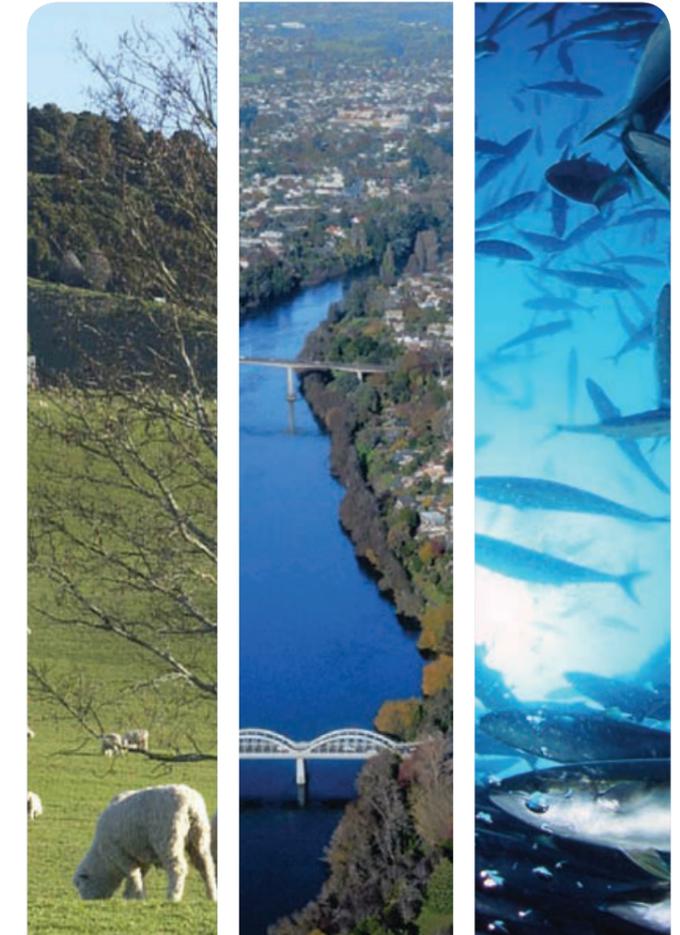
COMPETING GLOBALLY, CARING LOCALLY

Waikato Regional Council's vision is of a successful region "competing globally, caring locally". To help achieve this, the council is focussed on supporting a strong export-driven economy underpinned by a healthy environment.

Increasing the value of international exports is important to achieving New Zealand's economic growth objectives, which is necessary to lift people's incomes and living standards. However, we must take care to ensure economic growth does not come at the expense of the environment upon which the Waikato economy relies.

A key role of the Waikato Regional Council is to work with businesses and industry groups, central and local government organisations, iwi, tertiary education and research providers and commercialisation and economic development agencies to help create the right conditions for green growth.

This relatively new concept ensures economic development has positive environmental outcomes, or at least no negative environmental outcomes. Put another way, green growth means a shift to more sustainable, or greener, ways of operating and developing modern economies. A green growth approach is critical because the Waikato region's economy is closely tied to the resources and waste assimilation services provided by its environment and neither business as usual nor more of the same is sustainable.



At a glance

THE WAIKATO REGION IS IMPORTANT TO THE NATIONAL ECONOMY BECAUSE OF ITS SCALE AND LOCATION AND ITS CONTRIBUTION TO NATIONAL EXPORT SECTORS AND INFRASTRUCTURE.

- Waikato is the fourth-largest regional economy in New Zealand. It accounts for approximately 10 per cent of land area and population and 8.5 per cent of gross domestic product.
- Several sectors are part of national value chains, such as food, forestry and wood product manufacturing, manufacturing and services. The region is an important centre of primary production.
- Waikato's central location between the Auckland, Bay of Plenty, Hawke's Bay, Manawatu-Whanganui and Taranaki regions makes it a nationally significant corridor for infrastructure, such as road and rail transport, electricity and natural gas, telecommunications and data.
- Waikato is the most important minerals producing region in New Zealand. Within the region there are important mineral exploration and development operations, including coal, aggregates, gold, sand and limestone.
- Hamilton is the region's 'central business district' with concentrations of employment, research, tertiary education and manufacturing. Its industry strengths are inextricably linked to the primary production of the surrounding region, on which it also relies for labour and materials.
- Collaboration is required amongst a broad range of organisations for the country to benefit even more from the opportunities present in the Waikato

region. A shared understanding of the region's strengths and opportunities should lead to improved coordination of infrastructure development, regulatory processes, innovation and economic development activities. This will increase the effectiveness and efficiency of these activities and lead to improved economic outcomes.

- Waikato Regional Council plays an important role in enabling regional development. For example, key infrastructure and productive land are protected through land use and water allocation decisions and flood protection and control works. Strategic and integrated planning through instruments like the Regional Policy Statement helps ensure that the productive capability of natural resources is protected. Collectively, these and other actions matter for the wellbeing of both the economy and the environment.

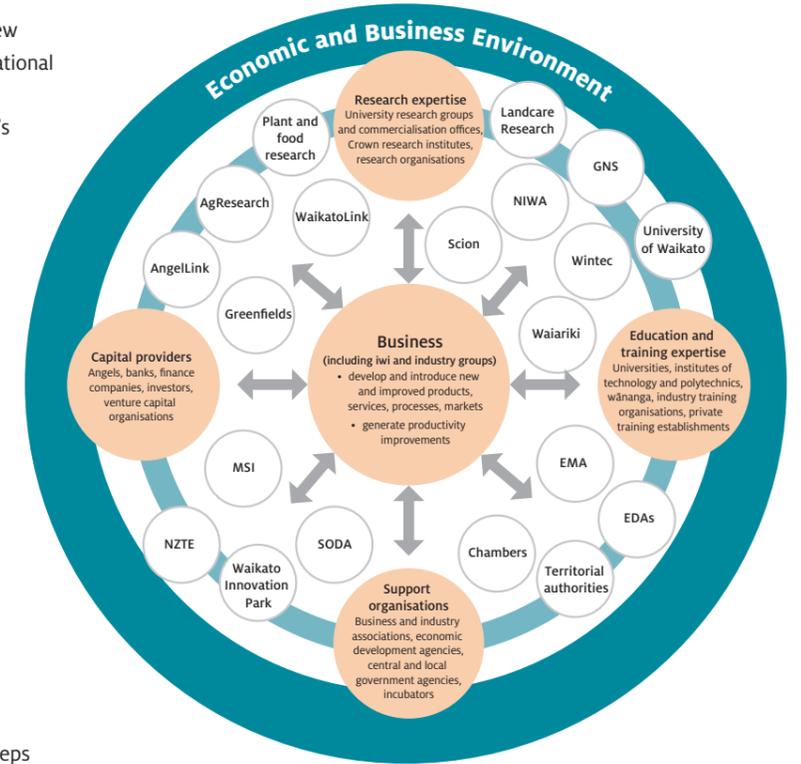


Collaboration is key

Waikato's population is approximately 15 per cent smaller than New Zealand's third-largest region (Wellington). It is small in an international context and has relatively low population density outside the region's urban centres. Furthermore, the proportion of the region's population that resides in a metropolitan area (Hamilton) is lower than the larger regions. This makes it difficult to take advantage of economies of scale and density that typically occur in larger cities.

The challenges and opportunities identified are significant and inter-related. No single organisation has the scale or scope to address them across the region and maximise the benefits to themselves or the wider community, as illustrated in the figure on the right. Collaboration is therefore required among and between firms and industry groups, central and local government organisations, iwi, tertiary education and research providers and commercialisation and economic development agencies. Waikato Regional Council is keen to work with these organisations to help create the right conditions for economic growth.

The Waikato regional economic profile provides information so that everyone can have a shared understanding of the economic issues and opportunities facing the region and take steps collaboratively to address these.



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Nationally important sectors

- High value food manufacturing – dairy, meat and other food. Aquaculture has growth potential.
- Forestry and wood product manufacturing.
- High value manufacturing – agritech, aviation and materials and equipment manufacturing.
- High value services – agriculture, geothermal energy and information and communications technology.
- Waikato is New Zealand's most important dairying region, accounting for more than a quarter of milk supply to the country's largest export sector. The vast majority of this is processed and exported.
- Growing, processing and exporting meat and horticultural products is also important in the region.
- A significant proportion of the nationally-important central North Island forestry resource and one of the largest pulp and paper mills are located in the region. Forestry and wood products combined are New Zealand's third largest export sector.
- The region also has strengths in high value manufacturing and services, often related to the primary industries of scale. Examples include agritech, aviation and materials and equipment manufacturing.
- Aquaculture in the Firth of Thames is poised to be an important export sector.

Electricity

- Waikato is New Zealand's premier electricity region, generating more electricity than any other single region in the country. The region has almost 40 per cent of installed generation capacity.
- Waikato exports approximately 75 per cent of electricity generated to other regions, predominantly Auckland.
- Almost 60 per cent of electricity produced in the region is from renewable sources.
- 75 per cent of New Zealand's known geothermal resources are located in the Waikato region.

Minerals

- The Waikato region has the most extensive sub-bituminous coal resources in New Zealand and represents more than one-third of New Zealand's coal output, including about 70 per cent of the coal produced for domestic consumption.
- In 2006 the Waikato region produced the second largest amount of aggregate and industrial minerals, almost 7 million tonnes.
- Waikato is also the largest interregional 'exporter' of economic aggregate and industrial minerals for roading material. This goes predominantly to Auckland, which 'imports' from Waikato almost 25 per cent of its needs.
- Mines in Waihi produced 108,000 ounces of gold and 522,129 ounces of silver in 2010.

Transport

- Almost a quarter of total national freight movements by land either travel within, to, from, or through the Waikato region (51 million tonnes out of a national total of some 225 million tonnes).
- The Waikato region has more heavy commercial vehicle movements per day than any other region. Heavy vehicle growth rates in the Waikato are higher than the national average.
- The region contains 16 per cent of the national state highway network (1,740 kilometres).
- There are 329 kilometres of active rail routes in the region, amounting to 8.5 per cent of the national rail network.
- Approximately 16 per cent of New Zealand's rail freight traffic in net tonne kilometres, travelled on lines in the Waikato. Approximately 6 million tonnes, nearly 45 per cent of the national total, originated in, had a destination in, or passed through the region.

