

Quarterly Update

January – March 2022



Executive Summary

It has been a remarkable three months. As sentiment turns rapidly, we are focusing both on how we continue our focused workplan alongside what we might need to do so support emerging and material business issues in the region. Remaining agile is a priority as is a clear and slightly ruthless focus – all emerging trends in the current environment. But despite the negatives, there are also real opportunities emerging in the region which will support economic growth and wellbeing. Continuing to focus on the positives must remain a clear priority for us all!

People are key

We were very pleased last week to be able to announce the appointment of Fiona Carrick as Chief Executive with effect 1 July. Fiona has an extremely strong commercial and stakeholder relationship background, most recently with senior group roles within Fonterra. Read more about her appointment [here](#).

We've also appointed a new Marketing and Communications Coordinator, Bridget Crabb; Marcelo Mieres to support our regional engagement mahi; and are about to recruit a new workforce development role to support our work in this important area. People, relationships, and knowledge are key to our success, so we are excited to be evolving our team to better serve our mission.

We are also continuing to build on our collaborative effort with others in the region – including continued work with the Regional Housing Initiative, the Waikato Wellbeing Project, the Waikato Pacific Business Network, and most recently the conclusion of an MOU with SODA Inc.

Business Sentiment

Our 2022 Sentiment Survey paints a challenging picture for the Waikato business environment, with a significant drop in business confidence, major skills shortages, and clear pressure on input costs and pricing. The overarching theme emerging is that respondents are in survival mode and focussed on short term issues – with cost pressures front of mind for the majority.

Waikato businesses are more confident in the performance of their own businesses than they are in the regional or national economy - reflecting increasing uncertainty. Encouragingly, Waikato businesses are still intending to hire despite the negative sentiment – signalling an underlying belief that 'we'll get through this'. However, the short-term focus comes at the cost of looking to the future. A luxury perhaps, but the current environment demands innovation and brave thinking.

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Bottom line, it's an extremely challenging time for businesses with rapidly rising inflation, interest rates continuing to scale in response and with ongoing pressures of supply chain and people. But our region remains better placed than many. In the coming months, fortune will favour the brave, and businesses that can juggle the short-term response alongside adopting a future focussed approach will in our view be better placed to prosper in a period of transformation.

How Te Waka adds value

Over the last few months, we have really focussed into how Te Waka can best add value to our stakeholders and the wider economic development ecosystem. We have identified some clear focus areas: Firstly, we must be a knowledge-based organisation. Secondly, taking a leadership position in advocacy is an area where we can add value to our stakeholders and fill a gap between local and central government. As such it is vital that we advocate for the region on issues that matter (with both local and central Government). Creating connections is equally important – connecting people, capital and ideas that grow the Waikato. Finally, building on the last point, acting as a facilitator in partnership with others in the ecosystem to advance projects and initiatives that develop the Waikato economy.

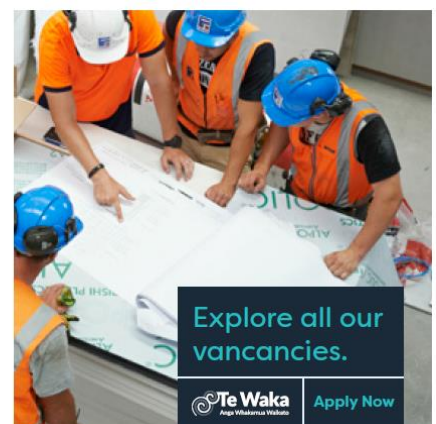
Ngā mihi,

Hamish Bell | Chair

Sector and Industry Leadership

In the March quarter our Industry & Sector Development Manager remained focussed on delivering several industry-led projects:

- **Logistics & Distribution:** The Freight Action Plan continues to progress with support from Ernst & Young. After several rounds of stakeholder feedback and changes to the plan to ensure industry consensus, we are now on track to finalise and publish the report in May 2022. We are pleased with the high levels of industry engagement and support to develop a high-quality action plan that we look forward to sharing more widely soon.
- **Construction:** In the March quarter we launched our Construction sector talent attraction campaign, in partnership with several industry stakeholders and our agency partner HGB. The campaign closed on 31 March, and we are currently preparing final campaign reporting and analysis. We will also be debriefing the pilot initiative with industry stakeholders to share lessons learned and agree next steps. Over the 6-week campaign we attracted ~9,000 visitors to the campaign [jobs board on Waikato.com](https://www.waikato.com/jobs-board) and received over 50 applications for open roles in the region.



- **Education:** The Destination Waikato project (developing a concept and collateral to promote the Waikato region as an international education destination) continues to progress well, despite production delays arising due to Covid impacts. Most of the photography is now completed, along with web design for new pages on Waikato.com to promote the region to prospective international students. We are aiming to have key collateral ready for a launch in May, however production of our planned promotional video is dependent on changes to Covid alert level settings so may not be ready in for the initial launch. During the March quarter we also brought key regional education sector leaders together for an initial workshop to explore collaboration opportunities to support the growth of the sector in the region. This engagement is ongoing, with the forum planning to meet again in April, with the aim of defining a vision for the sector in the region.
- **Tech & Innovation:** Te Waka continues to actively support the Cultivate Trust and has agreed to lead the sub-committee for the Trust's 'Connect' goal, which aims to develop a Waikato community network, including delivering business networking events and developing a shared regional database of 'tech enabled' businesses. The initial focus is on Techweek, for which Te Waka has agreed to act as regional coordinator, including encouraging Cultivate Trust members to offer Waikato-based events during the week (16-22 May). The 'Connect' sub-committee is still in the process of being established, with volunteers from the Cultivate Trust being sought to support this work.
- **Agri & Food:** Te Waka has taken initial steps to engage with the Agri & Food sectors during the March quarter, including joining Hamilton & Waikato Tourism's Advisory Group for the Waikato Food & Beverage Tourism Market Development Plan, and meeting with several industry stakeholders to start building relationships and understanding of the sector. Te Waka will increase its engagement with this sector as capacity becomes available with the completion of other industry projects.

Māori & Pacific Business

Our new Māori Economic Development Manager, Hemi Ruru, is settling into his role and is building relationships with key stakeholders across the region. Key updates for the March quarter include:

- **Iwi Engagement:** We are developing a new Iwi engagement plan to ensure that Te Waka is engaging broadly across the Waikato region and is targeting support to align with each Iwi's key priorities. This includes reviewing/refreshing existing MOUs with Iwi partners and our current Māori Economic Development Plan.
- **Capacity & Capability Project:** Jason Nepia is making good progress on this project, which is focused on building the capacity and capability of Māori enterprises to engage with social procurement opportunities. The 'Clarify' stage of the project is largely complete, which included mapping and testing key assumptions, assessing existing business support services, and assessing current procurement requirements. The 'Construct' phase has been initiated, including identifying appropriate service providers and planning for co-build in partnership with Waikato-Tainui.
- **Amotai MOU:** Amotai and Te Waka are excited to have agreed in principle to work more collaboratively together. With the recent signing of an MOU, this relationship will enable more Māori and Pacific businesses to access stronger support networks and assistance through both parties. The signing of the MOU builds upon the relationship between Amotai and Te Waka that has been in place for quite some time and will support stronger collaboration going forward.
Note: Amotai is Aotearoa's supplier diversity intermediary tasked with connecting Māori and Pasifika-owned businesses with buyers wanting to purchase goods, services and works.

- **Māori Data:** Te Waka is working alongside other agencies in developing a method to capture an aggregated view of Māori Business data throughout the Waikato rohe. Currently there are several groups collecting this data, but the aim is to collate this information in one location to allow easier access for a wider range of Māori businesses. Alongside this, the definition of “What is a Māori Business” is currently being worked on alongside Statistics NZ.

Regional Business Growth

At the core of Te Waka's Regional Business Growth programme is the delivery of the Ministry of Business Innovation and Employment (MBIE) and New Zealand Trade and Enterprise's (NZTE) Regional Business Programme (RBP) and Callaghan Innovation Programme and the coordination of the Business Mentors service.

The first quarter of 2022 saw a further increase in demand for these services with the challenging economic environment as a result of the COVID pandemic. While available funds in the RBP programme are nearly all allocated the team are still providing expert advice and connection to the extensive range of business support services and programmes that we are aware of.

With the newly refreshed Business Mentors website and an increase in new mentors wanting to help in this challenging environment, we have continued to see growth in the programme with the Waikato continuing to be a standout performer across the country. To help promote the programme to a wider audience a pilot with SWIFT in South Waikato is developing a district-wide system of local mentors meeting the needs of local businesses, initial results are positive with more work to come.

Business Attraction & Investment Facilitation

During the March quarter, we were able to progress our Business Attraction and Investment Facilitation work programme. As part of this, the first Investment Advisory Council meeting is being held on 8th April. In addition to bringing together parties with valuable insights and knowledge in the area of investment attraction we are also looking to strengthen partnerships, particularly with the Investment team at Auckland Unlimited to better understand the ecosystem and enable us to make appropriate connections and facilitate investment attraction in the region.

Connections & Partnerships

Over the past few weeks, we were finally able to engage face to face with many of our stakeholders as we implement our regional engagement programme.

The value in these one-on-one conversations with the 10 districts that make up the Waikato is gaining insights into the workstreams and local plans allowing us to advocate and promote as needed. We have also continued to deliver in a monthly online format regional engagement allowing the EDMs of the region to come together and share opportunities and challenges as well as connect with each other.

Regional Projects

Te Waka continues to be an active participant on several key regional forums, including the Waikato Regional Skills Leadership Group (RSLG), the Waikato Plan (Strategic Partners Forum and Leadership Committee), the Waikato Wellbeing Project, and the Waikato Housing Initiative.

During the March quarter significant progress was made by the Waikato RSLG on drafting the first Regional Workforce Plan, with a large number of workshops held with regional stakeholders to seek feedback/input. Te Waka played a key role in encouraging broad attendance from key regional leaders in these workshops. The preparation of the Regional Workforce Plan is due to be completed by the end of June.

Te Waka has also formally stepped into a Manu Taki role for the Waikato Wellbeing Project's goal to increase the number of young people who are actively engaged in meaningful employment, education or training (SDG goals 4/8/10).

We are excited to welcome WPBN into Perry House. WPBN is now based within the Te Waka hub at Perry House and will be working to support Pacific Business networks across the Waikato region. We are really looking forward to working further with WPBN to build stronger relationships with Pacific businesses and opportunities across the region.

Regional Voice & Knowledge

Intelligence & Insights

In February we published our quarterly Economic Radar for the December quarter with support from Blair Keenan, Principal Economist at WRC. You can read the full radar, [here](#).

Furthermore, during the month of February our Annual Business Sentiment Survey was open and we were collecting responses from Waikato wide business owners and managers. Thank you to our stakeholders, in particular the EDMs in our TLAs for the ongoing support in driving engagement on this. We are very pleased to be able to publish the report on the sentiment survey. Please see the full report [here](#).

Regional Advocate

Te Waka is partnering with the Edmund Hillary Fellowship (EHF) to facilitate a regional orientation event in June 2022 that will showcase the Waikato region to EHF Fellows. This is a fantastic opportunity to highlight the opportunities that exist within the region to a diverse, innovative, and creative cohort of local and global changemakers, including the next cohort of Global Impact Visa holders that will begin entering New Zealand from August 2022.

The Ministry of Foreign Affairs and Trade (MFAT) is conducting a study tour of the Waikato and Bay of Plenty for approximately 35 Heads of Diplomatic Missions in early June. Te Waka in conjunction with MFAT, our local government partners and iwi representatives are excited to showcase through hosted presentations and site visits, culminating in an event at Hamilton Gardens the Waikato as an attractive place to invest and do business.

We have used the March quarter to do some further investigative work around needs and requirements to further develop Waikato.com and the attached Waikato Story toolkit. Work on this will commence in the next June quarter.

Lastly, Te Waka contributed to a submission on the Government's proposal to restrict the enrolment of international fee-paying students at Primary and Intermediate schools. The submission was made by members of the Regional International Education Network Aotearoa (RIENA), of which Te Waka is now a member, and strongly opposed the Government's proposal.