

Newsletter

May 2015

TAURANGA CITY CENTRE TERTIARY PRECINCT



During May the University of Waikato Council settled a heads of agreement with the Bay of Plenty Regional Council, Tauranga City Council and Tauranga Energy Consumer Trust that will see the development of a new tertiary and research campus in Tauranga's city centre. The University of Waikato-led campus in Durham Street will be shared with the three other members of the Bay of Plenty Tertiary Partnership, namely Bay of Plenty Polytechnic, Te Wananga o Awanuiarangi and Waiariki Institute of Technology.

The development of a university campus experience in the city centre has been a key area of focus for Priority One and SmartGrowth in recent years. Priority One Chief Executive, Andrew Coker said the new campus will be a game changer for the region's economy. "The city centre campus development is a key project to enable the University of Waikato to grow to scale in the Bay of Plenty, providing student pathways to higher education. It will also assist the region develop applied research to support industry and economic growth."

The new campus is expected to cost around \$88.9 million. The agreement outlines the conditions under which the regional contributions towards the new tertiary campus will be provided. The Bay of Plenty Regional Council is contributing up to \$15 million through their regional infrastructure fund, which will be matched by funding from the Tauranga Energy Consumer Trust. Tauranga City Council has agreed to gift land for the development and delivery of tertiary education. The University of Waikato will fund the remaining \$58.8 million.

The new campus will provide a purpose-built space for leading academics, researchers, postgraduate and undergraduate students. It will also cater for industry and community collaborations, and commercialisation activities. Programmes will be offered that relate to regional strengths, including marine, ICT and logistics. Further courses will be developed over time to support areas of economic and industry need in the Bay of Plenty. It's expected 8000 tertiary students would study here over the coming 17-year period.

The development will roll out in two stages with the first stage construction set to be completed in 2020. The new campus is predicted to generate \$133 million in regional revenue and provide over 600 new jobs. It will also significantly revitalise the city centre and will strengthen the business case for other projects such as the development of an international hotel and conference centre, as well as student accommodation.

Andrew said "The partnership between regional stakeholders and tertiary institutions is unique in New Zealand, as is the establishment of a campus of this nature. An enhanced tertiary education system in the region is a critical part of sustainable regional economic and social development."

The formal signing of the Heads of Agreement will take place in the coming weeks. Following this, work will begin on finalising funding agreements, appointing design and project teams, and appointing representatives to the trust that will oversee the project.

University of Waikato Vice-Chancellor Professor Neil Quigley said it was an exciting milestone for the Bay of Plenty community, the University and the tertiary partners. "It's important for the region that we can attract or retain young people who will make the Bay of Plenty even stronger. This campus, which will be one of the most significant developments in the region in many years, will do that for the region."

May 2015

STRONGEST GROWTH FOR BAY ECONOMY

The May 2015 ANZ Regional Trends report shows the Bay of Plenty's economy has had the strongest annual rate of economic growth for the year to March of any region in New Zealand. The Bay of Plenty economy expanded 4.8% from a year earlier, followed by Canterbury (4.4%), Auckland (4.3%) and Southland (4%). Nationally annual growth was 3.5%. To view the full report, visit <http://www.priorityone.co.nz/vdb/document/512>.

STRATEGY TO STIMULATE FURTHER ECONOMIC GROWTH

On 12 May Primary Industries Minister Nathan Guy, Economic Development Minister Steven Joyce and Wairariki MP and Minister for Maori Development Te Ururoa Flavell were in Tauranga with Social Development Minister Anne Tolley and local MPs Simon Bridges and Todd Muller to launch the Bay of Plenty Regional Growth Study. Commissioned by the Ministry of Business Innovation & Employment and the Ministry for Primary Industries, the study identifies and prioritises significant opportunities for economic growth across the wider Bay of Plenty region. It also marks a unique and collaborative partnership between the region and central government, which is essential in order to achieve effective economic growth.

The study, by Martin Jenkins, says that the region is about to 'take off' due to its natural assets, climate, central location and increasingly innovative population. It says that the Bay of Plenty is well placed to attract further investment, raise incomes and increase employment. A wide range of sectors were identified as contributing to the current success of the Bay of Plenty, including horticulture, forestry, agriculture and tourism. It also identified further economic opportunities in the dairy and aquaculture sectors.

While the region has good quality transport infrastructure to support the efficient movement of goods and people for key industries, the study identified opportunities to expand on these. It noted the potential of the primary sector, manufacturing and tourism industries, in particular, to grow the region. It also underscored the importance of water management in the region, as well as the delivery of a better range of quality training programmes and pathways to work so we can retain and attract more young people.

Priority One has committed a resource to project manage the development of an action plan to implement the strategy on behalf of the Bay of Connections regional economic development group. This will be undertaken in partnership with key industry sectors across the region, economic development agencies, local authorities, iwi and education providers through a series of targeted workshops. To download the Bay of Plenty Regional Growth Study, visit <http://www.med.govt.nz/sectors-industries/regions-cities/research/regional-growth-studies/toi-moana-bay-of-plenty-regional-growth-study-opportunities-report>.

NEW RESEARCH INSTITUTES FOR PROVINCES

The government has announced that it wants to create new privately-backed research institutes in the provinces, and has allocated \$25 million to help them get started. It said it would be working with regional stakeholders to identify where the best opportunities were to develop these institutes, with the government funding used to support the most promising proposals. The new organisations would

have to be based outside of Auckland, Wellington and Christchurch. The \$25 million in funding is for a period of three years and will come out of next year's budget. The launch of between one and three new institutes over the next four to five years is expected, depending on demand. The institutes would focus on scientific research relevant to a particular region, with a strong emphasis on the effective transfer of research into new technologies, new firms, and new products and services.

GREEN LIGHT FOR HAIRY MACLARY & FRIENDS

After seven arduous years of planning and fundraising by Creative Tauranga, the Hairy Maclary and Friends Tauranga Waterfront Sculpture Project has been given the green light for installation. Tauranga Energy Consumer Trust, which is a foundation partner in the venture, is paying the \$85,000 required to finish the project, bringing their total financial commitment to \$185,000. The installation will commence next to the playground in early June, ready for the official unveiling in July.

City Care also donated \$100,000, while other major funders include the Ministry of Business, Innovation & Employment and a collective donation from three of the Tauranga Rotary Clubs. Priority One also contributed to the project. The bronze sculptures are of Dame Lynley Dodd's character Hairy Maclary and eight of his friends – Scarface Claw, Slinky Malinki, Hercules Morse, Muffin McLay, Bottomley Potts, Schnitzel von Krumm, Bitzer Maloney and Zachary Quack. The sculptures have been created by Brigitte Wuest from Weta Workshop.

Creative Tauranga Chief Executive Tracey Rudduck-Gudsell said the sculptures will create a lasting legacy for future generations to enjoy. "The sculptures will be a fantastic addition to the family activities already on the waterfront," says Tracy. "I look forward to seeing the reaction of the children when we show the sculptures installed together for the first time." Tauranga mayor Stuart Crosby says the sculptures will become an iconic tourist attraction. "I have no doubt our new sculptures will become nationally and internationally significant icons of the Bay of Plenty," he said Stuart.

EDUCATION TAURANGA DELEGATION VISITS CHINA

Education Tauranga's Regional Manager recently accompanied 13 schools on a two week trip to China to raise the profile of the Tauranga region as a high quality study destination for Chinese students. The group visited six cities (Shanghai, Suzhou, Hangzhou, Guangzhou, Dongguan and Shenzhen) and held a series of fairs and agent seminars with interested students and parents. The fairs were facilitated and paid for by key Chinese education agents that Education Tauranga funded to come to Tauranga in 2014. The Education Tauranga group also joined forces with Education Southland and Education New Zealand to run events to connect with new agents.

Agents that had previously visited Tauranga did a fantastic job of generating interest within their cities, which were converted into enrolments in our local schools. Facilitated by Education NZ, the delegation also met with the Suzhou Education Bureau to investigate opportunities for Suzhou students (primary to tertiary) to come to the region for study. This visit was received very positively and the Bureau will now reciprocate with a visit to Tauranga in early June to progress discussions.

Education Tauranga managed to achieve some good media coverage while in China as well. An article ran in the education section for the Guangzhou Daily newspaper,

which discussed why parents and students should consider Tauranga as a study destination. A further article profiling individual schools in the Tauranga region will run in late May. The Guangzhou Daily has a daily circulation of 1.85 million.

BAY COMPANIES IN COMMERCIALISATION AWARDS

Zespri and Comvita are going head to head as category finalists in this year's KiwiNet Research Commercialisation Awards, which have been designed to celebrate commercialisation success within New Zealand's universities and Crown research institutes. The category they are both up for is the Minter Ellison Rudd Watts & Business Partnership award. Comvita made the finals for its work in accelerating innovation by promoting research projects and producing commercially relevant outcomes, while Zespri has been cited for its partnership with Plant & Food Research in developing the science and industry response to the Psa-V outbreak. Finalists will deliver a presentation in the last stage of judging on 17 June in Auckland.

AUSTRALIA BACK AS TOP EXPORT MARKET

Australia has overtaken China as New Zealand's number one export destination, in part reflecting a slump in milk powder exports to China, according to data from Statistics NZ. Australia was previously our top export market until it was overtaken by China in November 2013. However China is expected to regain the top position when dairy prices recover and the Chinese economy regains strength. In the year to March 2015, exports to Australia were valued at \$8.65 billion compared with \$8.60 billion for exports to China. For the past five months, exports to both China and Australia have fallen, compared with the same month in the previous year. However falls in exports to China were larger than those to Australia.

STRONG EMPLOYMENT GROWTH IN THE BAY

As reported in the Bay of Plenty Times, job listings on Trade Me in Tauranga increased by 41% in the first quarter of this year compared to the same period in 2014. There were 1984 jobs listed during this period in 2015, compared to 1406 over the same period in 2014. The top sector seeking staff was trades and services, which accounted for 24% of listings, while construction/architecture and hospitality/tourism were second equal at 9%. Trade Me Jobs Peter Osborne said Tauranga, and the Bay of Plenty region, was experiencing a growth spurt. "There are development projects spooling up and tradespeople are in especially high demand. Anecdotally, we hear that companies are turning to the area to develop and expand as a real alternative to Auckland."

COMVITA TAKES OUT TOP INNOVATION AWARD

During May Paengaroa-based health and honey products company Comvita took out the New Zealand China Trade Association (NZCTA) Award for Supply Chain Innovation. Judges said Comvita's win recognised that the company had demonstrated capability and innovation in supply chain benefits for China-New Zealand trade. Chief Executive Brett Hewlett said the company had been successful in capturing maximum value from its products by building a successful premium consumer brand and selling directly to consumers through an extensive retail network in China. Comvita was also a finalist in the Hong Kong New Zealand Business Association Award for Hong Kong Business at the awards.

In a separate announcement, Comvita has posted a record profit of \$10.2 million for the year ended 31 March – a 28% increase from the previous year. Purchases by Asian tourists to New Zealand have helped to drive sales, which rose 32% to \$152.7 million. Almost one third of Comvita's sales come from the Asian market, including 400 stores in their key market of China. In the year to April, Chinese tourism to New Zealand rose to record levels, driving sales of Comvita products through tourist shops. The products are seen as luxury items and are often bought as gifts to take back home.

NEW RECORD FOR MIGRATION

New Zealand migration rose to a new annual record in April, as more students arrived from India and China and fewer locals left for Australia. According to Statistics NZ, there was a net gain of 56,800 migrants in the year through April - ahead of the 34,400 gain in the year earlier period. Migrant arrivals were 16% ahead of the previous year, while departures declined 11%. New Zealand's annual migration has broken records for nine consecutive months as people are lured by the nation's brighter economic prospects.

There was a net inflow of 100 migrants from Australia in April - the first month the country has had a net gain from Australia since 1991. However the increase in migrant arrivals was driven by India, with a net gain of 12,200 people in the year through April. This was followed by 7,800 from China, 4,600 from the UK and 4,000 from the Philippines. About three-quarters of migrants from India and half of migrants from China arrived on student visas.

BUDGET 2015: PRIMARY SECTOR EXPORT GROWTH

The government has announced it will invest \$7.5 million over two years in developing key skills and systems to help boost exports across the primary sector. The investment will focus on initiatives to help deliver greater economic growth, including:

- Identifying new farming systems and processes;
- Building international trust in New Zealand products;
- Identifying and prioritising opportunities to increase investment, employment and incomes; and
- Encouraging more people to get involved in the primary industries.

Nathan Guy, Minister for Primary Industries, says "As international markets become more competitive and our products become more sophisticated, it is crucial New Zealand's primary industries skills keep pace. The government will also invest in identifying new farming systems and processes that improve financial, animal welfare and environmental performance."

BOP CHINESE BUSINESS AND COMMERCE ASSN

A new group has been established in the Bay of Plenty to help members of the Chinese community start and grow businesses in the region. The Bay of Plenty Business and Commerce Association wants to promote New Zealand investment, boost Kiwi business in China, connect the region with other Chinese communities in the country and facilitate business relocations. The group started earlier this year with around 20 members, and has since grown to over 50. The Bay of Plenty is becoming an increasingly popular destination for people from China. The Chinese population in the Tauranga and Western Bay area nearly doubled from 0.5% in 2001 to 1% in 2013.

INNOVATION FORUM - A LEGENDARY LINE UP

8AM-12 NOON, **FRIDAY 7 AUGUST 2015**

Join us for the 2015 YIA Innovation Forum, to hear the inspiring, unique and untold stories from six of New Zealand's legendary innovators. The forum is a collaboration between Priority One's Instep programme, Locus Research, Woods – the Creative Agency and Export NZ BOP and is held in conjunction with Western Bay @ Work and the Young Innovator Awards.

The theme for 2015 is 'Join the Legends', with speakers providing a unique take on innovation across a range of fields including music, technology, digital, marine, communications and culture. The line-up includes 'local legend' Barry Vercoe, a pioneer of the digital music revolution and co-founder of MIT Media Lab, and Jenene Crossan, who turned from high-school drop-out to digital extraordinaire launching the hugely successful nzgirl.com.

The event will be held at the Trinity Wharf, Tauranga from 8am-12 noon on **Friday 7 August**. Early bird tickets are on sale from 3 June at \$95 through www.yia.co.nz.

RECRUITING FOR INDUSTRY EXPERTS – forestry/wood processing & freight logistics

Bay of Connections, the economic development strategy covering the wider Bay of Plenty region, is recruiting for two 'industry experts' to coordinate and implement two industry focused sub-strategies. RFPs have been released to implement the forestry & wood processing and the freight logistics work streams. The roles are part time positions for one year, paying up to \$35,000 each. Visit <http://www.bayofconnections.com/sector-strategy/forestry/> to access the forestry & wood processing RFP and <http://www.bayofconnections.com/sector-strategy/freight-logistics/> for the freight logistics RFP. The closing date for applications is 2pm on **Wednesday 10 June**.

TEDX TAURANGA

THINK • THRIVE • TRANSFORM

Ten inspiring speakers have been lined up for the third TEDx Tauranga event, which is being held on **Saturday 25 July** at ASB Stadium. TEDx is a global phenomenon that aims to inspire like-minded people or those interested in learning more. Leading New Zealand scientist, innovator and inventor, Sir Ray Avery, leads the programme. He is joined by local speakers Rachael van der Gugten (nutrition); Jason Edgecombe (path to self-acceptance) and Ellis Bryers (Maori cultural practices to unify our nation).

Other speakers from around the country include Dr Bronwen Conner (neurology, stem cell and gene delivery); Dr Harold Hillman (leadership development); Catherine Irons (human rights); Stephen Lethbridge (growing leaders of the future); Dr David Pattemore (pollination of economically important crops); and Michael Quintern (vermicomposting). Priority One's Ignition coworking space is a Platinum Sponsor for this event, which is expected to be attended by around 1000 people. For further information or to register, visit www.tedxtauranga.com.

STRONG JOB GROWTH CONTINUES

The latest Household Labour Force Survey shows ongoing job growth in the New Zealand economy, while a record labour market participation rate kept the unemployment level steady at 5.8% in the March quarter. The number of people employed grew 16,000 in the March quarter and 74,000 over the year. The participation rate was the highest ever recorded for New Zealand, at 69.6%. There has been job growth in 16 out of the last 17 quarters, running ahead of Treasury predictions. Job growth over the past year is broad-based across industry sectors, with 15,900 more jobs in manufacturing, 23,300 more in construction and 13,900 more in retail, accommodation and food services.

EXPORT AWARD FINALISTS ANNOUNCED

There has been a fantastic response from the region's innovative exporting businesses to entering the 2015 Bay of Plenty Export NZ Awards. The finalists for each category are as follows:

United Travel Business 'Emerging Exporter of the Year' Award

FSP Pacific Ltd
Kiwi Ginseng Ltd (trading as KiwiSeng)
New Zealand Manuka Ltd
Stoney Creek (2014) Ltd
TidyWork (NZ) Ltd

Page Macrae Engineering 'Innovation in Export' Award

Automation & Electronics (NZ) Ltd
Avocado Oil New Zealand Ltd
Kiwi Ginseng Ltd (trading as KiwiSeng)
Oceania Defence Ltd

Beca 'Export Achievement' Award

Michael Sievwright - Trimax Mowing Systems NZ Ltd
Paramdip Singh - Waiariki Institute of Technology
Richard Wyeth - Miraka Ltd

Sharp Tudhope Lawyers 'Exporter of the Year' Award

Automation & Electronics (NZ) Ltd
Century Drilling & Energy Services (NZ) Ltd (t/a MB Century)
Doherty Engineered Attachments Ltd (t/a Doherty Couplers & Attachments)
Trimax Mowing Systems NZ Ltd

NZ Trade & Enterprise 'Service to Export' Award

This is a secret award that will be announced on the night.

The winners will be announced at a gala dinner on Friday **26 June 2015** at the Stadium Lounge, ASB Baypark. Visit www.bopexportnzawards.org.nz for further information and to purchase tickets.

TRUSTPOWER ANNUAL EARNINGS UP 13%

Tauranga-based energy and telecommunications service provider, Trustpower, has posted a 13% rise in its underlying full year earnings, excluding revaluation of a major acquisition, to \$122.9 million. The consolidated profit after tax for the year to 31 March was \$144 million, which included a \$25 million gain in the fair value of the company's purchase price for hydro and wind assets from the New South Wales government's Green State Power company last year. However the result was at the lower end of expectation due to a number of headwinds. These included the strength of the New Zealand dollar against the Australian currency and less wind than average at windfarms in both Australia and New Zealand.

ICT SECTOR GROWING IN STRENGTH

A new report released by the government shows that the technology software and services sector has been growing at the rate of 9% per annum since 2008 and now contributes 1.7% of GDP. The 2015 ICT Sector Report is the second in a series that provides in-depth analysis of New Zealand's information and communications technology sector. The first report was released in 2013. Other highlights of the 2015 report include:

- IT exports have grown at 14% per annum over the last six years to exceed \$930 million in 2014.
- There are marked increases in employment growth, business expenditure on R&D and exports of IT services.
- The number of domestic IT businesses topped 10,000 for the first time in 2014.
- The number of people employed in IT services and software firms increased by 2,800 in the year to 2014 to 26,700.
- Exports of IT services and software have doubled since 2008.
- The ICT sector accounts for 25% of all business expenditure on R&D in New Zealand.
- IT stocks now make up approximately 10% of the value of all listings on the NZX main board, compared with 1% five years ago.

Visit <http://www.mbie.govt.nz/what-we-do/business-growth-agenda/sectors-reports-series/information-and-communications-technology-report> to download the full report.

HIGH PERFORMANCE SPORTS CENTRE UNDER DEVELOPMENT

Construction to transform the former Mount Maunganui Cosmopolitan Club into a high performance sports centre will start in July. Tauranga City Council has agreed to contribute around \$1 million towards the centre on the basis that Bay Venues Limited is able to source the remaining project funding. The venue will provide a top-class facility for talented athletes and will help to grow Tauranga's reputation by developing a venue that has the ability to host international sporting fixtures and events. The centre will cater for a wide range of athletes, sports and high-performance organisations, sports science research and athlete medical support services. The next stage involves completion of design work, obtaining consents and converting expressions of interest into formal

agreements. The due date for completion is the end of December this year.

LOCAL COMPANIES TO SUPPLY WHITTAKER'S

Western Bay producers Mossop's Honey and Heilala Vanilla are providing ingredients in the new Whittaker's Artisan Collection, which launched during May. This is a range of six 100g blocks of chocolate featuring local ingredients sourced from artisan producers around New Zealand and the Pacific. The six new flavours are: Nelson Pear and Manuka Honey; Hawke's Bay Braeburn Apple with Heilala Vanilla; Kaitaia Fire Chili Pepper Spice; Marlborough Sea Salt and Caramel Brittle; Waikato Grown Aromatic Oolong Tea; and Single Origin Samoan. Whittaker's marketing manager, Holly Whittaker, said it was a natural step to combine their chocolate with 'the finest in local ingredients'. "We also have a lot in common with the artisan producers involved - many are family-owned and operated, and all are dedicated to creating the finest quality produce, from start to finish."

RENEWED CONFIDENCE IN AVOCADOES

Thousands of young avocado trees are being planted in Northland and the Bay of Plenty, reflecting a renewed confidence in the future of New Zealand's avocado industry. Seedling nurseries have sold out of stock for the 2015-16 season and there's increased demand for clonal varieties. The new plantings are being made on the economic returns avocados can bring and the knowledge that the industry in New Zealand is still small, with a lot of development to come.

While many of the plantings are in existing orchards, some significant bare land is also being planted from scratch. Part of the renewed confidence is due the New Zealand industry having just completed harvesting its largest crop ever – seven million trays, including 4.5 million being exported. Globally, demand for avocados is growing 10% year-on-year, however global production is growing at just 3%. There are also large untapped markets such as India, where 56% of the population are vegetarian.

STRONG INVESTOR CONFIDENCE IN THE BAY

As reported in the Bay of Plenty Times, investor confidence in Tauranga is the third highest in the country, behind Auckland and Queenstown. A report by Colliers International Industrial Research has identified several elements that are working together to ensure the continued success of industry in the region and improvement of consumer confidence. We have one of the highest proportions of manufacturing employees in the country, which provides significant demand for older and more established industrial premises. In addition, the port and major arterial transport networks feed the expansion for transport and storage requirements, particularly for warehousing and yard space. The region also continues to enjoy some of the highest population growth rates in the country, which increase demand for industrial space to service construction activity.

TOP PROJECT MANAGEMENT PRIZE FOR BECA

Tauranga professional services consultancy, Beca, has taken out the Project Management Team of the Year award at the 2015 Royal Institute of Chartered Surveyors New Zealand awards. The accolade was won by Beca's Whakatane Hospital project management team on a project which involved relocating clinical services from an existing building that did not meet the needs of modern healthcare. The total project budget for the redevelopment was \$55 million.

The judges recognised the team's exceptional professional expertise in delivering a successful outcome for the Bay of Plenty District Health Board, as well as their effective teamwork and innovation demonstrated throughout the project. Of particular note was Beca's commitment to deliver value from the strategy by following an 'early contractor involvement' approach with Fletcher Construction. The design brief called for a building that would suit the regional setting, whilst incorporating the key

requirements of a modern hospital providing medical, surgical, paediatrics and radiology services.

SURVEY HIGHLIGHTS VALUE OF OLDER WORKERS

The Workforce Ageing Survey 2014 has found workers aged 50 and over are seen as valuable and hardworking by employers, and are regarded as more productive and better in a crisis. Over 2,600 employers and employees from Crown entities and district health boards took part in the survey, which was a collaboration between the Office for Senior Citizens and the Human Rights Commission. It found that older people are key contributors to our economy as skilled workers, mentors and leaders. A recent report on positive ageing showed that increasing numbers of people are staying in the workforce past the age of 65. Currently 22% of those 65+ are still in some form of paid employment.

However, despite the advantages of older workers, the survey showed that few organisations have the structures in place to reap the benefits. This includes a lack of planning to specifically recruit older people to the workforce. Age discrimination also remains a problem in many workplaces, with around 40% of older workers having experienced some form of age-related discrimination in the last five years. The survey results can be found at <http://www.msd.govt.nz/documents/about-msd-and-our-work/about-msd/our-structure/osc/nz-crown-entity-sector-ageing-workforce-white-paper.doc>.

UNIVERSITY PROVIDES ECONOMIC BOOST

A recent economic impact report has found that the University of Waikato generates \$988 million annually in sales revenue for the New Zealand economy, up from \$938 million in 2013 and \$860 million in 2012. Most of this (\$823 million) is generated in the Waikato region. However, more than \$9 million in economic benefits come to the Bay of Plenty from the 834 students studying at the Tauranga campus. The report, compiled by Dr Warren Hughes, found over 5,500 jobs nationwide can be attributed to the University of Waikato's operations, including 59 in the Bay of Plenty.

FOCUS ON TAURANGA'S AMENITIES

A new group has been formed by leading Tauranga businessmen and philanthropists to prioritise key civic amenities needed by the city and coordinate the private funding needed to get them up and running. Chaired by Carrus Group's Paul Adams, the Civic Amenities Group's founding members have strong track records in analysing, developing and fundraising for major projects. A key focus is the establishment of priorities to ensure projects are not competing with each other for the key resources to get them over the line. Members of the group will be privately funding its activities and research. Tauranga City Council Chief Executive Garry Poole and Mayor Stuart Crosby have said they welcome the initiative.

BETTER PLANNING FOR BUSINESS TRAVEL

Auckland International Airport is releasing a new app in partnership with international technology itinerary planning company Triplt. Users will be notified when they should leave home to catch a flight, taking into account real-time flight information and traffic congestion. Parking and lounge reservations can be made as well as online duty-free purchases, and travellers will be able to access information on exchange rates, weather and local time at their destination. The app also includes the ability to book transport to and from the airport, download an offline map of their destination and add multiple journeys to an itinerary. It should be available in June 2015.

BUSINESS NZ CE TO STEP DOWN

Phil O'Reilly, Chief Executive of Business NZ, has announced that he will leave the business advocacy group at the end of this year. He will continue as chair of the Business and Industry Advisory Committee to the Organisation for Economic Co-operation and Development (OECD) and a member of the governing body of the International Labour Organisation until the end of his

respective terms in mid-2017. Mr O'Reilly plans to move into a small number of directorships over time and is also interested in undertaking consultancy work, particularly in the area of international business. The search for a new Chief Executive is currently underway.

CONNECT WITH INFLUENTIAL KIWIS WORLDWIDE

If you have export questions you need answers to or challenges you're trying to understand, chances are a member of Kea's World Class New Zealand network can help. With over 500,000 members comprising some of the most influential and internationally connected Kiwis in the world, they are willing to have a conversation with New Zealand business people already operating in global markets and/or considering new market entry. An introduction can be made for a nominal fee of \$250. The network also helps companies with market validation, mentoring, governance and capital. For further information, visit www.keanewzealand.com/wcnz.

WAIKATO'S SUBJECTS RANK TOP IN THE WORLD

Ten subjects taught at the University of Waikato have been recognised as among the top 200 in the world by rankings organisation Quacquarelli Symonds. The subjects are: law, education, economics and econometrics, computer Science & information systems, linguistics, accounting & finance, communications & media studies, business & management studies, geography and sociology. University of Waikato Vice-Chancellor, Professor Neil Quigley, says the subjects are from a range of faculties and highlight the breadth of quality education on offer.

ENTRIES OPEN FOR PM'S SCIENCE PRIZES

Entries have opened for the 2015 Prime Minister's Science Prizes, which will award \$1 million to New Zealand's top scientists and researchers. The purpose of the awards is to celebrate scientific achievement, highlight the impact science has on our lives, and attract more young people into science careers. Award categories are as follows:

Overall Science Prize, worth \$500k, for an established scientist or team for a transformative discovery or achievement

Top Emerging Scientist, worth \$200k

Leading Science Teacher, worth \$150k

Leading Science Communicator, worth \$100k

Excelling Secondary School Student, worth \$50k

Entries are open until **31 July 2015**. For further information, visit www.pmscienceprizes.org.nz.

THERE'S LOTS HAPPENING IN THE CITY CENTRE

- **Wharf Street Dining Precinct:** A six week winter festival is being planned to launch the new city centre dining precinct in Wharf Street from **Saturday 25 July**. The unique dual-use dining precinct will have outdoor furniture, overhead lighting and lanterns, signage and daily activities/entertainment. Mainstreet Tauranga has developed this concept in collaboration with business and property owners. The area will operate as a 'shared space', where pedestrians and traffic use a central area which will be one way to The Strand. The Wharf St Winter Fest has been designed to ensure there is a variety of food, art and entertainment to attract people to the area. The project will roll out in a number of stages to ensure the new layout works for everyone.
- **Consent for Hotel:** Tauranga City Council has issued a consent for a proposed international hotel on the old Public Trust site on the corner of Spring St and Durham St. The consent is for a 13 level building which will feature a tower and a podium. The consortium that lodged the consent application is currently undergoing due diligence on the site.
- **3rd Avenue Development:** A new \$20 million four-storey commercial building is being developed on the corner of 3rd Avenue and Cameron Road. It is a joint venture between local developer Manor Group Investment and Auckland-based Watts Group Investment. The 7000m² development will comprise

office and retail space and is expected to take 18 months to complete. The site is currently tenanted by Vodafone, Bay Audiology, Novelty Indian Food Takeaways, La Bella Hair Studio, Tunstall, Manor Group Investment and 3rd Avenue Motors.

- **Pop-Up Lunch Time Market:** An initiative is underway that would establish a 'pop-up' market on grassed area of the waterfront each Friday from 11am until 2pm. The market could feature fresh produce, arts and crafts and artisan food offerings. Mainstreet Tauranga is currently scoping this initiative with potential vendors.
- **Ignition:** Priority One's Ignition coworking space supports early stage entrepreneurs and promotes commercialisation by providing office infrastructure to those that are self-employed, freelance or from out of town. Over 40 business people currently work from Ignition, which is also being used as a landing pad for new businesses to the city. For further information on this innovative and cost effective way of working, visit www.ignitioncoworking.co.nz.
- **Free After Three:** Don't forget - parking in the city centre is free after 3pm on week days indefinitely. This includes car parking buildings, on-street parking and off street parking. In addition, parking buildings offer the first hour free throughout the week and up to three hours for just \$1 on Mondays.

WAHINE MAORI ENTREPRENEURS CONFERENCE

13 & 14 JULY 2015, TRINITY WHARF, TAURANGA

An exciting programme is being developed for the 2015 Wahine Maori Entrepreneurs Conference, to be held at the Trinity Wharf in Tauranga on 13 & 14 July 2015. Confirmed speakers include conference chair and iconic actress, Mabel Wharekawa-Burt; Teresa Tepania-Ashton, CEO of Maori Women's Development Inc which has a focus on start-up businesses; Dr Anna Rolleston, Director of the Cardiac Clinic in Tauranga; Makaia Carr, founder of Motivate Me New Zealand; Tania Stoyanof, who established her own luxury tourist venture; and award winning director, Mawera Karetai. Priority One is sponsoring a presentation from Taria Tahana, the General Manager of Te Pumautanga o Te Arawa Trust - a post settlement entity representing 11 tribal groups. The programme of speakers is being updated regularly as spots are confirmed. For further information and updates, visit <https://www.facebook.com/pages/Wahine-Maori-Entrepreneurs-Conference/472606552892493?fref=ts>.

TAURA TAKES ITS TECHNOLOGY TO THE WORLD

Mount Maunganui food processing company, Taura Natural Ingredients, has partnered with America's largest grape juice brand, Welch's, to create a breakthrough partnership for the company. The arrangement will see Welch's Concord grape made available to food manufacturers as functional food ingredients manufactured exclusively in New Zealand. Taura will create concentrated pieces and pastes from the Concord grape using its special ultra-rapid concentration technology. These products will then be made available for the first time to the manufacturers of products such as nutrition bars, bakery products and breakfast cereals. The products will be marketed as FruitWorx, initially in the US, Japanese and South Korean markets. Taura is a global leader in the production of fruit pieces, flakes and pastes for a wide range of products.

FREE SUBSCRIPTION TO NBR

The National Business Review is offering a free Smartphone-only subscription to members of Priority One. The NBR says it is aligned with Priority One in furthering economic growth and business development, and sees this offer as a value add for those businesses that support the organisation. The NBR is currently preparing a series of articles focusing on some of the innovative businesses and projects based in the Bay of Plenty. The offer is available until 31 August 2015. For further information and to take up this offer, email Bill Bain on bbain@nbr.co.nz.

A MERGING OF YOUNG PROFESSIONALS

Tauranga's two key young professionals groups have merged to rationalise their memberships and share resources more effectively. Rocket!, which operates under the umbrella of the Tauranga Chamber of Commerce, and Priority One's Young Professionals, will now be called 'Rocket Young Professionals'. The new form provides young professionals with one entity to focus on both networking opportunities and advocacy. The merged group has around 800 members.

EMPLOYMENT FOCUS OF LIBRARY BUSINESS SEMINAR

The next free seminar being held as part of the Business @ the Library will focus on recent amendments to employment legislation. Denise Arnold and Kelly Cotter from Lyon O'Neale Arnold will cover pertinent points and also provide an overview of the upcoming changes to occupational health and safety law. The one hour session will commence at 5.30pm on **Wednesday 3 June** at the Tauranga Library. If you would like to attend, email Michelle Sims on michelle.sims@tauranga.govt.nz.

FIVE SIMPLE TIPS TO IMPROVE SALES

Debbie Mayo-Smith recently wrote an article in the NZ Herald outlining her simple lessons to improve sales. It has been summarised below:

Ask: If you don't ask for a sale, you won't get it. It's the most important sales tool you possess and the most effective. You just need to work out the most effective way of asking for your particularly industry and product.

Tenacity: You are not going to close every deal on the spot, so a good follow up system is important. Enter reminders in your email or CRM system.

Them: Make each point from your customer's perspective, turning 'I' into 'you' as often as possible. For example, 'Do you think?' or 'Wouldn't you want ...?'.

Fair: Don't be ruthless if you have the upper hand and the other party is vulnerable. Be ethical and grow your customer relationships over the long term.

Silence: When both parties have spoken and a concession is due, learn to wait out the silence to your advantage.

NZ SHEEP NUMBERS AT 72 YEAR LOW

Figures released by Statistics NZ show that sheep numbers in New Zealand have hit their lowest levels since 1943 during WWII. There were \$29.8 million sheep in the country at the end of June 2014 - almost a million less than in June 2013. This is a fall of 3% over the 12 month period. Canterbury region had the sharpest fall, with 255,000 fewer sheep than the year before. Manawatu-Wanganui and Otago are the most significant sheep farming regions in the country, each boasting 5.3 million sheep.

During the same period time dairy cattle numbers rose in New Zealand by 3%, mainly due to increases of stock in the South Island. Southland in particular saw a boom in dairy cattle numbers, with an increase of 14% compared with 2013 figures. However despite fluctuations, sheep numbers still outstrip the number of dairy cattle in New Zealand by just over four to one (7 million dairy, nearly 30 million sheep).

REDUCTION IN TAX COMPLIANCE COSTS

A government report has shown that tax compliance costs declined 11.7% between 2004 and 2013. It noted that the impact of tax compliance costs on SMEs is disproportionately higher than their larger corporate counterparts, hindering SME growth. Making tax obligations simpler to understand has been a key to reducing costs. This has included simplification of record keeping rules, providing a discount for early payment of provisional tax for businesses in the first year of operations and simplification of income tax forms. The largest compliance cost efficiencies have been generated for income tax and GST.

TAURANGA SCIENCE STUDENT JOINS INTERNATIONAL DELEGATION

Nicholas Adams from Tauranga Boys' College has been selected to join five other New Zealand students at the London International Youth Science Forum in Geneva during July. The students were selected by the Royal Society of New Zealand, which received over 300 applications. The students were selected for their passion for science and their strong desire to carry on studying science at university. They are also all achieving excellent examination results and contributing to the school in leadership roles or in other ways. The students will join more than 300 students from over 60 countries, who will come together to attend lectures given by eminent scientists. They will also visit scientific organisations in London and Oxford and Cambridge universities to see some of the science research that is taking place. They will then spend three days in Paris before heading off to Geneva, where they will spend some time at CERN, the European Organisation for Nuclear Research.

BAYLEYS / EVES PROPERTY UPDATE

TRENDS IN OUR MARKET

The latest ANZ Regional Trends report supports what most would have predicted for our region - very strong year-on-year growth at 4.8%. This is the highest growth of any region for this period, and well above the national average of 3.5%. It has been driven by employment growth, increased consumer confidence, house sales up just under 30% and prices still holding at a 3.5% increase. Combined with a 34% rise in commercial building permits issued, this is exciting in hindsight, but even more encouraging as we look to the future. To have these critical aspects of the region's economy performing so well, and with major infrastructure projects progressing apace (eg broadband, roading, residential subdivisions, new business attractions and Port developments), the competitive advantage of the region is significant.

In the residential property market the main influences at play are: increasing enquiry from Auckland buyers; shorter days on market; higher clearance rates at auction; a steady lowering of mortgage interest rates; a return of investors (landlords) to the market; and increased opportunities for first home buyers. There is strong growth in the number of multi-offers on properties and auctions that are being brought forward to capitalise on genuine buyer interest.

These factors are providing an excellent market for sellers, yet currently there are fewer homes for sale. However, this can change in a short time frame and indications are that we may see higher levels come on stream through the winter months. The Eves and Bayleys teams are busy dealing with buyer enquiry across all property types and good properties that are well marketed are achieving excellent outcomes for sellers. We appear to be in for an excellent year ahead for the property market in our region!

HAVE YOU GOT A LEGENDARY INNOVATIVE IDEA?

The Young Innovator Awards are back for the sixth year this year, facilitated by Priority One's Instep programme, Locus Research and Woods the Creative Agency. The awards have been established to inspire a culture of innovation in young people. Secondary school students and business people are encouraged to enter their ideas for an innovative product or service. Entries are judged by a panel comprising some of New Zealand's most 'legendary innovators', with the supreme winner taking home a prize of \$8,500.

This year's theme is 'Join the Legends', with entries encouraged to follow in the footsteps of some of the world's great innovators, from Einstein to Steve Jobs. Young professional people (< 40) can select a project they are currently working in their employment, or can develop an innovative idea outside work. Entries in the 'over 18s' category close on **Monday 13 July**, while those for the secondary school student categories close on **Friday 3 July**.

YIA is hosting an event in conjunction with Rocket Young Professionals at 5.30 pm on **Monday 15 June** so those

considering entering the 18 years + category can find out more about the competition. To register, visit <http://www.tauranga.org.nz/events-calendar#id=838&cid=502&wid=1201> or check out the Facebook page [fb.com/YoungInnovatorAwards](https://www.facebook.com/YoungInnovatorAwards) for the chance to win a weekly \$50 Bayfair voucher.

UPDATE FROM ENTERPRISE ANGELS

Enterprise Angels and the EA Fund have recently confirmed investment of almost \$1.4 million in the following four companies:

- Beany.biz, a Bay of Plenty company providing virtual accounting services;
- Figured, an Auckland company providing a cloud-based livestock tracking, farm budgeting and forecasting tool that works with Xero to improve farm performance;
- Rockit Orchard Partnership, a Hawke's Bay company raising funds for the completion of stage two of a 55ha orchard development growing Rockit miniature apples;
- Retirement Income Group, a Wellington company introducing a new product to New Zealand that will help retirees develop an income stream for life.

The next EA member meeting and AGM is being held on Tuesday 23 June in Tauranga, comprising members across the Bay of Plenty and Waikato. In addition, a one day 'Investor Director' training/education session will be held on Friday 31 July. If you are interested in attending either of these events as a guest, please email jo@enterpriseangels.co.nz. If you are seeking startup capital or would like to find out more about investing in startups, visit www.enterpriseangels.co.nz.

KEEPING UP WITH KIWIFRUIT

- Zespri's final result for 2014/15 shows an industry that is back on track and revitalised for the strong growth outlook ahead. The total fruit and service payment was up 17% on the previous year to \$939 million. Global kiwifruit sales reached \$1.568 billion, up 16% on 2013/14, and export earnings increased by 18% to \$1.086 billion. Zespri sold 69 million trays of Zespri Green Kiwifruit at the highest-ever average per hectare return for the industry of \$53,884 and a very strong average per tray return of \$6.01. Gold returns fell to \$73,890 per hectare and \$9.80 per tray, reflecting that average industry Gold3 yields are below potential at this stage. Total Gold supply increased from 11.1 million trays in 2013/14 to 18.6 million trays in 2014/15.
- This year Zespri has chartered 55 refrigerated ships, along with 8,000 containers, to export kiwifruit across the world. China is Zespri's number-one growth market and it continues to build in the established markets of Europe, Japan and Korea. Zespri is also focusing on growing in developing markets across Southeast Asia, India, the Middle East, South Africa and Latin America.
- Prime Minister John Key was in Tauranga during May and visited Zespri's Mt Maunganui head office. Representatives of postharvest, growers and industry organisations took the opportunity to show the PM how far the industry has come since Psa was first discovered in New Zealand in 2010 and to thank the government for its support in managing the bacterial disease. Within days of the discovery of Psa, the government committed \$25 million – matched by industry – for R&D into managing the disease and grower support.
- Post-harvest operator, Trevelyan's Pack and Cool, has become one of the first privately owned businesses in New Zealand to publicly analyse its performance under the Global Reporting Initiative (GRI). Trevelyan's has released its first sustainability report, based on the GRI - the world's leading international framework for corporate responsibility reporting. The company introduced sustainability into its business in 2011, including electric forklifts, fuel-efficient cars and recycling. Sustainability is 'business as usual' for the company now. It has resulted in significant economic savings as well as improving the company's overall culture. The report provides a comprehensive overview of the packing and cool storage company and its supply chain and sets benchmarks from which Trevelyan's will measure itself annually.

- Zespri's 2015 Annual Meeting will be held at 1pm on Wednesday 22 July at ASB Arena, Baypark. Nominations for directors and shareholder members of the Director Remuneration Committee will be open from 1-29 May. Each year three directors retire by rotation. Those retiring in 2015 are Bruce Cameron, Teresa Ciprian and Tony de Farias. All three are standing for re-election.
- 2015 will be Zespri's 15th year hosting growers and showcasing the industry at the Mystery Creek Fieldays, which are being held from 10-13 June in Hamilton. The theme of this year's event is 'growing our capability in agribusiness'. This stems from the need to build on New Zealand's position as a leader in agriculture, recognising the challenges in maintaining and growing a skilled workforce. Visit www.fieldays.co.nz.

DEVELOPMENT

- Tauranga's Kathleen Kilgour Centre and Bay Oval Trust Carrus Pavilion have both won awards at the 2015 Waikato-Bay of Plenty Architecture Awards. The Kathleen Kilgour Centre, designed by Wingate + Farquhar, won the public architecture category. The jury said that the radiotherapy clinic was 'a striking addition to Tauranga Hospital's health precinct'. The Bay Oval Trust Carrus Pavilion, designed by Jasmax, also received honours for public architecture. It was described as robust and elegant 'with the distinguished curve of the pavilion roofline ...reflecting the sweeping geometry of the oval itself'.
- Work is underway on the first of four commercial areas that have been planned at the Golden Sands subdivision at Papamoa East. The development will include Palm Springs Medical Centre, a pharmacy and dental practice. Negotiations are also underway to include a café and physiotherapist clinic. The 903m² complex should be completed and ready for business in November. Planning for the Golden Sands Neighbourhood Centre and retail stores will commence in 2016 and are expected to be finished within three years.
- Figures from QV show that property values are continuing to rise in Tauranga, however an influx of new housing is keeping a price spike at bay. There was a 5.8% increase in value during April compared to the same time last year, with an average selling price of \$475,281 – up from \$450,000. There has been strong interest from buyers, including those outside the region, particularly Auckland.
- The property market is gaining strength, with higher levels of buyer interest, more properties selling and selling faster than at the same time last year. REINZ figures show 144 properties sold in Tauranga during April compared with 114 in April 2014. In the Mount/Papamoa area, 103 were sold in April compared to 99 in the same month last year.
- A home being constructed at Palm Springs, Papamoa, by Belvedere Group will be the first to achieve the highest rating through Homestar. Homestar is an independent system which rates the health, comfort and efficiency of New Zealand homes on a scale of one to 10. Around 200 Homestar projects have been launched since 2010, however none have been able to achieve a perfect 10 until now. The home will feature solar panels, a system which controls when appliances turn on and off, rainwater harvesting and grey water recycling systems, and a smart piping system which captures passive heat to warm the home. Though the home features many innovative solutions, one of the key reasons it scored a 10 was due to common-sense design choices such as good orientation and high levels of insulation.
- The government has announced proposed changes to its earthquake strengthening policy to better balance affordability and risk. This includes reducing the number of buildings needing assessment from an estimated 500,000 to 30,000 under three categories – low, medium and high seismic risk. Timeframes for assessment are over five, 10 and 15 years and strengthening over 15, 25 and 35 years. Education and emergency buildings (eg hospitals) will be prioritised in high and medium seismic

risk areas. The select committee is considering the Bill and will report to Parliament in July.

SMART TRANSPORT

All four lanes of the Tauranga Eastern Link between Te Maunga and Domain Road will be opened to traffic by the end of May, marking a major milestone in the road's construction. The 6km stretch of highway will provide time savings when travelling between Tauranga and Papamoa, giving a feel for what travelling the whole TEL will be like when it opens later this year. The speed along the existing section of State Highway 2 will increase from 80km/h to 100km/h, reducing to 70km/h prior to the Domain Road roundabout. Construction is on-going at the Domain Road and Mangatawa interchanges, with the latter expected to open in late-June. The \$455 million TEL is one of seven 'roads of national significance' in New Zealand identified by the government as key projects for moving people and freight more safely and efficiently.

ARTS & CULTURE

- The countdown is on for the next *'Tarnished Frocks and Divas'* extravaganza, with auditions for the 2015 show held in early May. Held every two years, the show is an extravaganza of dance, music, acting and retro clothing – a celebration of life and a rare chance for budding designers and seamstresses to show off their work. All models, performers and those working behind the scenes are extremely talented women in their 40s and beyond. The popularity of the event saw it move to ASB Arena in 2013, increasing tickets from 2300 to 5000 over five performances. Hosted by Jackie Clarke and Annie Crummer, this year *'Tarnished Frocks and Divas'* is being held on **16-19 September**. For further information, visit www.tarnishedfrocksanddivas.co.nz.
- The Tauranga Art Gallery Trust has announced the appointment of Karl Chitham as Gallery Director of Tauranga Art Gallery. Karl, who currently is curator at the Rotorua Museum, takes up his position on 27 July 2015. Karl holds a Master of Fine Art from the Elam School of Fine Arts, a Diploma in Secondary Teaching and a Bachelor of Visual Arts. He has worked in Auckland, Waikato and the Bay of Plenty in a variety of curatorial, management, academic and research roles in leading institutions. Karl is well published with numerous essays and articles, and his professional opportunities have enabled him to expand his international networks to Australia, the Asia Pacific region and Europe. More than 20 people from New Zealand and overseas applied for the role.
- The Elms Foundation is seeking \$200k per annum for the ongoing maintenance and upkeep of the historic Elms mission house and grounds through Tauranga City Council's draft 10 year plan. The Elms Charitable Trust expects their cash reserves to be depleted by mid-2015 and has divested all assets to the Tauranga community. The Elms Trust's asset base has grown to around \$9 million, including the acquisition of neighbouring properties, and is completely freehold. The Elms mission house is one of the most historic sites in New Zealand and a living history of early Tauranga. A decision from council is expected prior to 30 June.
- To celebrate Matariki (Māori New Year), Creative Tauranga is hosting traditional Maori weaving demonstrations in their community gallery at 112 Willow Street, Tauranga. Local artists Rawinia Gray, Parewhati Taikato and Bernie Ross will be demonstrating practices including 'putiputi (woven flowers) made from harakeke (flax) on **30 June, 3 July** and **6-8 July** from 10am until 3pm. The exhibition is free and open to the public.
- Tauranga Moana Museum Trust has submitted to Tauranga City Council's draft 10 year plan seeking the reinstatement of a proposed \$100k contribution towards consenting costs for the development of a museum on a site on Cliff Road, Tauranga. Council was urged to work with the trust to develop the idea, which has had difficulty gaining momentum since the original waterfront development was axed in 2007. The trust is seeking the funding to develop a best-fit museum concept to launch a fundraising campaign, as well as employ a fixed term project manager to drive the process.



What's on at the Tauranga Art Gallery?

'Wildlife Photographer of the Year' is a world-renowned exhibition, on loan from the Natural History Museum in London featuring 100 images of animals and landscapes (until **7 June**); *'Fun & Fury'* is an exhibition of work by Dunedin artist Ewan McDougall (until **7 June**); *'Te Whare Taiwhiao'* is an exhibition by award-winning Māori artist and fashion designer Shona Taiwhiao, who has created an international profile for flax weaving, showcasing her work on the runways of Paris and London (until **19 July**); *'UKU RERE'* is an exhibition of ceramics by the five members of Nga Kaihanga Uku based on Kaupapa Māori (until **2 August**); *'Norm & Noeleen'* is a personal photographic exhibition by Bernie Harfleet and Donna Turtle Sarten which follows the demise of their parents (opens on **30 May**); *'Illustrations from Te Papa's Buller Birds'* showcases the illustrations from New Zealand's most famous book on native birds (opens on **13 June**); *'Ray Ching: Dawn Chorus – the Fables'* celebrates New Zealand birds and landscapes (opens on **13 June**); and *'Invitation to Openness – Substantive and Transitive States'* by Wellington sculptor Elizabeth Thomson comprises hundreds of flocked bronze white moths (opens on **20 June**). For further information, visit www.artgallery.org.nz.

FOCUS ON TOURISM

- According to a new report from the Ministry for Business, Innovation & Employment, international visitor spending in New Zealand is projected to increase 48% to \$11.1 billion by 2021 - or 5.8% per annum. While visitor growth from our biggest market, Australia, is showing signs of slowing, strong growth is expected from China and the US. The higher expectations are driven by both higher visitor numbers and higher spending by those visitors. The emerging market of India is forecast to grow by 12% a year to reach 82,000 visitors in 2021, while Indonesian tourists are forecast to grow by 13% per annum to 35,000 during the same period. By 2021 the total market is predicted to increase from 2.9 million international visitors per annum (2014) to 3.75 million. The total New Zealand tourism industry was worth about \$23.7 billion in 2014.
- The number of cruise ship passengers visiting Tauranga last season was slightly less than the season before, primarily due to weather conditions. Of the 83 scheduled stop overs, 79 actually took place. Tourism Bay of Plenty figures show the 79 ships brought 144,721 passengers and 61,862 crew compared to 47,139 passengers and 64,214 the previous year. Eighty ships are tentatively scheduled for 2015/16 and there will be eight double ship days.
- Port of Tauranga will host the giant cruise ship *Ovation of the Seas* in its maiden voyage to New Zealand in the summer of 2016-17. The Royal Caribbean vessel is 348 metres long, more than 50 metres high and can host nearly 5,000 passengers and 1,500 crew. With a price tag of US\$1 billion, the vessel has on-board entertainment such as a skydiving simulator, an aerial observatory and a bar staffed by robots. The cruise ship visit will be made possible by the dredging project about to commence in Tauranga Harbour.
- Tourism NZ unveiled its refreshed 100% Pure New Zealand marketing campaign at Trenz 2015 to buyers from New Zealand's premier tourism markets as well as emerging markets such as Indonesia, Argentina and Brazil. The campaign will focus less on the '100% middle-earth' brand of recent years and more on Maori cultural elements and designs as part of the logo and typeface. The promotional material will include location shots of Fox Glacier, Waiheke Island and Cathedral Cove near Hahei, as well as Milford Sound, Abel Tasman and Lake Pukaki. The audio track will be a remix of *Naked and Famous' "Young Blood"*. The new campaign will appear on Australian television and cinemas from 1 July, as well as online.

- Pressure was put on Tauranga City Council during the recent 10 Year Plan consultation process to reconsider their decision not to contribute funding towards the Omokoroa to Tauranga cycleway project. According to a Tourism NZ report, around 4% of international holiday visitors do some sort of cycling while they are here, and those that do spend more compared to a typical visitor. On average, international cycling tourists spend \$3,800 compared to the \$2,500 average spend of all visitors. There is also a significant high value segment in the cycling market, with 22% cent of international cycling tourists saying they spend over \$5,000 on their visit to New Zealand. During May Tauranga Round Table pledged \$100k towards the project if council agrees to fund the remaining \$300k.
- Air New Zealand will begin operating direct flights to Houston, in the US, and Buenos Aires, in Argentina, in December 2015. The new Houston service will provide for a more direct route for the millions of US citizens living in the south and east of the country, and for New Zealanders heading in the opposite direction. The US is New Zealand's third-largest visitor market behind Australia and China, with 226,608 arrivals in the year to February – a 10% increase on the previous year. Spending by US arrivals has also grown 32% over the same period, to \$771 million.
- Auckland International Airport is holding a competition worth \$100k to inspire the development of off-peak (May to September) experiences to attract Asian tourists to New Zealand. Four businesses will each win \$25k to further their idea. The purpose is to inspire businesses to think innovatively about creating experiences that will attract free and independent travellers, who make extensive use of the internet and social media to research, plan and share their travel experiences. The competition runs until 30 June 2015 and is open to any New Zealand tourism operator, regional tourism organisation or business. For more information or to apply, visit www.asiasummit.co.nz.

INSTEP PROGRAMME

INDUSTRY & SCHOOLS TRAINING & ENTERPRISE PARTNERSHIP

Instep is a Priority One initiative that connects local businesses with students and teachers from the sub-region's secondary schools to highlight career opportunities and pathways. During May:

- 62 economics students and two teachers visited the Port of Tauranga to view port operations and receive a presentation that they will use as context for an NCEA assessment.
- Instep has been facilitating the opportunity for senior students from local secondary schools to visit accounting firm Staples Rodway since 2007. This year 31 Year 11/12 students and their teacher took part in the field trip to find out about careers in accountancy.
- Phil Cammish, CEO of the Bay of Plenty District Health Board, officially opened 'Artefact Alley', based at the BOP Clinical School's education centre. The exhibition was created by Year 10 students from Tauranga Girls' College, who sorted through and selected some very old medical artefacts, researched what they were used for, and designed a way to effectively display them. The

students learned many new skills during the process including design, communication, developing costings and working with others in collaborative relationships.

GRANTS FOR R&D INTERNS

Applications are open for Callaghan Innovation's R&D Experience Grant which provides R&D internships for undergraduate students over the summer break or in their final year of study. The grants are for \$6,400 plus GST for 400 hours of paid work for the student. The purpose is to provide students with work experience and help businesses with a discrete R&D project or activity. To apply for an R&D Experience Grant, businesses need to fulfil the following criteria:

- Have an on-going R&D programme and dedicated R&D staff employed.
- Have at least one director who is a New Zealand resident and been incorporated in New Zealand, or have a centre of management or head office in New Zealand.
- Meet due diligence requirements.

Applications close on **18 June 2015**. For further information and to apply, visit <https://www.callaghaninnovation.govt.nz/what-we-do/funding-and-grants/student/rd-experience>.

TRADE MISSION TO MALAYSIA & SINGAPORE

23–28 AUGUST 2015

ExportNZ, in partnership with the ASEAN NZ Business Council, is planning a trade mission to Malaysia and Singapore from 23-28 August 2015. This is an opportunity for businesses to participate in a coordinated visit with a structured programme of business briefings, company visits, networking events and one-on-one meetings. Participants will visit Kuala Lumpur, Johor Bahru and Singapore. To view the provisional itinerary, visit <http://nztrademission.co.nz/trade-mission-indonesia-2/indonesia-itinerary>. If you are interested in taking part in the trade mission, email catherine@exportnz.org.nz.

PRIORITY ONE MEMBERSHIP

We are pleased to profile the following new members to Priority One and look forward to working with them:

The Hairdressing Academy is an NZQA accredited private training establishment. They offer a unique range of courses that qualify students for a profession in body therapy, hairdressing, make-up art technology, nail technology, or as a beauty therapist or cosmetician. www.faceandbeauty.com.

Adelpha Care Ltd provides a range of specialised health care for women. These include obstetric, gynaecological, physiotherapy, dietary and psychology services. They are based at the new Bethlehem Medical Hub and are currently developing a website. For further information, telephone 0211 693 337.

Click on this link if you would like to find out more about the benefits of being a member of Priority One: <http://www.priorityone.co.nz/benefits>.

Priority One

Driving Economic Growth in our Region

Supported by local businesses, Tauranga City Council and Western Bay Plenty District Council

