



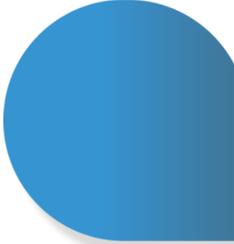
2023 Business Engagement Feedback



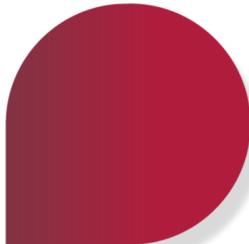
Advocacy Lens



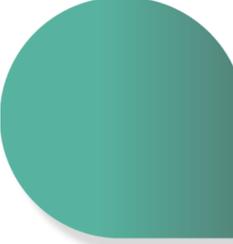
Key Messages from Southern Businesses



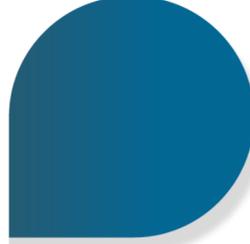
Business led sustainable economic growth



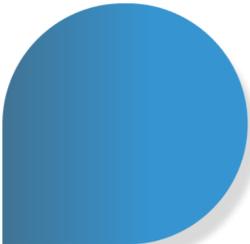
Reduction in compliance



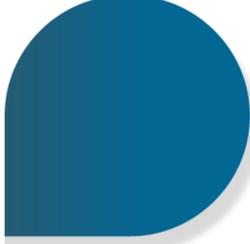
Increasing labour Costs



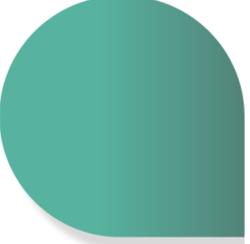
Health and Safety



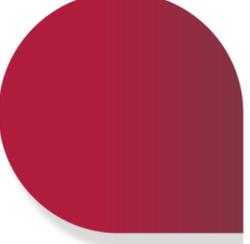
Skilled Workforce and Career Pathways



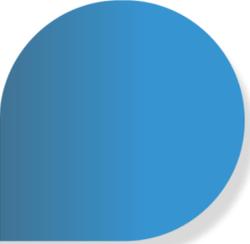
Export opportunities



Embracing future technology



Action on climate change adaption



Support for SME's





Economic Development

1.

THE OPPORTUNITIES

Economic plans have traction

2.

Previous central government ignoring the needs of the South

WHAT BUSINESSES ARE SAYING:

- Businesses feel some economic development agencies are **not in touch** with what's happening now and needs to happen for the region.
- Central government **ignoring the needs of the South.**
- Funding, people/companies are wanting to do things but are struggling to get access to the capital to put plans in action.
- Encourage growth in businesses, not investment in the housing market.

- Those outside the Southern districts not knowing how attractive it is to live in places like Dunedin etc. Everything is accessible within a short drive, friendly people.
- Incentives for non-Agri businesses and start-ups to encourage sustainable regional diversification.
- Expansion. Land. Building up rather than out.
- Dunedin: **waterfront development** - think Auckland viaduct - make it a city people want to move to. Dunedin needs to focus on a growth plan.





Business Development

1.

THE OPPORTUNITIES

Build on sector focused strengths

2.

Promote and celebrate our region as a place to do business and live

- Reinvigorating the **manufacturing** industry as a hub of innovation, creativity, and investment. Consideration from a planning perspective special planning/footprint for manufacturing aligned to future needs.
- Investment in the **hospitality** sector.
- **Property** development – making it easy to invest in the city and what that truly looks like through the eye of business.
- **Education/Research** as an advantage and strength to leverage Uni/Polytech etc.
- **Tourism and Events** aspirational planning and investment.

- Future **Investment** in the region and the city, leveraging international partnerships and new investors from outside the region.
- Improve sustainable **strategic regional planning** for infrastructure development such as transport links for towns to have access to healthcare and education.
- **Digital economy (Regional/Dunedin)**
Examples being known for Agri Tech & the implications for this.
Clean Technology investment and smart partnership across industry groups.
Health Tech leveraging the new Dunedin Hospital.





Central Government compliance & regulations

WHAT BUSINESSES ARE SAYING:

- Streamline and reduce regulation.
- Reduce the degree of intrusion into business via compliance and regulation. Make this smarter.
- Reduce red tape for all small business.
- More help for small businesses. There is no incentive as a small business so many taxes so much red tape. That is why so many small businesses fail within the first three years.
- A committed focus from all parties to plan some long-term strategies across health, education, housing, that the parties cannot come into power and chop and change. It creates systemic issues and poor outcomes over time.

2.

Reduce high regulatory costs and unforeseen impacts

- Less compliance, less labour laws & support of businesses.
- Less compliance costs for adventure activity audits by rationalising the frequency and intensity of onsite and surveillance audits and the cost of these.
- Make it easier to work with government departments, reduce the roadblocks and compliance issues.
- Tax break for small business to enable a kick start to getting back on track.
- Taking some of the burdens off business, it's becoming stifling.
- Impact on SMEs when businesses are trading when insolvent.

1.

THE OPPORTUNITIES

Certainty and equitable policy and tax settings for business and SMEs





Local Government compliance & regulations

WHAT BUSINESSES ARE SAYING:

- Run a business lens over decisions.
- Delivery of core services to a high standard
Making council services easy to access and supporting business, not being a roadblock.
- A crack down on Air BnB rentals not being commercially rated.
- Less compliance costs with local council – over the top to improve/grow the business.
- Less paperwork and expense to do anything. Being in an isolated area it is costly and frustrating to go forward with building, consents, labour and supplies.

2.

Commercial rates are disproportionate to services received

- See what we can do in terms of accommodation for young people and workers. Maybe work with councils and build council-owned apartments, not everyone needs to live in their own house.
- Lowering of consent and compliance fees.
- Support for local businesses in Food & Beverage - currently constraints with liquor licenses and zoning for premises to be built and developed. Lack of innovation in supporting and driving this sector.
- Dealing with the massive housing crisis we have and monitoring Air BNB licenses to make sure operators are playing by the rules.

1.

THE OPPORTUNITIES

Run a business lens over decisions on behalf of businesses





Sustainability & environment

WHAT BUSINESSES ARE SAYING:

- Where do I start with reducing emissions?
- Struggling to find the time and energy to front-foot sustainability.
- Create solutions and provide ideas that are cheaper/affordable for SMEs to adopt
- Collaborate with experts to run sustainability workshops for members
- Connecting businesses with innovative thinkers and funders.

THE OPPORTUNITIES

1.

How to start with reducing emissions

2.

Support business to front-foot sustainability

3.

Need workable and affordable waste minimisation options

- NGOs and sporting groups e.g. golf clubs having affordable recycling options
- Like to see travellers use their travel insurance if they have an accident instead of our ACC. I would like travellers to pay to offset a ton of carbon and a tax at the airport for infrastructure particularly here in the Queenstown Lakes . The landscape takes a beating.
- Bring back inter-regional passenger trains.





Workforce & Industrial Relations

WHAT BUSINESSES ARE SAYING:

- Stop increasing labour costs (extra holidays, sick pay, minimum wage).
- Do not keep giving small business more cost (wages goes up / more sick leave / more public holidays) and so on.
- More focus on supporting business to be successful rather than adding more cost e.g. redundancy funding, Fair pay agreements and more holidays. And completing their work on improving the employment legislation to make compliance easier not harder.

2.

De-politicised minimum wage settings

1.

THE OPPORTUNITIES

Finding skilled staff in a changing job market

- Move away from the dependence on migration to sustain the workforce.
- Bonded education in industries that require more staff – e.g. Health, Education. Incentivise people to stay in NZ for a significant period after graduation, in lieu of reduction/payment of fees.





Cultural Competencies

THE CHANGING LANDSCAPE:

- We need to be educated about the different cultural and social needs of migrants.
- Welcoming skilled migrants to our region.
- Local councils running Welcoming Communities programmes.
- Diversity strategy across the region – A diversified range of businesses, jobs and exports spread across more industries will foster new career and income opportunities and will result in a community more able to withstand disruptions.

2.

Welcoming communities

- Establishing new partnerships with KUMA, Aukaha , and Te Puni Kokiri
- Working closer with local Rūnanga.
- Educating businesses on how to write good procurement RFPs that demonstrate improved outcomes for Māori.

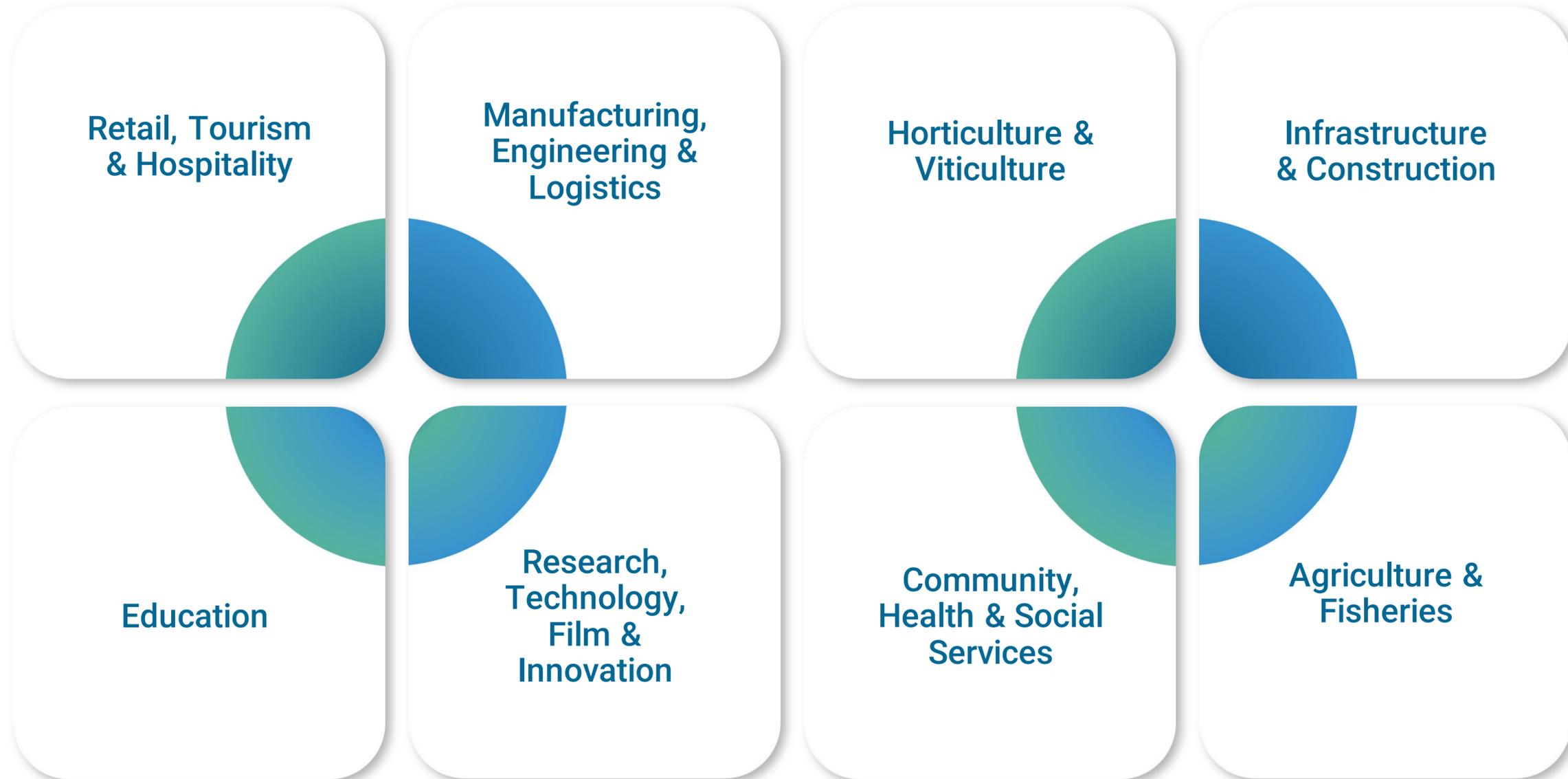
1.

Increased partnerships and education

THE OPPORTUNITIES



Identified **sectors**



Retail, Tourism & Hospitality

WHAT BUSINESS ARE SAYING:

- Layers of compliance putting on top of things.
- Frustrated with minimum wage and inflation and must make a price change - painful to do as a business every time.
- Need pro rata sick pay for part-time vs full-time workers.
- Worker churn high (25% per quarter 4,500 jobs, in Queenstown) in tourism sector with seasonal workers and those on working holiday VISAs
- Closure of cooking school in Cromwell.
- No central recycling of coffee grounds, as they are compostable (it can be done in New York, why not Dunedin).

THE OPPORTUNITIES



- Need depoliticised minimum wage settings.
- Availability of skilled labour.
- Lack of affordable housing for staff.
- Low skilled workers getting paid more; no buffer to pay a higher-level worker. E.g. chef from overseas is paid more, but not as skilled as local staff. Having to train that chef to get them up to level; so, labour cost structure having to be changed.
- Less compliance costs for adventure activity audits by rationalising the frequency and intensity of onsite and surveillance audits and the cost of these.



Manufacturing, Engineering & Logistics

WHAT BUSINESSES ARE SAYING:

- Easier access to capital. The mainstream banks could do a lot more for SMEs.
- A government that stopped inserting new costs and admin on us. Ideally one that gave us better depreciation on new machinery purchases.
- Excise tax rebate or relief for small distilleries. We pay more in excise tax than we do in wages....no problem with paying tax but why tax us at the same rate as the big alcohol players when we model and promote strong community values and low to moderate alcohol consumption?

THE OPPORTUNITIES

2.

Prioritise investment for New Zealand's domestic freight and supply chain systems for exporting

1.
Tax threshold for assets currently \$1k

- Excise Tax linked to CPI - it is a huge cost for small distilleries.
- Potential to be caught up in FPA negotiations.
- Commercial trucks required to get WOF every 6 months.
- Improved freighting capacities such as shipping and train. NZ made construction materials.



Viticulture

WHAT BUSINESS ARE SAYING:

- Surge of new regulatory compliance costs have placed a huge burden on the mostly small family-owned wine producers in New Zealand. Housing cost in the area make it hard to attract staff from out of the region.
- Constant rise in alcohol excise tax hurts smaller local wine producers who sell mostly in the domestic market.
- Cost of living. It is hard to provide staff with a wage (even if it is well above living wage) that keeps them in the industry and provides them with a lifestyle.

THE OPPORTUNITIES



Small producers need export policies & excise taxes to support them

- We have food audits for cellar doors because of the idiosyncrasies in the Sale of Alcohol Act, new labelling compliance for wines with vague or non-existent value in doing so and other regulation related costs that are very hard to justify.
- Consents for accommodation have been given and built but when we have enquired it is basically the same pricing as a motel daily - so while that works for travelling tradespeople etc it does not work for the young seasonal travellers who are most likely to work in our industry.



Horticulture

THE OPPORTUNITIES

WHAT BUSINESS ARE SAYING:

- Housing cost in the area make it hard to attract staff from out of the region.
- Cost of living. It is hard to provide staff with a wage (even if it is well above living wage) that keeps them in the industry and provides them with a lifestyle.
- Compliance costs of doing business including the time and resources needed to do it.
- Sector has pressure from lifestyle block and urban encroachment and the balance of keeping them happy while still economically being able to farm.

1.

Reduce compliance costs and regulations

2.

Finding staff and affordable accommodation for workers, often competing against other sectors

3.

Small producers need export policies & excise taxes to support them

- We opened new doors for exporters through the ExportNZ sessions recently held in Cromwell and Dunedin
- BusinessNZ meet with Immigration Minister and staff regularly
- Be part of our compliance monitor project



Construction & Infrastructure

THE OPPORTUNITIES

WHAT BUSINESS ARE SAYING:

- Show the industry a pipeline they can plan for by developing staff & technology that has a reasonable payback time, we could then have confidence to invest.
- Rising construction costs can strain project budgets and potentially delay or alter project plans.
- Ensuring sustainable and resilient construction practices is becoming increasingly important in the face of environmental challenges and climate change.
- Open up the immigration settings to allow more skilled people into the country.
- Effective engagement with communities and stakeholders is vital for project acceptance and long-term success.

2.

Regulatory and Permitting - Delays and complexities in obtaining necessary permits can hinder project progress and increase costs.

1.

Labour Shortages - skilled labor has been a challenge in many regions. Attraction and retention of skilled workers remains a focus.

- Sometimes feel like there is too much compliance and regulations to be able to easily move.
- Staying alive during economic downturn - hard space with less activity in residential.
- Being able to participate in procurement with local, regional and national projects.
- The need to maintain and update existing infrastructure is crucial for overall development and public safety.
- Embracing new construction technologies can enhance efficiency and quality but might take a backseat to more immediate challenges.



Construction (SME)

THE OPPORTUNITIES

2.

Governance solutions for health and safety and the requirements for SME clients as the industry self-govern themselves

1.
Being able to participate in procurement & find skilled staff

WHAT BUSINESS ARE SAYING:

- Sometimes feel like there is too much compliance and regulations to be able to easily move
- Staying alive during economic downturn - hard space with less activity in residential
- Show the industry a pipeline they can plan for by developing staff & technology that has a reasonable payback time, we could then have confidence to invest in those things.
- Open up the immigration settings to allow more skilled people into the country

- Support industry to have transparency on who governs health & safety for SMEs on construction sites. CHASNZ want a register for businesses so can see if they have a qualification – working on e.g., Getting a H&S 'driver licence'
- Small businesses need help around mental health – can't afford the \$5k Mates in Construction annual affiliation fee to access support/training.
- Pathways for young people, women into the sector



Education

WHAT BUSINESS ARE SAYING:

- Fund tertiary education so that businesses can employ educated, innovative and productive graduates, so we don't lose talented employees.
- Education needs mismatch with job requirements, so an encouragement for education providers to provide suitable education.
- Improve the financial literacy of students.
- Bonded education in industries that require more staff e.g. Health, Education. Incentivise people to stay in NZ for a significant period after graduation, in lieu of reduction/payment of fees.
- Job cuts in tertiary and polytechnic sectors.
- The biggest threat are the University redundancies and the medium to long term reputational damage – it is on track to become a Polytech.

2.

Creative solutions to address skill shortages

- Te Pukenga - loss of Otago Polytechnic
Better management structure of tertiary institutions. Would immediately improve their business.
 - What is the pathway for businesses to engage with the Polytech?
- Big driver of rising costs: people not paying our invoices.
- Get schools to promote trades as an option for school leavers instead of only pushing for university study.
- Consider new apprenticeships for administration, IT, accounting roles.
- Greater use of internships.
- Increased access to STEM in high schools

1.

THE OPPORTUNITIES

Connection between business needs and courses offered / student enrolments



Research, Innovation, Film & Technology

WHAT BUSINESSES ARE SAYING:

- We need to be able to forecast the future impact of AI on the workforce and start to design trade and industry course that will keep our workforce relevant and productive.
- Digital and IT support – internship opportunities to keep and retain skills and talent in NZ
- Support entrepreneurship and startups: implement policies that nurture and support the growth of startups, including access to mentorship, incubation programs, and tax incentives

THE OPPORTUNITIES

2.

Internships and retain skills in NZ

1.

More investment and capital required

- More investment in research and development. The new 'Science city' concept should not be restricted to Wellington.
- Somehow getting people to invest in business rather than term deposits – how I'm not sure and have been thinking about for a while but accessing capital is key.
- Sustainable ecosystem to support the film industry and leverage the physical environment in the region - funding, film hubs, spaces, training for pathways, leverage writing capability in the region, attract producers, short/long films.



Community, Health & Social Services

WHAT BUSINESS ARE SAYING:

- Resourcing generally for doctors and locums who want to be GPs.
- Pay parity for rural nurses – behind the 8-ball of city nurses. Needs to be a level playing field.
- Technology rapidly changing (and funding is often catching up) eg. Telehealth - diagnostic facility where patients come into a rural practice for eg. heart monitoring with a physician sitting in Auckland. As a rural practice need to be confident in the bandwidth, viability, commercial options and business model. BSi can support by providing opportunities for pathways, networks, (innovation) funding.

1.

THE OPPORTUNITIES

Resourcing & stable funding contracts

2.

Skill shortage – labour market constraints having significant impact

- Rural health hubs – Want to have access to good health care whether in urban or rural areas. In latest health reforms rural areas become a hub (locality). As a commercial business want government to come up with health contracts so they can support their local communities and be viable.
- Immediately improve my business: Stability in funding contracts. New govt continually threaten cuts in health/education sector.
- Eventual breaking point in rising costs where many will simply not be able to sustain their work



Agriculture & Fisheries

WHAT BUSINESSES ARE SAYING:

- **Fisheries:** Understanding role it plays in the regional economy: industry employs well over two hundred people in the harvesting, processing and distribution of seafood products.
- Promoting the circular blue economy for commercial harvesting of seafood by using cutting edge technology working alongside government and University. To work with other businesses.
- Seeking partnership opportunities for community health & wellness delivery through the promotion of the perfect health food that comes from our ocean.
- Improve freight into Australia.

THE OPPORTUNITIES

2.

Build rural confidence in the Agriculture sector.

1.

Increase awareness of the Fisheries role in the region.

- **Agriculture:** There is a strong view that farmers are over regulated and that rural confidence needs to be restored.
- Implications of the RMA and Freshwater Reform process on the sector.
- Otago Regional Council has released proposed rules and regulations as part of their regional Land and Water Regional Plan

Under the draft plan, all dairy farming and dairy support would be a controlled activity in the Lower Clutha, Dunedin and Coast, North Otago, Manuhereki and Taieri catchments.





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