

Introduction

- Greeting, speaker introduction and credentials.
- NorthChamber is the champion and advocate for the business community across Te Tai Tokerau/Northland. Our mission is to drive transformational change within the Northland business community, resulting in enhanced business vitality. Combined with EMA & Fed Farmers, a team of 22,000
- We are motivated by the belief that great business outcomes result in strong and vibrant communities, where citizens are engaged and contribute positively thanks to a strong economy providing meaningful employment, appropriate infrastructure, and vibrant and sustainable living.
- Our members are convinced that expansion at Northport will deliver not only an economic dividend but, even more importantly, a social dividend as well.

Significant strategic value to small and medium-sized enterprises

Step change in business productivity

- Our view is that expansion at Northport, and growth in its container freight handling and logistics capabilities, will prove immensely beneficial for not just the local area, but for the whole of Northland. Local industry will gain logistical efficiencies and capacity, while businesses will see improved access to Auckland, upper North Island and international markets.
- An independent report by Polis Consulting Group into the social and economic potential of plans for growth at Northport, commissioned by regional economic development agency Northland Inc, states that Northport expansion will increase Northland's trade access to both local and international markets.
- Local industry will benefit from increased logistic efficiency and capacity in the region and local businesses gain better market access to Auckland, the Upper North Island and internationally.
- Northland's agricultural and horticultural sectors are burgeoning and diversifying – a trend that will be enabled and accelerated by this improved access to markets.

Complementary organisations arriving at the port/in the area

- Economic data shows that Whangārei has been growing strongly, with greatest growth in industries that are either servicing the growing population (health, retail, construction, etc) or are exporting activities (manufacturing). But the district's economy remains dependent on the traditional sectoral stalwarts of agriculture, forestry, fishing and tourism.
- The Polis report states that increased port operations will expand opportunities for directly-related port and logistics business in Northland.
- But it also says that access to a competitive port with containerisation will attract new industry, businesses and workers to the area – expanding the economic diversity at Marsden Point beyond

primarily shipping and marine services. It says industrial growth around Northport will also accommodate and stimulate indirect and induced economic growth.

- This speaks to one of the Northland region's long-held ambitions – enhancing its economic diversity beyond primary industry. Attracting people and businesses that can add value in new and increasingly important sectors, and enhance the skills base of Northlanders.

Social dividend

Step change in employment opportunity

- Therefore, an expanded container operation at Northport could not only grow the number of jobs directly on the port, it would also diversify employment opportunity – the type of jobs available will expand.
- This enhancement of economic diversity would also enable people already working on the port to up-train and cross-train, expanding their capacity for and capability in a range of highly transferrable skills. And therefore their employability not only in Northland and NZ but internationally too.
- The Polis Report says about 1,500 new jobs could be created in and around Marsden Point, in Whangārei and around the wider Northland region by expanding the container port. We note with interest that this figure is very close to the 1,400 additional jobs forecast by m.e Consulting in its assessment of the economic impact of Northport's proposed expansion (Appendix 22 to the Northport Resource Consent Application).
- The jobs that are expected to be created by growth at Northport would go a long way to stemming and even reversing the employment attrition generated by the downsizing of operations at Channel Infrastructure (formerly Refining NZ).
- This expanding local community will, we believe, create a collaborative business ecosystem attractive to a host of small businesses and professional service providers such as accommodation providers, printers, newsagents, real estate firms, etc. An example is the expanding stable of retail and service businesses near Marsden Point Marina, including a 4 Square supermarket, established as a direct result of the growing population base in the surrounds of Marsden Point.

Economic prosperity brings community wellbeing

- We believe the effects would be cumulatively beneficial for the Marsden Point area, resulting in a greater number of people choosing to make it home and enhancing the diversity of not just the immediate vicinity but also the region.
- This, in turn, will lead to an increase in the number of service businesses, more variety and competition, lower prices, greater employment, a higher rates take and, consequently, enhanced local and central government services.

Economic dividend

- It is the view of our members that if we (collectively) fail to enable good, high-end infrastructure then there's literally an entire layer of business and enterprise that will forever be locked out of Northland and contributing to the local and regional economies
- Whangārei is defined by the Ministry of Business Innovation and Employment as a 'High Growth' area. The district's population between 1996 and 2020 grew much more quickly than in most other areas in New Zealand. However, as already discussed, the district's economy is still vectored around primary industry - agriculture, forestry, fishing and tourism.
- The Polis Report makes the point that Northland's socio-economic baseline indicates a high need for economic uplift. The region's economy has low GDP per capita and Northland lags NZ averages on wellbeing and labour-force participation (with Māori disproportionately affected).
- The m.e Consulting report says that if Northport secures the ability to expand then it would support not only the economic growth of Northland and North Auckland but New Zealand as a whole. In total, Northport could add \$5.6 billion of value to the New Zealand economy annually by 2050 (\$3.3 billion more than if it was not allowed to expand), supported by 60,900 jobs (nearly 35,000 jobs more than if it was not allowed to expand).
- In our view, the report's authors have demonstrated why it is unlikely that the full potential of Northport can be achieved unless the Port is able to develop as it proposes. Without the necessary Consents there is a risk that Northport's role could be constrained, resulting in a loss to both the regional and the national economy.

Additional incentive to vastly improve infrastructure

- Granting Northport consent to proceed with its project plans would give added impetus to wider infrastructure projects, such as four-laning State Highway 1 between Whangarei and Auckland and building the rail spur to Marsden Point. Both projects continue to be strongly advocated by NorthChamber for the betterment of both business and residents, and for giving longer-term capability to our region.
- The m.e Consulting report discusses how upgrades to the land transport networks, along with either a re-location of Ports of Auckland or a reduction in its existing area, would enhance the attractiveness of Northport to exporters and importers in the North Auckland area. The report's authors consider that the transport upgrades outlined above might save shippers in the order of 25 percent of current rates, likely improving the attractiveness of Northport still further.

Closing statement

- In conclusion, we thank you for giving us the opportunity to outline our reasons for supporting Northport's application
- We fully support the grant of resource consents for Northport's application subject to the Conditions the company is proposing.