

## 3.0 Economic development

Economic activity depends on secure reliable infrastructure. To that end, this entire plan can be seen as a commitment to the local economy. In addition we take specific steps to support economic vitality. We advocate for the city's interests to central and regional government. We maintain links with other countries and their markets through sister-city relations. Our initiatives complement the regional economic development programme provided by the regional development agency Grow Wellington.

We also work to attract major events that bring new spending to the city and we fund tourism promotions and support attractions such as Te Papa and conference venues such as the Wellington Convention Centre.

### Significant Projects

#### RUGBY WORLD CUP 2011

Rugby World Cup 2011 kicked off on 9 September. Previous quarterly reports have discussed the preparation in the lead up to the event. A report on Rugby World Cup 2011 will be presented in the quarterly report for the period ended 31 December 2011 however, some of the work of the Council in relation to Rugby World Cup 2011 is noted in the strategies.

### What we did

#### CITY PROMOTIONS, EVENTS AND ATTRACTIONS

Positively Wellington Tourism (PWT) heavily promoted Wellington visitor attractions through Rugby World Cup 2011 activities and promotional material – from [www.WellingtonNZ2011.com](http://www.WellingtonNZ2011.com) to a special Rugby World Cup 2011 Wellington Visitor Guide and Map.

The Events Development Fund supported seven events during the first quarter. Events supported include: All Blacks vs. Springboks Test Match, the World Press Photo Exhibition, Beervana, the Wellington Masters Football tournament and the 2011 season of World of Wearable Art.

City events around World of Wearable Art included the International Designers Day and Get Set Create.

The September 2011 quarter has been the first trading quarter for Positively Wellington Venues. A significant amount of time has been expended on maintaining our programmes and growing the new business pipeline, while bringing the operations of the two original businesses together in a cohesive manner.

As expected, Rugby World Cup 2011 activities have displaced normal conference and performance business in September. Significant events and shows during the quarter included *WoW* at the TSB Bank Arena, *SOAP* at the St James Theatre, the *IHC Art Exhibition* in the St James Gallery, *Cavalleria Rusticana & Pagliacci Opera* at

the St James Theatre, *In Flagrate* burlesque at the St James and a significant number of corporate events at the MFC.

#### BUSINESS SUPPORT

Airport Strategy Marketing presented their final report to PWT and Wellington International Airport detailing the “Long Haul Opportunities for Wellington”. This report has helped to inform and prioritise the target airlines that we are currently in collective discussion with.

In July Mayor Wade-Brown and Councillor Coughlan led a delegation of 30 people to Sakai, Japan and Beijing, Tianjin, Xiamen, Guangzhou and Hong Kong in China.

The delegation was successful and strengthened our sister city relationships with Sakai in Japan and Beijing and Xiamen in China. The city also established a “Friendship City” agreement with Tianjin, which formalises the long-standing relationship.

The feedback received from business delegates was unanimously positive. Delegates recognised the value of joining a Mayoral delegation, citing the access they had to high level government officials as a key advantage.

There were three applications for the July economic grant pool and the Grants Subcommittee agreed to grant \$10,000 to the Fair Trade Group of Wellington. The funding is to support a coordinator to strengthen the fair-trade network and the city's fair trade status.

## How We Performed

Activity	Description	YTD Actual	YTD Target	Variance %
3.1.1 Tourism Promotion	Occupancy rates – accommodation providers – (Provided by Stats NZ) (%)	64%	61%	5%
	Guest nights – accommodation providers – (Provided by Stats NZ)	483,183	462,645	4%
3.1.2 Visitor Attractions	Visitors to Te Papa	280,524	325,000	(14%)
	Visitors to Carter Observatory	11,360	12,660	(10%)
3.1.3 Convention Venues	Percentage of commercial to community hires	10%	No Target	
	Number of performances	76	No Target	
	Number of convention/event hires	155	No Target	
	Community hire days	43	No Target	
3.1.5 Event Attraction and Support	Events supported by the Events Development Fund	17	14	21%
	Estimated economic impact (new spend) from major events assisted by the Events Development Fund(\$'000's)	\$27,000	\$27,000	0%
3.2.2 Regional & External Relations	Wellington events/activities held and delegations hosted in association with international cities	4	No Target	
	Overseas events/activities held and delegations sent in association with international cities	2	No Target	
3.2.3 Grants and Creative Workforce	Economic Grants pool – Grant distribution (Total Number Of Grant Applicants)	2	No Target	
	Economic Grants pool – Grant distribution (Total Budget Distributed To Applicants)	\$10,000	No Target	
	Economic Grants pool – Grant distribution (Total Budget Available To Applicants)	\$25,000	No Target	
	Economic Grants pool – Grant distribution (Number Of Applicants Receiving Grants)	1	No Target	

### 3.1.2: *Visitors to Te Papa*

Local visitation has been reduced - this is due to shift of the timing of the school holidays and Rugby World Cup 2011. Visitation to the Oceania exhibit has also been lower than anticipated.

### *Visitors to Carter Observatory*

Local visitation has been reduced - this is due to the timing of the school holidays and Rugby World Cup 2011.

## What it cost

WHAT IT COST					
Net expenditure/(revenue) by activity \$000		Actual YTD	Budget YTD	Variance YTD	Full Year Budget
3.1.1	Tourism Promotion	1,435	1,445	10	5,778
3.1.2	Visitor Attractions	758	760	2	3,037
3.1.3	Convention Centre	676	773	97	3,094
3.1.4	Suburban and City Centres Vitality	317	322	5	1,286
3.1.5	Events Attractions and Support	1,735	1,747	12	4,386
3.2.1	Long-Haul Airline Attraction	50	50	0	200
3.2.2	Regional and External Relations	127	141	14	519
3.2.3	Grants and Creative Workforce	439	409	(30)	1,419
<b>Net Operating Expenditure</b>		<b>5,537</b>	<b>5,647</b>	<b>110</b>	<b>19,719</b>

### Operating expenditure

- 3.1.1: In line with budget.
- 3.1.2: In line with budget.
- 3.1.3: Under budget due to lower depreciation costs.
- 3.1.4: In line with budget.
- 3.1.5.: In line with budget.
- 3.2.1: In line with budget.
- 3.2.2: In line with budget.
- 3.2.3: In line with budget.

WHAT IT COST					
Capital expenditure \$000		Actual YTD	Budget YTD	Variance YTD	Full Year Budget
3.1.1	Tourism Promotion	0	0	0	0
3.1.2	Visitor Attractions	0	0	0	0
3.1.3	Convention Centre	26	453	427	2,533
3.1.4	Suburban and City Centres Vitality	0	0	0	0
3.1.5	Events Attractions and Support	0	0	0	0
3.2.1	Long-Haul Airline Attraction	0	0	0	0
3.2.2	Regional and External Relations	0	0	0	0
3.2.3	Grants and Creative Workforce	0	0	0	0
<b>Capital expenditure</b>		<b>26</b>	<b>453</b>	<b>427</b>	<b>2,533</b>

### Capital expenditure

- 3.1.1: None budgeted for this activity.
- 3.1.2: None budgeted for this activity.
- 3.1.3: Under budget as renewals work at the Wellington Town Hall has been deferred until after anticipated earthquake strengthening takes place.
- 3.1.4: None budgeted for this activity.
- 3.1.5: None budgeted for this activity.
- 3.2.1: None budgeted for this activity.
- 3.2.2: None budgeted for this activity.
- 3.2.3: None budgeted for this activity.

## How it was funded

