



INNOVATIVE
NEW ZEALAND

Fact Sheet 3 – Innovative New Zealand: \$94.4m for regional economic development

Summary

Budget 2016 will provide \$94.4 million of new funding over the next four years for regional economic development initiatives that will boost economic growth and benefit communities across regional New Zealand.

This dedicated regional investment funding is part of Budget 2016's Innovative New Zealand package, which aims to unlock opportunities for innovation and diversification across New Zealand.

The key to achieving success in each region is to help it build on its own unique mix of economic opportunities and competitive advantages to attract new investment, and grow more jobs and higher incomes.

What is new?

1 \$44 million over the next four years will be provided for the Government's Regional Growth Programme

This funding will assist regions develop opportunities for new business investment and growth that are identified in their regional economic action plans.

As part of the Regional Growth Programme, government agencies are working in partnership with local government, businesses and iwi to develop and implement regional action plans to leverage the identified investment opportunities in each region.

The additional funding will enable greater and faster progress on initiatives arising from the action plans.

2 \$2.4 million in 2016/17 for the Opotiki Harbour Development in Eastern Bay of Plenty

This will be dedicated to the geotechnical validation stage of the Opotiki Harbour Development.

3 A further \$40 million over four years to develop more regional research institutes across New Zealand

The Ministry of Business, Innovation and Employment is currently working

on business cases with three proposed regional research institutes in Marlborough, Central Otago and Southland.

This funding will support those applicants whose business cases are successful, plus help establish further institutes around the country in any future funding rounds.

4 \$8 million additional funding over four years for the Regional Business Partners Programme, operated by NZTE and Callaghan Innovation.

This funding will allow both agencies to extend their support for small businesses throughout New Zealand, providing greater access to business development know-how and research and development expertise.

Additional initiatives focused on regional economic development:

In addition to the \$94.4 million funding detailed above, other Budget 2016 initiatives focused on regional economic development include:

- \$115 million in capital expenditure for regional roading.
- \$12 million over four years for the Mid-sized Tourism Facilities Grants Fund and \$25 million over four years for the Nga Haerenga New Zealand Cycle Trail.
- \$24.5 million over four years for the \$100 million Freshwater Improvement Fund.
- \$8 million of operating funding over 2015/16 to 2016/17 and \$6.2 million of capital funding for the Māori Land Service Programme and \$3.7 million over four years for effective Māori trustee services.
- \$20.7 million in 2015/16 for Battle for Our Birds.
- \$69.8 million over four years to tackle eliminating bovine TB.