AIDE MEMOIRE

Background points for Prime Minister’s PGF announcements at Otamatea Marae, 3 February and Kaikohe, 4 February 2019

Date: 30 January 2019
Priority: Medium
Security classification: In Confidence
Tracking number: 2286 18-19

Information for Minister(s)
Rt Hon Jacinda Arden
Prime Minister

Contact for telephone discussion (if required)

<table>
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The following departments/agencies have been consulted
Ministry for Primary Industries, Ministry of Transport, New Zealand Transport Agency, Te Punui Kōkiri

Minister’s office to complete:
- Approved
- Noted
- Seen
- See Minister’s Notes
- Declined
- Needs change
- Overtaken by Events
- Withdrawn

Comments
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Purpose

This aide memoire provides key messages, risks and back pocket information for your Provincial Growth Fund (PGF) announcements.

Ben Dalton
Head of Regional Development, Provincial Development Unit, MBIE

Background

1. On 3 and 4 February 2019 you will attend two events, one at Otamatea Marae in Kaipara, and another at Mangātoa station in Kaikohe to announce a suite of PGF funding. This includes a Kaipara economic development package, the PGF Whenua Māori allocation, Local Digital Connectivity funding and Te Ara Mahi.

2. This suite of announcements is expected to be perceived positively by communities and media. It has been crafted to provide a significant boost to communities that often miss out on government support.

3. The announcements focus particularly on youth and Māori, providing landmark funding for jobs and economic development.

4. The announcements align with the Government and PGF priorities of increasing the productivity potential of the regions, while ensuring positive social outcomes.
Otamatea Marae in Kaipara 2 February 2019

5. On Sunday 3 February 2019, at the Otamatea Marae in Kaipara, you will announce PGF investments with the Ministers for Māori Crown Relations - Te Arawhiti, Māori Development and Regional Economic Development.

6. You will be announcing $20.39 million for a local package of roading and business investments in Kaipara, as well as a national PGF Whenua Māori allocation of $100 million for the development of Māori owned land.

7. The Kaipara package has been designed to leverage the substantial agricultural, horticultural and tourism assets in the region through developing Moana, Roads and Kai components.

8. The Kaipara package will improve connectivity, boost the visitor offering, generate employment opportunities and help mitigate the effects of climate change on food production in the area.

9. Local opposition and concern regarding the Kaipara package is expected, due to the district council’s history of capability challenges. This is unlikely to result in action on the day. This risk has been mitigated through the provision of funds for project management. Officials will keep your office updated on this situation.

10. The PGF Whenua Māori allocation is expected to be generally popular, and will provide an opportunity to overcome the key barrier in the development and utilisation of Whenua Māori.

11. The objectives of the Whenua Māori allocation are to increase investment in Māori economic development, bridge the divide between investment readiness and tangible actions, and provide Māori landowners with access to capital which will unlock further capital investment.

Mangatoa Station in Kaikohe, 4 February 2019

12. On Monday 4 February 2019 you will be at Mangatoa station in Kaikohe to announce PGF investments with the Minister for Regional Economic Development and the Minister for Māori Development. This event is hosted by local rangatahi.

13. You will be announcing the PGF allocation of $82.4 million for Te Ara Mahi, a national body of work focusing on getting young people not in employment, education or training into work. You will also be announcing the allocation of up to $21 million for Local Digital Connectivity to provide broadband connectivity to marae and regional digital hubs.

14. The community response to these projects is expected to be positive.

15. The Te Ara Mahi allocation will support local people across the entire employment pathway, from getting people upskilled to work, getting people upskilled in their jobs, and funding coordination and support at the employer level.
16. The Te Ara Mahi allocation will ensure productivity gains from other PGF investment are fully released in the regions, by ensuring local people can do locally created jobs.

17. The Local Digital Connectivity allocation will also work to ensure that PGF objectives of improved productivity, social inclusion and Māori development are fully realised.

18. Increased connectivity will boost businesses’ access to market, as well as increasing positive social connectivity benefits.

19. As you will be announcing some recipients of these funds before the general public has heard of them, there is a risk that people will perceive that winners have already been decided upon. This will be mitigated through the communication of clear criteria, and rationale behind early investments.

**Background Information and Labour Party Connections to Otamatea Marae and this area**

20. You will also attend a church service at Otamatea church before your announcements on 3 February 2019.

21. At Otamatea church three people with strong connections to the Labour party are buried.
   - Paraire Karaka Paikea, a Rātana Minister and Northern Māori Member of Parliament, the leader of the Rātana-Labour alliance.
   - His son, Tapihana Paraire Paikea, who replaced him as Northern Māori MP after his death.
   - Joseph Gordon Coates, a former Prime Minister from 1925 to 1928 and leader of the Reform Party, a precursor to the National Party, but a long standing ally to the Labour Party.

**Further information**

22. Full details on these announcements, including background, risks, run sheets and communications material has been provided separately to your office (2156 18-19 refers).