

## **Invermay Summit Dunedin: Economic Forum 14 Aug 2013**

### **Comment Alex Familton Mayor of Waitaki**

We should first commend the Government for its move in producing a *Regional Economic Activity Report, May 2013*, and *The Hon Steven Joyce*. The report confirms the Government's intention and the importance it places on regional data. For the first time this report puts together available economic data on regions. However the report acknowledges that, until now, we have not had sufficient data to clearly debate what makes a region successful.

Therefore, we have a concern, that proposed staff reductions at Invermay, may not be based on relevant and reasoned data. A decision of this magnitude should be supported by a solid and transparent case, based on data. The case for transferring staff should be convincing and progressive. To date there has been no visible and convincing case – we, as a community, find this unacceptable. New Zealand depends on the productive sector to maintain our standard of living and our productive sector depends on Invermay to maintain profitability, though research and innovation, We are aware that our heritage, in Otago, has been built on solid educational foundations – that is one of our notable strengths. Our educational facilities, at all levels are seamless, overlapping and cohesive – that is their strength. To cut staff at Invermay will eat into the core of our critical educational mass and disrupt established networks. The expertise, skills and research which have been tightly interlaced over many years will be disrupted. The consequences are potentially as devastating as the proposal to centralize neurology services.

Other OECD countries devolve an average of 30% of central government expenditure to regions. A recent *Local Government New Zealand paper* indicated that New Zealand devolved 11%. Also, Auckland has attracted a disproportionate slice of our population, compared to other countries and their main centres, - as a consequence, we now have a two tier economy. The top tier is characterised by centralized larger population centres, roads of national significance and preferred government investment; the bottom tier includes smaller population centres, rural roads and less government investment.

We now need to make a stand – we want to know that there is parity in government spending based on relevant data. We expect well informed long term progress.

Good decisions are also based on local consultation with stakeholders. This applies particularly to decisions which affect local and central government. The proposal for staff displacement at Invermay did not include all stakeholders at the formative stage, and consequently, may have overlooked vital connections and opportunities. (eg research and innovation relating to agriculture across faculties) We need to know, above all, that any directions taken are sustainable. We need a long term vision which will ensure that future generations do not suffer consequences of short term, ill informed, decisions. So what do we ask of government?? In my opinion they should seriously review the balance of government spending between centralised larger populations and smaller population regions. They should continue collecting data which will allow us to better target and balance the country's progress. They should stop all centralization moves until proposals are collaboratively discussed and supported by

solid economic, social and environmental data. They should gather data relating to sustainability. We must do all we can to get the long term direction right.

Otherwise the loss of skills, expertise and jobs regionally or nationally may, in the long run, be a greater cost to our country than any short term saving. We just don't know – it is imperative that we gather more data and take more care to make rational decisions.