

# City Economy

## Contents

### **4.1 Ideal Location**

4.1.1 External relationships

### **4.2 Nationhood**

4.2.1 Central government

### **4.3 Premier Centre**

4.3.1 Wellington Convention Centre

4.3.2 Positively Wellington Tourism (retail)

4.3.3 Central city vitality

### **4.4 Diverse and Competitive Economy**

4.4.1 Business support

### **4.5 Destination of Choice**

4.5.1 Positively Wellington Tourism (tourism)

4.5.2 Visitor attractions

### **4.6 Supportive Population**

4.6.1 Enterprise celebration

### **4.7 Education**

4.7.1 Creative workforce (Facilitation)

# City Economy

## What we do

Our economic development work includes:

- funding Positively Wellington Tourism so it can promote the region to visitors from New Zealand and overseas
- attracting and developing events such as the World of WearableArt Awards, the International Sevens and the Volvo Ocean Race
- supporting visitor attractions such as Te Papa and conference venues such as the Wellington Convention Centre
- supporting Positively Wellington Business so it can promote the region to businesses, investors and skilled migrants, and help businesses to start and grow
- providing grants to help community projects with economic benefits for the city
- marketing the city as Creative Wellington — Innovation Capital
- working with other councils to complete the Wellington Regional Strategy, which will guide future regional growth
- supporting the retail sector by providing free weekend parking in the city centre.

## Key challenges

Wellington's economy has grown in recent years, broadly in line with the national average. The city is prosperous, and levels of unemployment are relatively low.

Assisted by major events such as the Rugby Sevens and the NZ International Arts Festival, the city has continued to attract more visitors during the year. The city's film industry also continued to attract international profile, and further progress has also been made towards increasing the contribution made by creative and high-tech industries.

However, in line with the national economic slowdown, growth during 2005/06 was modest, and the unemployment rate increased. Further work is needed in coming years to achieve higher rates of growth and ensure our future prosperity. Our economy needs to compete more effectively for sales, investment, talent, events and tourism.

In addition, the whole region needs to invest to ensure we can provide infrastructure, amenities and lifestyles that make us an attractive place to live and do business.

## **WORLD OF WEARABLEART: Wellington welcomes a MAJOR new event.**

*It's a week-long festival of creativity, where the human body becomes a canvas...*

The Montana World of WearableArt Awards were held in Wellington for the first time during September and October 2005 – attracting an audience of almost 30,000 and taking interest in the show to unprecedented levels.

The awards, first held in Nelson in 1987, have grown to become one of the premier events on New Zealand's arts and culture calendar. A series of two-hour shows bring together fashion, art, choreography and music in a genre-defying theatrical extravaganza.

The move to Wellington has raised the show's profile further, boosting audience numbers and leading to a record number of international entries received for the 2006 awards.

***The event brought an estimated \$8.3 million in new spending to the city.***

An economic impact assessment by McDermott Miller found that the awards brought more than \$8.3 million in new spending to Wellington – most of that in the retail, accommodation, and restaurant and café sectors.

Of those who went to the awards, 64 percent were attending for the first time, and the vast majority of them planned to return. "We took WOW to Wellington to grow the show creatively and be able to perform to larger audiences," says chief executive Gabrielle Hervey. "The report shows that not only did our audience love the experience, they plan on returning to Wellington to experience it again."

We support the World of WearableArt Awards in many ways, including promotional activities and an annual street parade where aspiring designers can show off their outrageous wearable art designs.

The event brings thousands of visitors to Wellington, including international media. It is regarded as a perfect fit for New Zealand's creative capital.

**WELLINGTON REGIONAL STRATEGY: securing the region's future**

***We're working with other Councils in the region on a 50-year strategy for sustainable growth.***

Bringing together nine local authorities encompassing Wellington, Hutt Valley, Porirua, Kapiti and Wairarapa, the strategy recognises that the region's best chance of future economic success lies in working together for a common vision.

As part of the regional strategy, all nine councils have committed to a goal of ensuring that Wellington is internationally competitive. This isn't just about economic growth - it's about enhancing overall quality of life so that the region is an attractive place to live. The strategy identifies 50 year goals and priority actions for the next 10-20 years. During 2006/07, consultation will be carried out on the strategy's framework for sustainable growth, and an economic development organisation set up to carry out the work outlined in the framework. For more, see [www.wrs.govt.nz](http://www.wrs.govt.nz).

**Key facts**

Growth in economic activity during 2005/06 in Wellington City: 2.2 percent. In New Zealand: 1.6 percent.

Unemployment rate in March 2006, Wellington city: 5.8 percent. New Zealand: 4.3 percent.

Number of 'visitor nights' spent by international and domestic tourists in Wellington during the year to March 2006: 1.7 million.

Percentage increase on previous year: 6.3.

**WHAT IT COST**

		Actual	Budget	Variance	Actual
Net Expenditure/(Revenue) by activity \$000		2006	2006	2006	2005
4.1.1	External Relations	1,245	1,686	441	1,272
4.3.1	Wellington Convention Centre	3,611	3,532	(79)	3,853
4.3.2	Positively Wellington Tourism	4,116	4,116	-	3,611
4.3.3	Central City Vitality	450	450	-	450
4.4.1	Business Support	2,023	2,173	150	2,031
4.5.2	Visitor Attractions	3,632	3,306	(326)	3,804
4.6.1	Enterprise Celebrations	-	-	-	19
4.7.1	Creative Workforce	33	50	17	22
<b>Operating Expenditure</b>		<b>15,110</b>	<b>15,313</b>	<b>203</b>	<b>15,062</b>

		Actual	Budget	Variance	Actual
Capital expenditure \$000		2006	2006	2006	2005
4.1.1	External Relations	108	108	-	108
4.3.1	Wellington Convention Centre	4,213	5,063	850	4,474
4.3.2	Positively Wellington Tourism	-	-	-	-
4.3.3	Central City Vitality	-	-	-	-
4.4.1	Business Support	-	-	-	-
4.5.2	Visitor Attractions	-	-	-	-
4.6.1	Enterprise Celebrations	-	-	-	-
4.7.1	Creative Workforce	-	-	-	-
<b>Capital expenditure</b>		<b>4,321</b>	<b>5,171</b>	<b>850</b>	<b>4,582</b>

## OUTCOME 4.1 IDEAL LOCATION

Our aim is for Wellington to be known throughout the Pacific basin as an ideal location for business people and their families.

PROGRESS TOWARDS OUR OUTCOME	OUTCOME INDICATORS	2005	2006
<ul style="list-style-type: none"> <li>Wellington region's unemployment rate remains higher than national levels. Unemployment, both regionally and nationally is on the increase.</li> </ul>	Unemployment rate (%) – Wellington and New Zealand (March quarter)	W 4.8%	W 5.8%
		NZ 4.2%	NZ 4.3%
		<i>Source - Statistics New Zealand</i>	
		2004	2005
<ul style="list-style-type: none"> <li>A total of 30 companies of the New Zealand's top-200 companies were based in Wellington. This is two companies fewer than 2004 levels.</li> </ul>	Top 200 companies as listed by Management Magazine that are based in Wellington (%) Note – list does not include banks, financial and insurance companies. For the detailed criteria see Management Magazine December 2005.	16.0%	15.0%
		<i>Source - Management Magazine (Note – statistics are for 2004 &amp; 2005)</i>	

### 4.1.1 Activity: External relationships

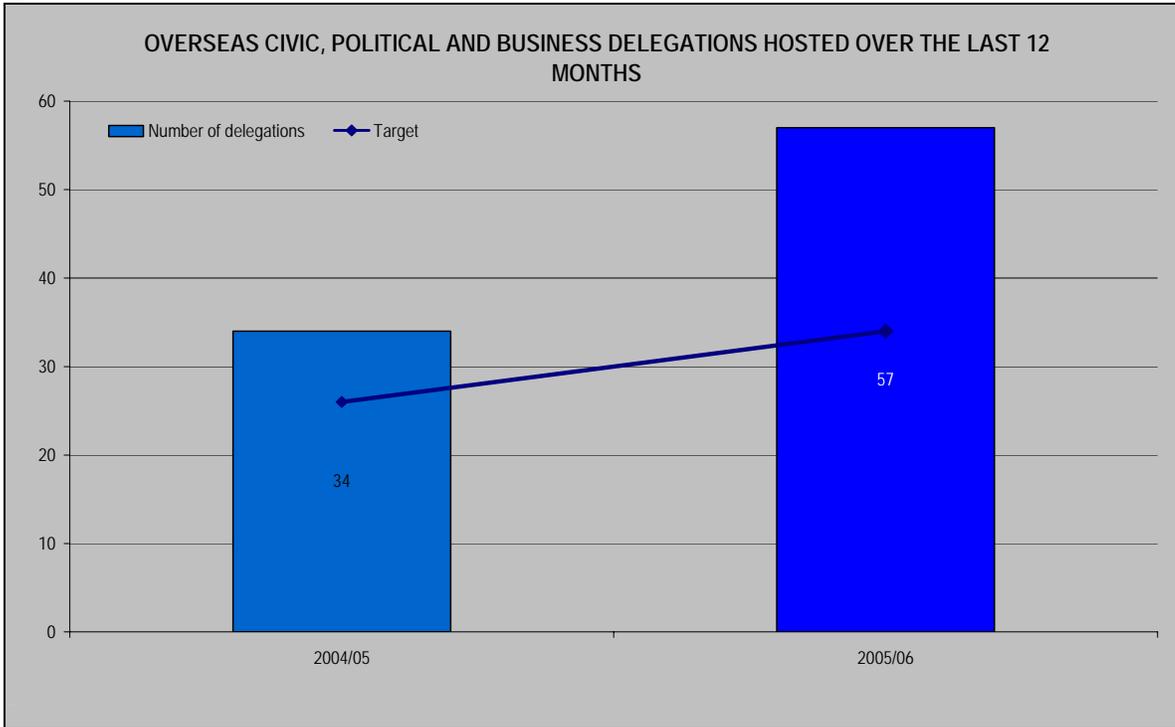
We make Wellington more competitive by promoting the city's interests to central government, local authorities, national organisations and the business community. We promote events, host overseas delegations, and worked to promote the city as an attractive place to live and do business. We are also developing the Wellington Regional Strategy – a joint project of the councils in the Wellington region, working together to build an internationally-competitive Wellington.

#### What we did

- We hosted 57 overseas civic, political and business delegations. These included a South Korean delegation discussing urban planning and restoration, and a Japan Sakai Education delegation discussing education exchange projects.
- We hosted the successful 25th Anniversary Sister City Conference in Wellington, which was opened by Prime Minister Helen Clark. A highlight of the conference was the formal signing of a new Sister City relationship between Wellington and Beijing. The agreement was signed by Mayor Kerry Prendergast and the Deputy Mayor of Beijing, Mr Sun Anmin.
- The Mayor and Deputy Mayor accepted a number of official invitations to:
  - San Francisco* to further the development of a formal relationship between the two cities and to support a major Tourism NZ promotion
  - Hiroshima* to attend a world Mayors for Peace Forum and commemorate the 60<sup>th</sup> anniversary of the dropping of the A-bomb
  - Seoul* to attend a world Mayors Roundtable on Urban Renewal forum.
- We continued our marketing programme on three fronts: (1) Retention – celebrating Wellington's achievements; (2) National Pull – promoting Wellington as an attractive place; (3) International Outreach – promoting Wellington to overseas markets.
- We also placed billboards, street banners and flags around the city highlighting key events and showcasing Wellingtonians, and brightening the city.

### How we performed

We have experienced a busy year, hosting the successful Sister City Conference, which contributed significantly to increasing the number of delegations we hosted over the year.



Source – International Relations, Wellington City Council

### What it cost

Cost of activity \$000	Actual 2006	Budget 2006	Variance 2006	Actual 2005
<i>Operational projects</i>				
Expenditure	1,247	1,689	442	1,288
Revenue	2	3	(1)	16
Net expenditure	1,245	1,686	441	1,272
<i>Capital projects</i>				
Expenditure	108	108	-	108

The delayed start of a planned 'Move to Wellington' website has resulted in reduced expenditure. There was also a reduction in the number of scholarships awarded during the year from the creative achiever programme, combined with a reduction in external relationships grants and sponsorships awarded.

## OUTCOME 4.2 NATIONHOOD

Our aim is for Wellington to maximise the benefits of being the capital city, the hub of New Zealand and the centre of the nation.

PROGRESS TOWARDS OUR OUTCOME	OUTCOME INDICATORS	2004	2005
<ul style="list-style-type: none"> <li>There has been a considerable increase in the number of people working in the public sector based in Wellington.</li> </ul>	People working in the public sector in Wellington (number).	16,500	19,080
<i>Source - Statistics New Zealand (note - statistics are for 2004 &amp; 2005)</i>			

### 4.2.1 Activity: Central government

We work with the government sector to advocate for Wellington's interests. This includes liaising with government agencies and making submissions on behalf of Wellingtonians on bills before Parliament. This activity has no associated budget.

#### What we did and how we performed

- We carried out a "community outcomes" exercise as an input to our long-term plan. The exercise included meeting with government agencies to understand their work and aspirations for the city. A key focus of our future work will be to build closer relationships with our central government partners to realise and implement our mutual goals. The community outcomes derived from this process will guide our work over the coming years.
- We made submissions to the Capital Coast District Health Board on their Draft District Strategic Plan and to the Ministry of Fisheries on the proposed Wellington South Coast Marine Reserve. We submitted on the Proposed Western Corridor Plan Consultation document and the Regional Land Transport Strategy – Strategic Options document. We also made a submission to the Greater Wellington Regional Council on their long-term council community plan.

## OUTCOME 4.3 PREMIER CITY

Our aim is for Wellington's central city to be the premier and most rapidly growing retail, entertainment, service and knowledge centre in the region.

PROGRESS TOWARDS OUR OUTCOME	OUTCOME INDICATORS	2005-2006 (growth between)		
<ul style="list-style-type: none"> <li>There has been an increase in both employees and places of business in three of the five key business sectors, with most growth exceeding national levels.</li> <li>Education and 'cultural and recreation services' sectors experienced reductions in the number of employees engaged in these areas.</li> </ul>	Increase in employees (E) and businesses (B) engaged in <b>retail trade industry</b> – Wellington and NZ	W (E) 7.12%; NZ (E) 4.92%;	(B) 3.68% (B) 3.49%	
	Increase in employees (E) and businesses (B) engaged in <b>accommodation, cafe and restaurant industry</b> – Wellington and NZ	W (E) 3.98%; NZ (E) 6.42%;	(B) 4.53% (B) 5.33%	
	Increase in employees (E) and businesses (B) engaged in <b>communication services</b> – Wellington and NZ	W (E) 8.40%; NZ (E) 1.94%;	(B) 0.0% (B) -0.45%	
	Increase in employees (E) and businesses (B) engaged in <b>education</b> – Wellington and NZ	W (E) -1.86%; NZ (E) -5.56%;	(B) 1.42% (B) -0.34%	
	Increase in employees (E) and businesses (B) engaged in <b>cultural and recreation services</b> – Wellington and NZ	W (E) -1.74%; NZ (E) -0.19%;	(B) 3.80% (B) 3.51%	
	<i>Source - Statistics New Zealand</i>			
	OUTCOME INDICATORS	2004/05	2005/06	
	New "icon" events held in the city, and their estimated economic contribution (number and dollar value) – <b>Montana World of WearableArts</b>	-	1 event \$8.3M	
	New "A-level" events held in the city.	7	6	
	<i>Source - City Events, Wellington City council</i>			
<ul style="list-style-type: none"> <li>We hosted the Montana World of WearableArts, our new 'Icon' event. This event brought an estimated \$8.3 million dollars into Wellington.</li> <li>We hosted six new 'A-level' events in the city during the year.</li> </ul>				

### 4.3.1 Activity: Wellington Convention Centre

The Wellington Convention Centre (the Town Hall and the Michael Fowler Centre) provides the city with venues of international quality. The two buildings provide 19 versatile spaces that hold a large number of events each year ranging from arts performances, conventions, trade shows, meetings, dinners and a range of community and cultural events.

The convention centre complements the many private clubs and venues across the city that promote local and independent acts and productions.

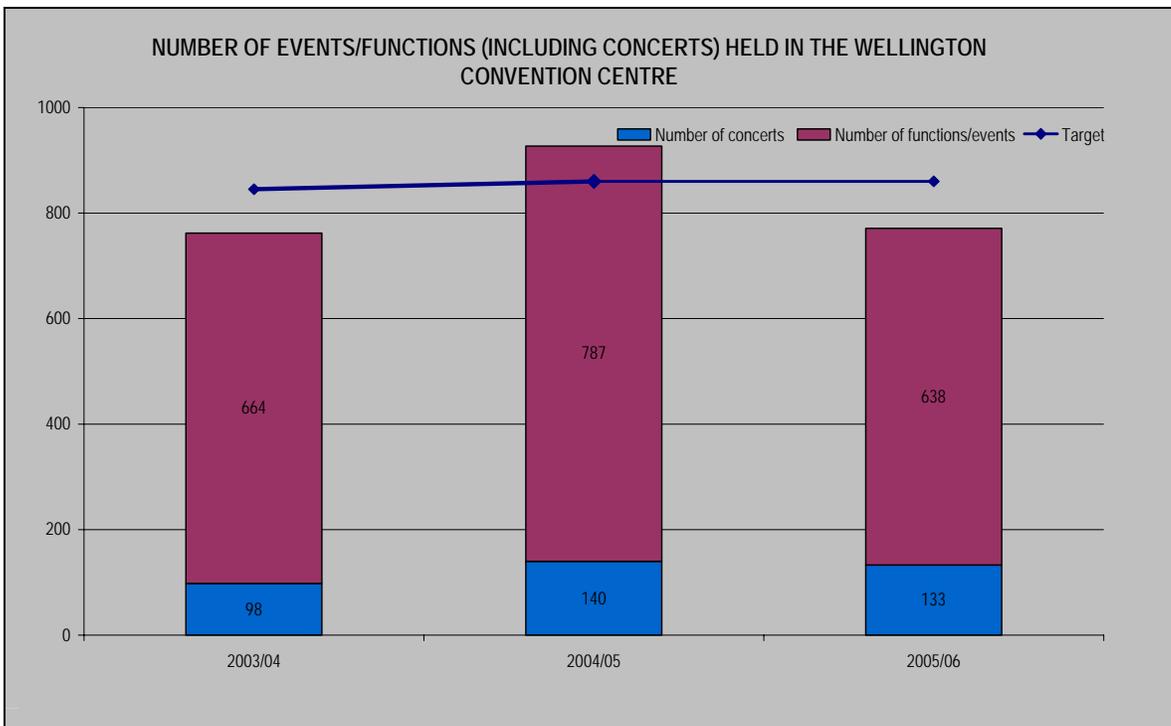
The convention centre is also contracted to manage the Queens Wharf Events Centre, providing an additional venue for rock concerts and other events.

### What we did

- Our venues have seen an action-packed year with entertainment as varied as gigs by the Foo Fighters and '80s favourites Simple Minds, to Cho-Liang Lin's performance of Brahms' violin concerto as part of the New Zealand Symphony Orchestra's Series 2, to international skating contests and national basketball matches.
- We celebrated the 100th anniversary of the first performance of the Wellington Town Hall organ. We had a special recital called the 'Centennial Blast', which included a light show and two large screens either side of the organ projecting images of the organ and live "footcam" shots of the organist.
- The convention centre retained a Qualmark Star Rating of 4 stars plus, in the venue category of Qualmark NZ service awards.
- The convention centre again achieved ISO9001 accreditation. Recognising high standards of quality management, this accreditation was extended to include the Events Centre.
- During the year, we completed upgrade work to all main foyer toilets in the Town Hall, we re-roofed the Town Hall and the Michael Fowler Centre and upgraded the stage lifts in the Michael Fowler Centre.

### How we performed

The Wellington Convention Centre had another busy year with just under 800 events/functions being held at the venue. Our Annual Plan target was for 860 events/functions in total, including 110 concerts. We met our target for concerts for the year though failed to meet our overall target.



Source – Wellington Convention Centre, Wellington City Council

**What it cost**

Cost of activity \$000	Actual 2006	Budget 2006	Variance 2006	Actual 2005
<i>Operational projects</i>				
Expenditure	8,719	8,273	(446)	8,534
Revenue	5,108	4,741	367	4,681
Net expenditure	3,611	3,532	(79)	3,853
<i>Capital projects</i>				
Expenditure	4,213	5,063	850	4,474

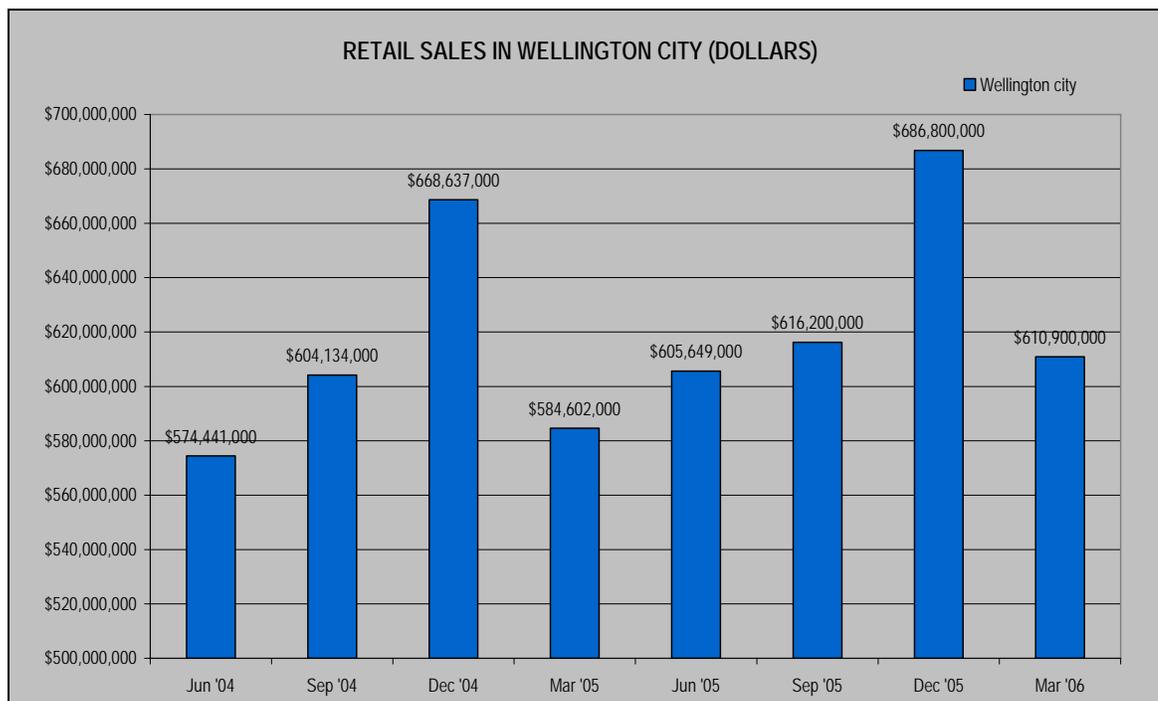
The increased revenue reflects the strong event programme. The cost of servicing some events has been higher than anticipated. The Events Centre upgrade will be completed for a lower capital cost than originally anticipated.

**4.3.2 Activity: Positively Wellington Tourism (retail)**

Positively Wellington Tourism is Wellington city's official visitor marketing agency. It works in partnership with accommodation and retail sectors to market Wellington as a visitor destination. For details of its activities, see 4.5.1 Positive Wellington Tourism (tourism).

**How we performed**

In the year to March 2006, retail sales in Wellington city totalled \$2,519,549,000. In the March quarter 2006, retail sales in the city totalled \$610,900,000 – a 4.3 percent increase on the March 2005 quarter's result (\$584,602). Our Annual Plan target was for retail sales in the downtown area to grow by at least by 5 percent. Due to survey problems, Statistics New Zealand could not provide retail statistics for the downtown area.



Source – Statistics New Zealand

### What it cost

Cost of activity \$000	Actual 2006	Budget 2006	Variance 2006	Actual 2005
<i>Operational projects</i>				
Expenditure	4,116	4,116	-	3,611
Revenue	-	-	-	-
Net expenditure	4,116	4,116	-	3,611
<i>Capital projects</i>				
Expenditure	-	-	-	-

### 4.3.3 Activity: Central city vitality

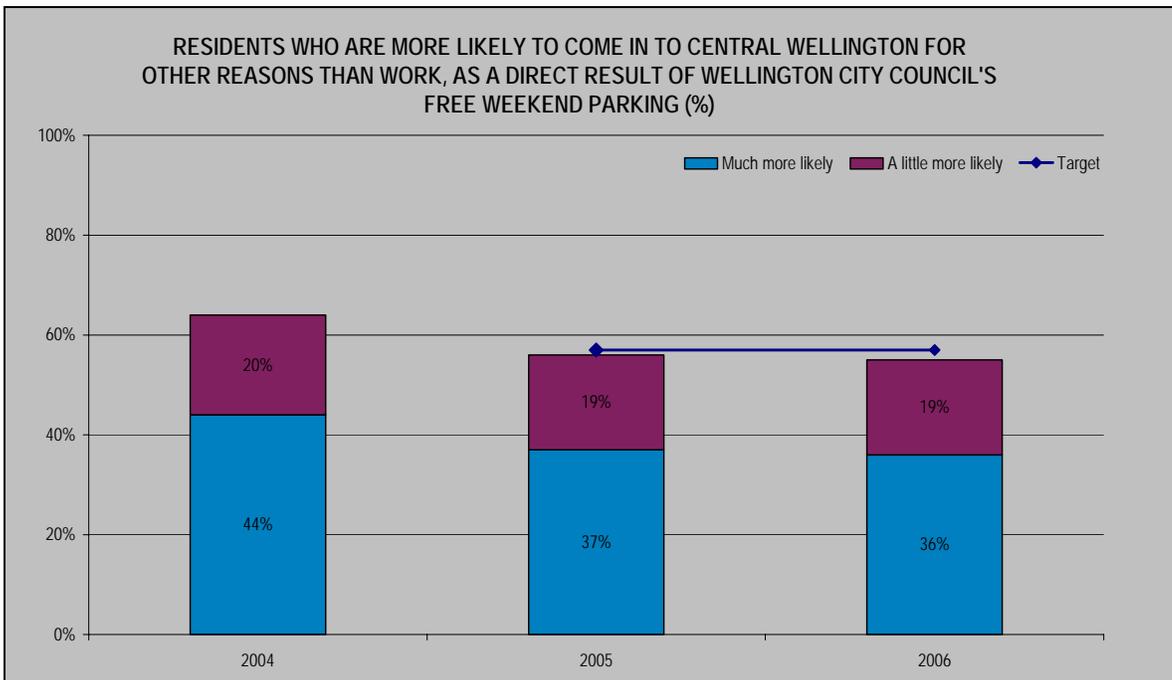
To keep the inner city vibrant, we need a booming retail sector. We provide free on-street parking in the central city at weekends, with the aim of bringing people in to the city. To encourage high turnover of parks, time limits are imposed.

**What we did**

We continued to provide more than 3,000 on-street car parks at no charge during weekends.

**How we performed**

We use this measure to assess whether free on-street parking in the central city at weekends is having the desired effect of attracting more people into the central city. From our survey results a similar proportion as last year stated that free weekend parking makes them more likely to come into the central city.



Source – Resident Satisfaction Survey, Wellington City Council

**What it cost**

Cost of activity \$000	Actual 2006	Budget 2006	Variance 2006	Actual 2005
<i>Operational projects</i>				
Expenditure	450	450	-	450
Revenue	-	-	-	-
Net expenditure	450	450	-	450
<i>Capital projects</i>				
Expenditure	-	-	-	-

## OUTCOME 4.4 DIVERSE AND COMPETITIVE ECONOMY

Our aim is for Wellington to have a diverse economy based around a strong and innovative business sector including a range of internationally-competitive business clusters.

PROGRESS TOWARDS OUR OUTCOME	OUTCOME INDICATORS	2005	2006
<ul style="list-style-type: none"> <li>Economic growth for the region dropped, but remained above national levels.</li> </ul>	Wellington's growth in regional economic activity, compared to the national level (March quarter)	W 3.1%	W 2.2%
		NZ 3.6%	NZ 1.6%
	<i>Source - The National Bank of New Zealand</i>		
<ul style="list-style-type: none"> <li>Wellington city's GDP growth has increased at a slightly faster rate than regional levels.</li> </ul>	GDP growth - Wellington City and Region (billion) Note - GDP information is indicative only	2004	2005
		City \$8.76b	City \$9.69b
	Region \$14.59b	Region \$15.63b	
	<i>Source - Wellington Regional Outlook - Positively Wellington Business (note - statistics are for 2004 &amp; 2005)</i>		

### 4.4.1 Activity: Business support

Our business support work aims to build upon Wellington's edge as a city with smart people and an innovative business sector that is focused on service industries, creative endeavours and the development of new technology.

Positively Wellington Business is the region's official economic development agency. It works with industry, government agencies and the education sector to attract new businesses and help existing businesses grow. Its marketing campaigns highlight the strength of Wellington's infrastructure, its well-educated population, and the city's reputation as a centre of innovation.

Positively Wellington Business has five key programmes. It works to develop high-growth industries such as film, creative industries, manufacturing, education, biotechnology, professional services, and information technology. It provides business incubation services for small start-up companies with high growth potential. It helps business development through training, advice and research. It promotes investment into the region and it attracts migrants to fill skills shortages.

We also maintain a business support fund to assist the retention of key businesses in the city.

#### What we did

- We continued to support the city's wireless internet network CafeNet, allowing people to access the internet and do business online from parks, cafes and anywhere else in the area.
- We continued our work with local businesses to maintain and enhance Marsden Village in Karori.
- We withdrew our financial support from the proposal to develop a postgraduate School of Film and Television at Massey University's Wellington campus. During the year, through discussions with Massey, the Council was advised of significant changes to the original film and television school proposal. It was concluded following these discussions that the revised proposal

had departed considerably from the original proposal, and it no longer provided an appropriate fit with the Council's strategic goals. Both parties concluded future partnership opportunities are likely to arise which will allow the University and Council to work together.

### What Positively Wellington Business did

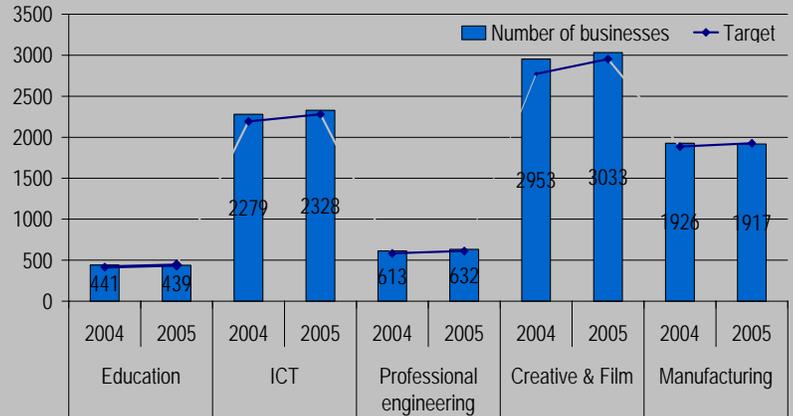
- It helped facilitate the new expanded sound stage at Camperdown Studios as a major regional initiative. In its first full year of operation, Camperdown Studios' sound stage film-making facility delivered better than expected value to the local screen production industry and the Wellington region. According to an economic impact assessment the facility generated \$63 million in GDP and 218 full-time equivalent jobs, and produced enough revenue to provide a commercial return on the initial investment.
- It maintained the region's reputation as being 'film-friendly', issuing 275 filming permits for television and film projects at 986 locations which was a large increase on the previous year's activity – 36 percent and 55 percent respectively.
- It continued to provide strategic and operational support to Education Wellington International (EWI), a network of 45 education providers in the Wellington region working together to target the international student market.
- It placed a total of 113 skilled migrants and expatriates with employers in the Wellington region. Over 2,500 skilled migrants and expatriates are registered on their migrant jobs database.
- It assisted two Information Communication Technology (ICT) Wellington Cluster members to secure contracts in Brazil worth a total of \$1.48 million. Other ICT export wins have been facilitated by Positively Wellington Business in the United Kingdom and other markets.
- It sponsored two significant international ICT conferences held in Wellington. The conferences were: Convergence 06 Oceania, a wireless forum event and Australasia's largest wireless and mobility conference and exhibition; and Webstock 2006, focused on improving the calibre of website construction. In addition to the economic benefits to the region of playing host to the 700 delegates, it was a good opportunity for the region's ICT companies to network with global experts.
- It developed a draft strategy for injecting investment into the Wellington region, based on needs and opportunities revealed through primary research in over 200 interviews with experts in the sector, and international marketing materials are also being developed.

How we performed

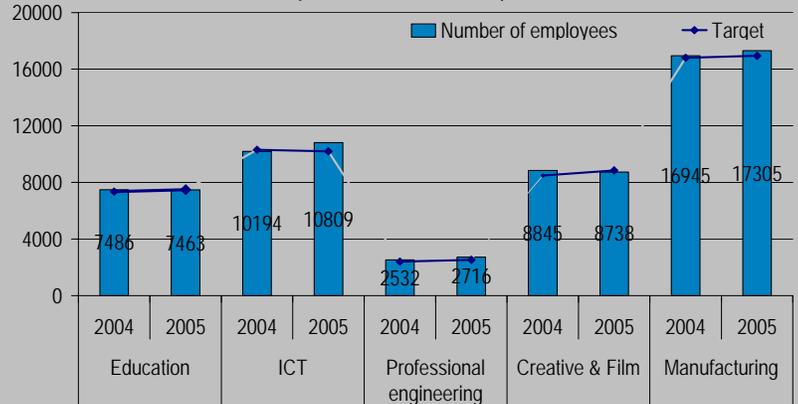
The vast majority of targets for each sector have been surpassed for the year. Employment growth in the Wellington region grew by about 6 percent over the year ended February 2005, outstripping national employment growth over the period.

Note: Employment quotients are a summary measure of employment concentration in an area relative to the national average. A location quotient greater than 1.0 indicates a concentration stronger than the national average. Conversely, a location quotient less than 1.0 represents a level that is below the national average.

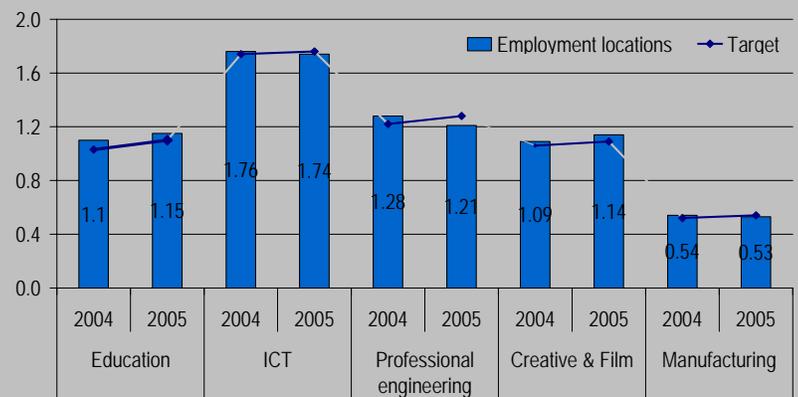
1. BUSINESSES PER TARGETED SECTOR IN THE WELLINGTON REGION (YEAR-END FEBRUARY)



2. EMPLOYEES PER TARGETED SECTOR IN THE WELLINGTON REGION (YEAR-END FEBRUARY)



3. EMPLOYMENT LOCATION QUOTIENTS PER TARGETED SECTOR IN THE WELLINGTON REGION (YEAR-END FEBRUARY)



Source – Wellington Regional Key Sector Report 2005 – May 2006, Infometrics Ltd

## What it cost

Cost of activity \$000	Actual 2006	Budget 2006	Variance 2006	Actual 2005
<i>Operational projects</i>				
Expenditure	2,023	2,173	150	2,031
Revenue	-	-	-	-
Net expenditure	2,023	2,173	150	2,031
<i>Capital projects</i>				
Expenditure	-	-	-	-

Funding for the Massey film school project that was deferred from last year has been withdrawn as the associated business case was different to the original proposal.

## OUTCOME 4.5 DESTINATION OF CHOICE

Our aim is for Wellington to be a destination of choice for international and domestic visitors.

PROGRESS TOWARDS OUR OUTCOME	OUTCOME INDICATORS	2005	2006
<ul style="list-style-type: none"> <li>Occupancy of Wellington's accommodation continues broadly in line with past levels.</li> </ul>	Occupancy rates achieved by Wellington hotel accommodation providers.	71.7%	71.6%
	<i>Source - Statistics New Zealand</i>		
<ul style="list-style-type: none"> <li>Wellington region's tourism sector saw considerable economic growth (between 2003 and 2004). Forecasts suggest a continuation of growth in this area.</li> </ul>	Regional economic growth for tourism sector (international and domestic travellers spend in Wellington) Note - more current (actual) economic information was not available at the time of printing this report.	2003 \$934.7m	2004 \$1,076m
	<i>Source - Tourism Research Council New Zealand, NZ Regional Tourism Forecasts 2005-2011 (Note: statistics are actual results for 2003 and 2004)</i>		

### 4.5.1 Activity: Positively Wellington Tourism (Tourism)

Positively Wellington Tourism is the city's official tourism marketing organisation. It works in partnership with the retail and accommodation sectors to market Wellington as a visitor destination.

It works through the Centre Stage of New Zealand marketing collective to promote Wellington to overseas visitors as a hot travel destination, with a strong focus on Australia, the United States and Britain. It also operates marketing campaigns aimed at attracting New Zealanders to Wellington.

Its efforts have contributed to Wellington's rapid growth as a tourist destination.

#### What Positively Wellington Tourism did

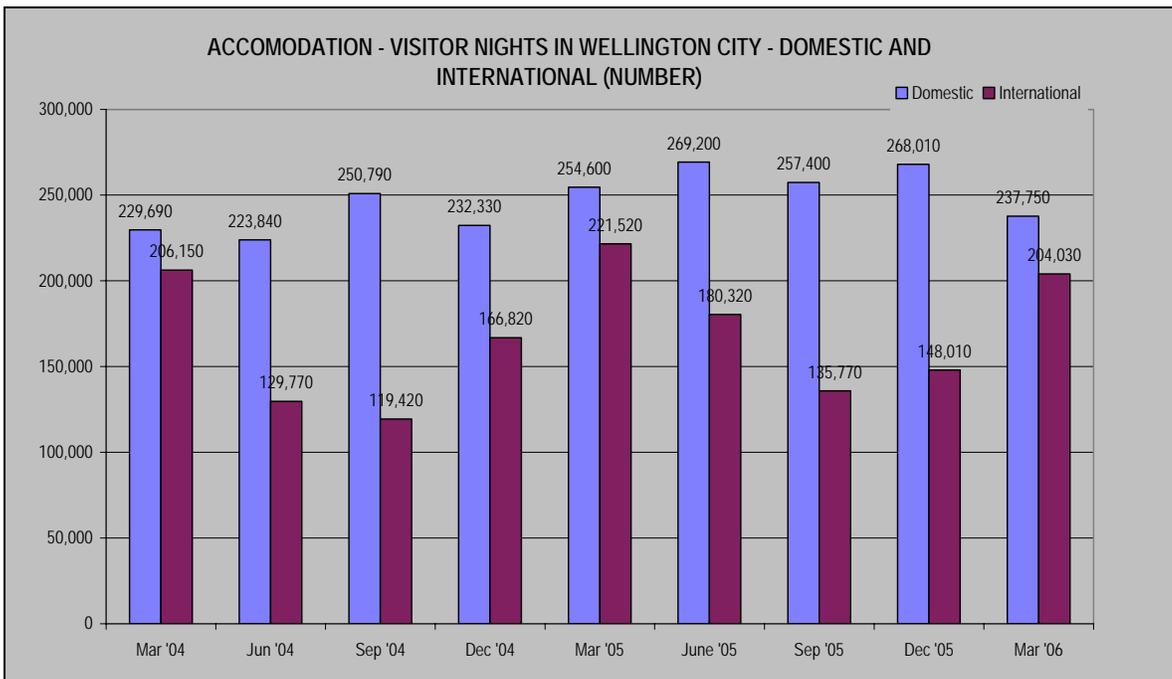
- A tourism campaign which was co-funded by the private sector was carried-out in Australia.
- It contributed to the growth in international and domestic guest nights for Wellington accommodation providers, in the face of a tight and relatively flat national market.

- It re-launched its industry-leading domestic marketing campaign “Have a love affair with Wellington” – contributing to the 6 percent growth in people staying in Wellington’s commercial accommodation.
- It contributed to growth in retail sales in downtown Wellington (2.5 percent increase for April year to date compared to the same period the previous year).

**How we performed**

Total visitor nights for Wellington city, for both international and domestic visitors totalled 1,700,490 for the year-ended March 2006. This number was made up of 668,130 international visitor nights (a 4.8 percent increase) and 1,032,360 domestic visitor nights (7.4 percent increase). This result represents a 6.3 percent total increase over March year-end 2005 results (1,599,090)

Our Annual Plan target of 3 percent growth in domestic visitor nights was achieved, while our target of 10 percent growth in international visitor nights was not achieved.



Source – NZ Commercial Accommodation Monitor, Statistics New Zealand

**What it cost**

For information on our funding of Positively Wellington Tourism, see 4.3.2 Positively Wellington Tourism (retail).

## 4.5.2 Activity: Visitor attractions

Major events and attractions raise Wellington's profile, attract valuable tourism dollars and bring the city's people together. Under this activity, we:

- work, using our events development fund, to attract and retain major events that keep the city pulsing and contribute to its economy
- support Te Papa, which welcomes more than a million visitors a year and is a major asset for the city both as an attraction and as a cultural resource
- support the New Zealand Film Archive, with its new mediaplex, which attracts a significant number of visitors and makes a significant contribution to the city's cultural life.

### What we did

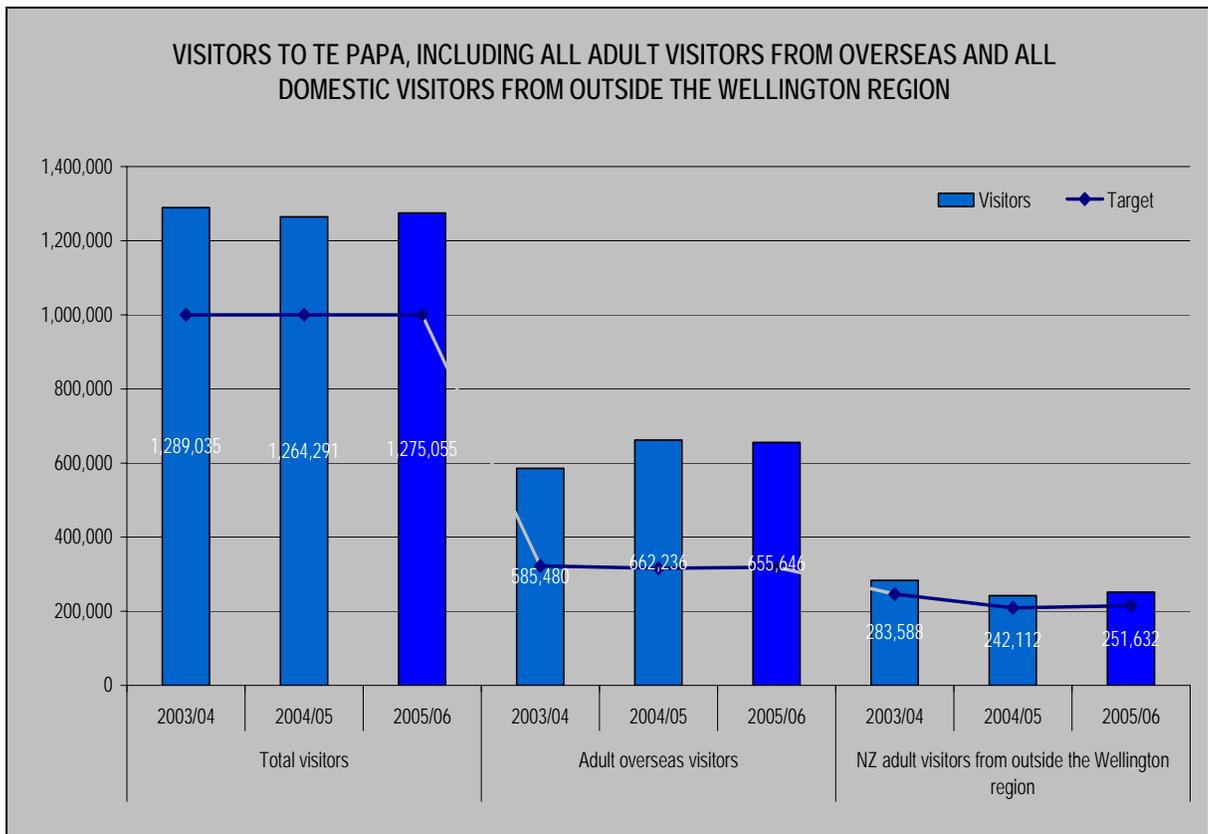
- We were instrumental in helping secure and host a number of high profile events such the as: The Montana World of WearableArt Awards; the Australasian Premiere of *King Kong*; the World Mountain Running Championships; the Vodafone X-Air Games, the AXA International Rugby Sevens; the Women's World Cup Cycle Race; the Rolling Stones Concert; and the WWE Smackdown Down Under.
- We assisted a number of events generating significant out-of-region visitation and subsequent economic benefit. Economic impact studies were carried out for a number of events. The estimated new spend for the Montana World of WearableArt Awards was \$8.3 million, the NZ International Festival of the Arts was \$20 million plus, the International Rugby Sevens was over \$10 million and for the Rolling Stones Concert was \$10 million plus.
- We actively supported the sinking of the frigate Wellington off the south coast, establishing a dive wreck close to the city (see also 7.1.7 Recreation partnerships).

### How we performed

During 2005/06, there were 1,275,055 visits to Te Papa, an 0.8 percent (10,764) increase over the previous year.

Adult visitors from overseas made up 51.2 percent of total visits, a slight reduction of results from last year (52.4 percent). New Zealand adult visitors from outside the Wellington region made up 19.7 percent of total visits, a slight increase from last year (19.2 percent)

All our Annual Plan targets were exceeded during the year.



Source – Museum of New Zealand Te Papa Tongarewa

### What it cost

Cost of activity \$000	Actual 2006	Budget 2006	Variance 2006	Actual 2005
<b>Operational projects</b>				
Expenditure	3,745	3,309	(436)	3,906
Revenue	113	3	110	102
Net expenditure	3,632	3,306	(326)	3,804
<b>Capital projects</b>				
Expenditure	-	-	-	-

Significant increases in the scope and scale of events held in the city over the year have resulted in an overspend in the events development fund.

## OUTCOME 4.6 SUPPORTIVE POPULATION

Our aim is for Wellington residents to recognise the importance of a strong and vibrant economy to their own well-being and the well-being of the city as a whole.

PROGRESS TOWARDS OUR OUTCOME	OUTCOME INDICATORS	2005	2006
<ul style="list-style-type: none"> <li>There has been a reduction in the proportion of residents who say Wellington's economy or job market is the main reason they live here.</li> </ul>	Residents who say that either Wellington's economy or job market is the main reason they live here (%).	34%	29%
<ul style="list-style-type: none"> <li>The vast majority of Wellington residents continue to rate their quality of life as good or extremely good.</li> </ul>	Residents who rate their quality of life, as 'good' or 'extremely good'.	96%	95%

*Source - WCC Resident Satisfaction Survey*

### 4.6.1 Activity: Enterprise celebration

Through our day-to-day operations, we celebrate those creative people and businesses who contribute to our city's economic success, and to encourage Wellingtonians to recognise the contribution the city's economic success makes to their quality of life.

#### What we did and how we performed

We continued to support two awards at the regional business Gold Awards. The awards recognise the creativity and innovation of individuals who are stand-out performers in film, media and creative content industries.

The Absolutely Positively Wellington Award was won by Gareth Farr – a leading Wellington composer and entertainer. The Absolutely Creatively Wellington Ambassador Award was won by Richard Taylor – head of special effects company Weta Workshop Ltd.

#### What it cost

Cost of activity \$000	Actual 2006	Budget 2006	Variance 2006	Actual 2005
<i>Operational projects</i>				
Expenditure	-	-	-	19
Revenue	-	-	-	-
Net expenditure	-	-	-	19
<i>Capital projects</i>				
Expenditure	-	-	-	-

## OUTCOME 4.7 EDUCATION

Our aim is for education to be recognised as an essential contributor to a strong economy.

PROGRESS TOWARDS OUR OUTCOME	OUTCOME INDICATORS	2004	2005
<ul style="list-style-type: none"> <li>There has been a reduction in the proportion of New Zealand's tertiary students enrolled in the Wellington region.</li> </ul>	New Zealand's tertiary students who are enrolled in the Wellington region (%).	15.86%	14.01%
	<i>Source - Ministry of Education (Note: statistics are for 2004 and 2005)</i>		
	Adult participation in community education Note: information for 2005 was not available when this document went to print.	23,899	-
	<i>Source - Ministry of Education (note - statistics are for 2004)</i>		

### 4.7.1 Activity: Creative workforce facilitation

We work to attract and retain skilled and creative people and build the overall skills and capabilities of the Wellington workforce.

#### What we did and how we performed

- We supported Positively Wellington Business who represented Wellington at two job fairs in the United Kingdom in October – aimed at attracting skilled migrants.
- We supported the popular “7 x 7 – Ideas Forums”, a series of discussion and networking events held every two months. The forums are designed to facilitate the creation and development of networks between public, private and tertiary sectors for the purpose of supporting creativity and innovation in Wellington.

#### What it cost

Cost of activity \$000	Actual 2006	Budget 2006	Variance 2006	Actual 2005
<i>Operational projects</i>				
Expenditure	33	50	17	34
Revenue	-	-	-	12
Net expenditure	33	50	17	22
<i>Capital projects</i>				
Expenditure	-	-	-	-