

# PROJECT AUCKLAND



**Mayor Wayne Brown's 5-point plan to fix Auckland**



**Exclusive Roger Gray shows off plans for a new cruise terminal**



**Carrie Hurihanganui: Global connections shape Auckland's future**



**Midtown's rebirth excites Viv Beck**



**Simeon Brown talks up Auckland's reset**



**Pam Ford charts world-class innovation that will put Auckland on the map**



# Globally ambitious

## PROJECT AUCKLAND 2026

# A five-point plan to fix Auckland

**L**ast term, we focused on building resilience into our infrastructure and finances through a massive programme of change: the Local Water Done Well deal, the Making Space for Water programme, and the Auckland Future Fund. We've plugged debt, found savings, and implemented my capital spend rules.

The reform of Council Controlled Organisations (CCOs), transport reform, and a new plan change for Auckland (PC120) are all under way. We have been busy. There's more to do.

There is a huge shift on the horizon locally – the most significant change since the Super City was formed. Several major plans are on the table that will shape where we live, what sort of homes we live in and how we move about this great city of ours.

For the first time, we are working with the Government on a joint Regional Spatial Plan to align land use with infrastructure. Land use is the most powerful economic lever the council has; if we speed up consenting, we unlock growth. If we can get land use right, it could be the biggest opportunity of all.

Alongside that, the water services strategies, and the 30-year Integrated Transport Plan will take care of our pipes, roads and the networks that keep our city running. The transport plan will be created by a new Auckland Regional Transport Committee with equal representation from council and government, and a jointly appointed chairperson. The Long-term Plan (LTP) is the 10-year budget that will deliver on these plans.

This global and local change means we must continually be critical of what our roles are to prepare for the incoming growth, but we also need to make the most of the opportunities ahead. We must continue to build back better, faster, and cheaper.

My challenge to everyone considering our city's future is simple:



Several major plans are on the table that will shape where we live, what sort of homes we live in and how we move about this great city of ours.

Wayne Brown

What is the problem you are trying to fix? There are too many people pushing solutions that don't address the actual problem. This is a waste of money that must stop. My agenda for this term is defined by five key pillars:

**1. Stop the waste and make the most of what we have.**

Core maintenance and infrastructure matter. Rates affordability matters. Every dollar we spend is a dollar Aucklanders have earned; we must treat it with respect. If a project can't be done better, faster, or cheaper, we should seriously question whether it should be done at all.

**2. Operate as one council group.**

"Taking back control" was the theme of my first term. It means acting as a single organisation – aligning our CCOs, making better use of the Auckland Future Fund, and finally getting our stadia operating model right. The Government must see us as one joined-up group representing 40% of national GDP. Aucklanders expect coherence, not silos.

**3. Fix Auckland's transport system.**

An efficient, reliable transport network underpins productivity and quality of life. We must free up Auckland's roads. That means reform, not just more "projects". Now that the council is the road-controlling authority and we

have regained control of Auckland Transport (AT), we can demand more ambition. We will move away from over-done projects with low return and towards easy fixes and technology-driven solutions like dynamic lanes and smarter intersections. Long-term planning must be done with us, not to us.

**4. Build a greener, more efficient city.**

Pipes first, then roads, then buildings. This is about championing urban development that works for Aucklanders. Pitting generations against one another isn't the way to find solutions here. Auckland needs to grow up to become a global city, not remain the world's biggest suburb, stacked with congestion. This means adapting to climate change practically through our Making Space for Water programme and finally opening up our waterfront. Our new Auckland Urban Development Office will serve as a front door for developers, treating them as the single customer they are, as partners taking the risk to build the city we want.

**5. Lift Auckland's contribution to the economy.**

A "wait and see" approach will not work. Auckland must be open for business. We need jobs, investment,

and innovation. That means a serious approach to Auckland as a destination: our city centre, technology and innovation and international relationships. It also means asking the Government for legislative change where necessary to unlock our potential. Advocating for a user-pays bed levy for major events funding, founding the Auckland Innovation and Technology Alliance and forging city-to-city friendship agreements are just the beginning.

Taken together, this is about lifting the economy to build a more efficient global city while stopping waste and getting Auckland moving.

This is why the Auckland Deal matters. While it may not be as aspirational as some hoped, it signals a new way of working and is a foundational element of this upcoming Long-term Plan.

My manifesto later this year will set out exactly how I expect any incoming government to build on this partnership.

The current Government is still overreaching into Auckland's affairs in ways they don't fully grasp. Their approach is often unprecedented and is not always in the spirit of partnership.

Regardless of who is in Wellington at the end of the year, our job remains the same: navigating half-baked ideas – like rates caps – while staying anchored to what is best for Auckland. In this election year, we must remind everyone that elections are won or lost in Auckland.

In size and scope, our city is more akin to an Australian state. The Auckland Deal recognises this, but the message to Wellington must remain clear: the Government does people; we do places.

The Government needs to stop telling us what to do, focus on its own knitting, and step aside so that Auckland can reach its full potential as a global city.

## Project Auckland

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### Globally Ambitious Auckland

Minister for Auckland Simeon Brown and Auckland Deputy Mayor Desley Simpson will front the annual Project Auckland luncheon at the Northern Club today. Their addresses will begin live on [nzherald.co.nz/business](http://nzherald.co.nz/business) at 12.30pm. They will be introduced by *Herald* Editor-in-Chief Murray Kirkness. CEOs Carrie Hurihanganui and Roger Gray will later join Fran O'Sullivan to chart an upbeat future.



# Keeping pace with the city's ambitions

The strength of our global connections will shape this country's economic future, writes **Carrie Hurihanganui**

**A**nyone who's tackled a 5000-piece jigsaw knows the drill – sorting by colour, hunting for edge pieces, constantly checking the box to remind yourself what you're actually building.

There's often a long stretch where progress feels painful. Then, almost without warning, the picture snaps into focus.

Auckland has felt like that puzzle for a while now.

The pandemic left the city a bit fragmented, with countless individuals, businesses and community groups working away in their own patch to piece it back together.

But now the picture is emerging and 2026 is shaping up to be the year it all starts falling into place.

Better transport links, stronger connections for people and freight, new reasons to visit, and improved spaces to enjoy. There's lots to look forward to.

## Visitor ecosystem

Tourism and events don't happen by accident. They require investment, infrastructure, and the right venues to attract the right talent.

That's why it was great to see the Government launch its \$70 million events fund last year, helping major venues compete for world-class events.

The long-awaited opening of the New Zealand International Convention Centre gives Auckland a serious new engine for economic growth.

From major medical association conferences to the World Dairy Summit, experts aplenty are headed our way. They're the kinds of events that bring high-value visitors who stay longer, spend more, and keep coming back.

Equally exciting is the transformation under way at Eden Park.

Recent changes to planning rules have unlocked the venue's potential to host significantly more events, including major concerts and night-time sport.

The announcement of New Zealand's first-ever State of Origin match in 2027 is a standout example of what's possible when we remove barriers to world-class events.

Getting around the city will become much easier, too, when the City Rail Link launches in the second half of the year, boosting train capacity by more than 50% and moving up to 19,000 people per hour across the network. Infrastructure of this scale changes how we all live.

## Linking Auckland to the world

As Auckland grows its presence in the global economy, the infrastructure linking the city to the world becomes increasingly vital.

For a nation at the far edge of the Pacific, these connections aren't a



The picture is emerging and 2026 is shaping up to be the year it all starts falling into place.

Carrie Hurihanganui

nice-to-have – they're how we participate in the global economy. In an era of global uncertainty, like the one we find ourselves in, building and maintaining those connections matters more, not less.

Auckland Airport sits at the centre of that connectivity.

We support more than \$35 billion in economic output through travel and tourism each year, \$26b in trade

and 25,000 jobs, the second-largest employment hub outside the CBD.

Our infrastructure programme is about resilience and capacity, ensuring Auckland has a gateway fit for decades ahead.

It is prudent, sensible investment from an airport that, by aviation global benchmarking, is one of the more affordable in the world to fly through.

Port of Auckland is investing too, making rapid and exciting steps towards more efficient utilisation of our stunning waterfront.

At the same time, it's investing in new wharves and facilities to handle the comings and goings of the people and goods so essential for New Zealand to succeed.

Major investment attracts scrutiny – and rightly so. At Auckland Airport, we welcome that accountability. But New Zealand cannot keep waiting for the perfect moment to build.

There is no such moment. Too many sectors are already paying the price of chronic underinvestment by kicking the can down the road.

The strength of our global connections will shape this country's economic future. Auckland Airport intends to be equal to that task.

## Planning for growth

None of this infrastructure investment delivers its full potential without frameworks that are fit for purpose.

On that front, there is progress under way, with the emerging "City Deal" between Auckland and central government.

Imagine what the power of aligned investment and shared priorities, backed by phased investment, could mean for Auckland.

Suddenly, a second harbour crossing in the future doesn't sound so impossible.

Cabinet ministers Chris Bishop and

Simon Watts are talking about easier access to new and existing funding and financing tools; and more collaboration with experts and officials to move us forward. Meaningful progress here will require cross-party commitment, and the National Infrastructure Plan is a great step in that direction.

Meanwhile, I think it's time Auckland changed the story it tells about itself.

We have a habit of dwelling on the city's problems. Not without reason – Auckland has some genuine challenges.

But there is a difference between useful reflection and a mindset that defaults to difficulty.

The Committee for Auckland's "Auckland Narrative" initiative is an attempt to shift that.

By bringing together private enterprise, public institutions, iwi, academia, and the NGO sector, it aims to build a shared account of what Auckland actually is, its potential and where it is genuinely headed.

I love this multicultural city. I have lived in New Zealand for 36 years and 24 years of them in Auckland, arriving from Rockford, Illinois, a place about as far from the Pacific as it is possible to be.

I have never taken for granted what this city offers: the proximity to the sea, the openness, the sheer breadth of cultures and perspectives living alongside each other.

Economically and socially speaking, there's no doubt it's been a long economic winter but Auckland has done the hard, unglamorous work of laying important foundations.

The year 2026 is when we start to build on them.

● *Carrie Hurihanganui is chief executive, Auckland Airport. Auckland Airport is a sponsor of the Herald's Project Auckland report.*

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**PROJECT AUCKLAND 2026**

# Next chapter will deliver confidence

**Simeon Brown** on what National's Auckland reset will mean for the city, transport and jobs

**A**uckland's story has always been one of scale meeting possibility. When we get the settings right, our city unlocks growth not just for itself, but for the whole country. When Auckland succeeds, New Zealand succeeds, reflecting the city's scale as home to a third of our population and around 38% of our GDP.

National's focus now is on turning that momentum into outcomes people can see and feel, through progress in the central city, across the transport network, and in the sectors shaping Auckland's next decade.

A clear example of that momentum is the New Zealand International Convention Centre, which was opened by Prime Minister Christopher Luxon earlier this year. This opening is critical to Auckland's success and signals our city's return to the premier league of global business events and tourism.

The NZICC will bring a steady flow of high-value visitors to the city, boosting trade connections and supporting jobs across hospitality, accommodation, logistics, and creative services.

That's good news for a visitor economy already on the rise, and a food and dining scene ranked among the world's best.



**Getting Auckland moving**

At the same time, Auckland's ability to move people efficiently is improving. Later this year, the City Rail Link will open, fundamentally reshaping how Aucklanders travel.

By doubling rail capacity, reducing travel times, and unlocking new homes and jobs around station precincts, the CRL will make it faster and more reliable to reach the city centre, universities, and major employment hubs.

The CRL sits within a wider rapid transit backbone. The Eastern Busway is progressing following the early, under-budget delivery of the Reeves Road Flyover, while the Northwestern Corridor continues to be upgraded with new stations and improved bus priority.

Great global cities succeed because they feel good at street level, starting in the heart of the city.

Simeon Brown

To lock in the benefits of these investments, transport governance has been reformed so Auckland Council and central government can deliver a unified 30-year transport plan. Auckland Transport is being refocused solely on operating the

public transport network, ensuring buses, trains, and ferries run on time, which is critical to giving Aucklanders confidence to use public transport.

All of this reflects a clear focus on fixing the basics while building for the future, supporting a city that plays a vital role in New Zealand's prosperity.

**Improving safety in the CBD**

Great global cities succeed because they feel good at street level, starting in the heart of the city.

In Auckland's central city, the recovery is real. Foot traffic is rising and the events calendar is growing. But the experience must be consistently safe, vibrant, and welcoming.

The State of the City report is clear on where more work is needed. While Auckland performs strongly on quality-of-life fundamentals, perceptions of nightlife, late dining, and the day-to-day city centre experience lag behind international peers, and concerns about safety persist.

National is working alongside Auckland Council to implement a city centre plan that improves safety for people who live, work, and visit the CBD.

This includes giving police greater powers to move on those displaying antisocial behaviour, increasing the police presence on the beat, opening a new police station in the CBD, and expanding housing and social support for those who need it.

**Competing for investment and talent**

Auckland has a fast-growing tech and innovation ecosystem, supported by strong universities. But lifting

productivity and strengthening the path from innovation to commercialisation remains critical.

That is why we are backing growth through faster consenting for high-value projects, an Investment Boost to encourage new capital, and a Digital and AI advisory pilot to help small and medium-sized businesses lift output.

We have also established the New Zealand Institute for Advanced Technology (NZIAT) – a new Auckland-based institute to grow New Zealand's advanced technology sector and boost high-value exports. National has also delivered a landmark free trade agreement with India. Together, they will open new doors for economic growth in New Zealand's largest city and will help expand trade opportunities for Auckland businesses.

Combined with CRL-enabled precincts and new convention capacity, these settings make Auckland an easier choice for investors, exporters, and event organisers.

**Working in partnership**

National is building a strong working relationship with Auckland Council, with good progress under way on delivering a City and Regional Deal for Auckland.

Fifteen years on from amalgamation, the promise of one Auckland, with the scale to deliver, still stands.

The focus in 2026 is on converting that potential into lasting outcomes that support opportunity, restore confidence, and drive growth across the city.

● Simeon Brown is Minister for Auckland.

## SHAPING AUCKLAND'S FUTURE TOGETHER

A future ready infrastructure coupled with a world-class transport system built with Aucklanders in mind.  
Auckland's plans are taking shape.

ourauckland.nz/growth



Tāmaki Turuki.  
Altogether Auckland.



# Brown v National: How Auckland politics now drives the Beehive



**Project Auckland**  
**Richard Harman**

Why National's Auckland strategy may not survive the city's next wave of change

**T**wo years ago, Auckland's Mayor Wayne Brown was on a plane to Wellington, planning to stay overnight and attend the Press Gallery Christmas Party.

The plane couldn't land and was diverted back to Auckland.

Brown declared that it would be his last trip to Wellington while he was mayor.

It's an odd stance for a man who spent much of the 1990s and early 2000s as a favoured troubleshooter for both the Bolger and Clark governments and who was in and out of the capital like a suburban commuter.

But Brown has made being "anti-Wellington" a fundamental plank of his pitch to Aucklanders.

His most recent outbursts have suggested Wellington politicians stick to picking up toilet paper and, because the Cabinet is "devoid of talent", National should form a grand coalition with Labour.

Back at the Beehive, they are resigned to his stance.

"He likes to think of himself as the Premier of the independent state of Auckland," one official said.

Nevertheless, the Minister for Auckland, the perpetually cheerful Simeon Brown, maintains that he has a good relationship with Wayne.

"I get on well with Wayne, but you know, I don't always agree with Wayne on everything and won't," he said.

"I won't always agree with him on everything, but I think it's good to have a free and frank relationship with him.

"Ultimately though, it's Aucklanders who will make the decision at this year's election around who they will support."

That is the key to understanding the Government's relationship with Auckland.

It depends on the Auckland vote; around 57% of the coalition parties' support at the last election came from Auckland electorates.

Even now, according to an analysis of the last 12 months of Taxpayers' Union Curia polls, the coalition polled at 51.4% across Auckland compared with 49.6% nationwide.

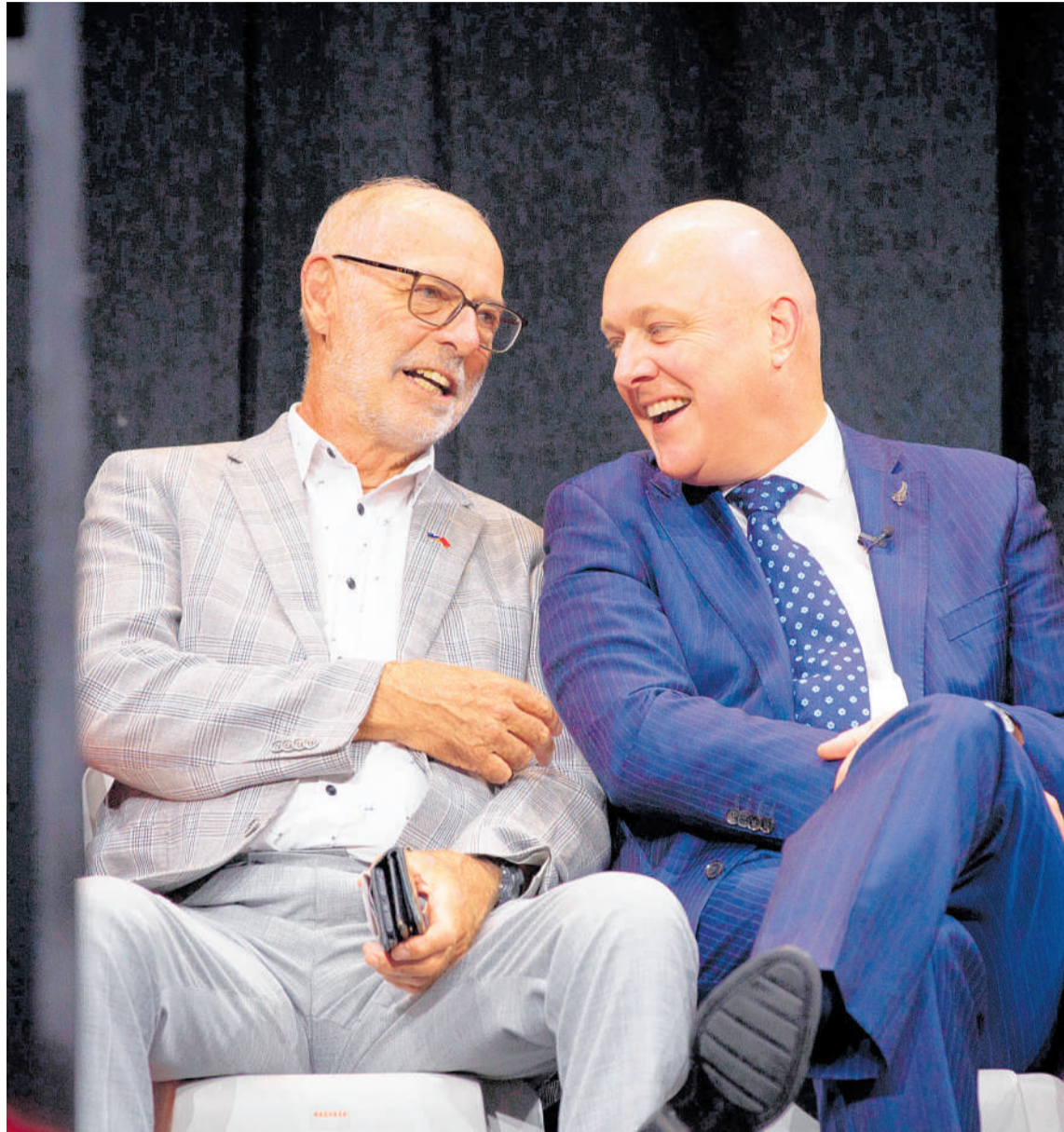
All parties, surprisingly including New Zealand First, polled higher in Auckland than their national averages.

Wellington and Christchurch are the centre-left's strongholds. But Auckland has the population.

Not to put too fine a point on it, the coalition's chances of retaining Government depend on Auckland voters. That is what guides the Government's approach to Auckland and that ironically can leave it ending up on the opposite side of issues to the Mayor.

That has been most obvious in the housing intensification row.

Back in 2021, the then Labour Government somehow persuaded National Leader Judith Collins and her Housing spokesperson, Nicola



If the intensification backdown was a nod to the older, mostly white villa owners in the city, the future of the city is going to be younger and less white. There are questions about how in touch with the changing Auckland the National Party really is.

Willis, to agree to support Medium Density Residential Standards (MDRS), which would allow the construction of up to three dwellings three storeys high on any property.

National Party loyalists in the city's leafy suburbs were aghast.

The Auckland Council changed the Unitary Plan in 2022 to implement the MDRS and, in the process, allow for an extra two million dwellings.

In Government from 2023, National's Housing Minister Chris Bishop supported the proposal and further antagonised Auckland's villa owners when he said that not only would they have to accept their suburbs would be intensified, but that

he wanted house prices to fall.

His intention was clear; he wanted National to try to increase its meagre vote from younger voters.

"The flip side of house prices falling for people who own homes is that they become more affordable for people who don't own homes, and there is a whole generation of young New Zealanders who have been locked out of the housing market because average house prices are too high," he said.

However, Bishop had misread the National Party.

The villa owners, particularly those over 65 who belong to the party's Super Blues sub-group, were up in arms with the prospect of falling house prices and a multi-storey development right up to their boundary. They began to pack out protest meetings.

Opposition was intense in the eastern suburbs, particularly in Simeon Brown's Pakuranga electorate and the next-door Botany electorate of Prime Minister Christopher Luxon. So the pair, who are said to be close anyway, had a common cause.

Other Auckland ministers, like Simon Watts, Paul Goldsmith and Erica Stanford, came in behind Simeon Brown.

On the other hand, Bishop initially had a surprising ally in Wayne Brown.

"A city that sprawls forever isn't a city; it's one big soulless suburb," the Mayor said. "I want growth that brings people together rather than pitting generations of Aucklanders against one another.

"I want growth that stops the eternal commute."

But Mayor Brown had ignored the electoral damage that the National ministers believed the proposal was doing them.

All of this culminated in February with the Government forcing Bishop and the council to back off planning for two million dwellings and instead provide for 1.6 million.

Simeon Brown is emphatic that the Government's move was driven by grassroots Auckland opinion and is unapologetic for the need to get votes.

"We've been listening to our constituents, listening to voters, listening to people who ultimately live in the city," he said.

"Whether they vote in council elections or central government elections, they're the ones who vote.

"We have to listen to Aucklanders and what they think, and Aucklanders have told us very loud and clear what they want to see."

Bishop has emerged from all this bruised, but Simeon Brown has defined how National will now deal with Auckland and the Mayor.

It has fundamentally changed the relationship between the Beehive and Auckland and National will now look past the Mayor and simply measure the potential electoral impact of any Auckland issue before it sets a policy.

"Auckland is absolutely a key part of National's voting base, it always has been," said Simeon Brown.

"Many of our senior ministers come from Auckland, and we are very focused on achieving and delivering in our biggest city.

"We know that for New Zealand to succeed, we need Auckland to succeed."

That means managing the relationship with Auckland's often cantankerous Mayor.

"That relationship between us and the Mayor, us and council is a big part of doing that," said Simeon Brown.

"But more importantly, it's actually our relationship with Aucklanders.

"And we spend a lot of our time out there engaging with the business community, with our ethnic communities and with the different parts of Auckland as much as we do making sure we've got that positive relationship with the council."

If the intensification backdown was a nod to the older, mostly white villa owners in the city, the future of the city is going to be younger and less white.

There are questions about how in touch with the changing Auckland the National Party really is.

The Botany and Pakuranga electorates are at the epicentre of the big change.

By 2043, that part of Auckland is projected to be over 60% Asian, Indian, Chinese and Filipino.

Stats NZ projects Auckland will be 44% Asian by 2043.

National currently has four Asian MPs: Paolo Garcia (Filipino), Carlos Cheung (Chinese), Melissa Lee (Korean), and Nancy Lu (Chinese).

Garcia is retiring this election; Cheung is standing in the marginal Mt Roskill seat, while Lee and Lu are on the list, but if National continues to poll in the low 30s, they may not make it back.

National has no Indian or Pasifika MPs.

By 2043, Auckland will be demonstrably different to the southern cities, Wellington and Christchurch, where Pakeha will still make up more than 70% of their population.

There are already voices within National asking whether its predominantly white slate of candidates in potentially winning positions will be right for this sort of future.

The danger is that it could lose touch with multi-ethnic Auckland.

The irony is that it is the council – and the Mayor – who much more acutely understand these changes.

If National wants to stay in power, it cannot afford to ignore them entirely.

That will be a growing challenge. Meanwhile the city and the Beehive are happy about somethings.

The Local Government (Auckland Council) (Transport Governance) Amendment Bill has answered one of Wayne Brown's major gripes, that the Council had no control over Auckland Transport (AT).

The return of AT to the council, the progress being made on time-of-use charging on motorways, and the go-ahead for the Northwestern busway all point to some positive co-operation between Wellington and Auckland.

There will be ongoing tensions over Auckland's finances, particularly with the need to finance the operating costs of the Central Rail Link.

It had been hoped (by Wayne Brown) that the Government would agree to a bed tax to help ease the city's financial challenges, but it seems that is unlikely to be included in the upcoming "City Deal" between the Government and Auckland.

Negotiations on that have more less concluded and it is apparently now down to finding a date when all the players can get together in the same place for a big formal announcement.

So the Government has been able to manage the Auckland relationship without too much drama over its term so far.

Its bigger challenge will be whether it is equipped to handle the very different city that Auckland is about to become.

● Richard Harman is a senior political journalist and publisher of the influential *Politik* newsletter.

## PROJECT AUCKLAND 2026

# \$1b in savings just the start

Deputy mayor  
**Desley Simpson**  
says Auckland is  
tightening council  
spending to keep  
rates down

**E**very day, Aucklanders come to me with questions. Topics differ, but the underlying concern is the same – people want confidence that their council is delivering real value for money. They should expect that, especially when household budgets are tight.

Financial discipline is the cornerstone of my work. I've willingly staked my reputation on it. That's why I pushed to chair the Value for Money Committee from its inception. Ensuring every dollar is spent wisely isn't just a responsibility I hold, it's a commitment I take personally.

The council shares the Government's goal of keeping the cost of living down and ensuring charges remain affordable. My committee has set a significantly higher savings target for the 2026/2027 Annual Plan, aiming to find \$106 million in efficiencies – a \$20m increase on last year's goal. This sharper focus on savings is central to our strategy to keep rates as low as possible while managing the substantial \$235m cost of owning and operating the City Rail Link.

The council uses a simple rule to illustrate the impact of this work – every \$30m saved avoids a 1% rise in general rates. Because of the savings achieved and wider revenue growth, we can hold the rates increase to 7.9% to provide us with an amount of revenue equal to only what is required to cover the CRL cost.

Without these savings, the increase needed for next year would have been significantly higher. Under my leadership, the committee has delivered more than \$1 billion in financial benefits over the last six years – and we're not stopping. Not many people know this, but only around 35% of the council's revenue now comes from rates. That share has been trending down because we've been proactive in looking at other revenue opportunities.

That's value for money in action – keeping costs down for households, reducing reliance on rates, and building the trust to deliver ambitious projects for a city with global aspirations. It's not about doing less – it's about doing better, and proving the council can deliver without placing



A global city  
cannot thrive  
without a  
strong cultural  
heart and  
accessible  
recreation.  
These sectors  
aren't 'nice to  
haves' ...  
A thriving  
cultural  
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doesn't just  
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our economy  
and positions  
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confident,  
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stage.

Desley Simpson

Major events, cultural festivals, exhibitions, and sporting activity bring visitors into Auckland, support local businesses, fill hotels, restaurants, taxis, and create jobs. They reflect our diversity, who we are. A thriving cultural ecosystem doesn't just enrich our identity, it strengthens our economy and positions Auckland as a confident, creative city on the world stage.

That's why the council is reviewing these sectors, looking at governance, funding, infrastructure, and sustainability. Auckland is maturing, which means building a cultural ecosystem that is both vibrant and financially sustainable. These reviews aren't just about efficiencies – they're about protecting the identity that makes Auckland unlike any other city on Earth, and ensuring it continues to shine globally.

Our commitment to access, inclusiveness, and financial discipline guided our decision to renew our digital lending contract for Auckland Libraries. Our city is home to a major digital lending service with more than six million digital checkouts last year. On a global scale, we sit at number 11 for e-lending, which puts us together with a small group of the very largest big city and regional library systems in the world – think Los Angeles, New York and Toronto. Aucklanders are reading in 36 languages, reflecting the city's diversity and growing demand for flexible, accessible content. With 90% customer satisfaction, renewing the contract was the most cost-effective way to keep up with demand for e-content.

Behind the scenes, work continues to deliver real savings. Tools like the Ask Auckland AI assistant – launching soon – and streamlined consent lodgement are reducing costs and improving service. Modernising our back office strengthens our front-line services.

Aucklanders want to know that their council is delivering for them – spending wisely, planning carefully, and keeping their city moving in the right direction. That's exactly what I'm focused on. By staying disciplined about value for money, we're strengthening the services people rely on, and laying the foundations for a thriving, globally competitive Auckland, supporting the lives we want to lead.

Auckland is competing with the rest of the world – and we are showing extraordinary potential to define what a truly global city from Aotearoa looks like. I'm proud of the progress we're making and even more optimistic about what's ahead.

● Desley Simpson is the Deputy Mayor of Auckland.

an ever-growing burden on residents. That's the commitment we've made, and the work we're delivering.

Last week I chaired the second Value for Money Committee meeting of 2026. In the second quarter alone, the council achieved \$14.9m in savings – \$5.1m from non-rates revenue and \$9.8m from operational efficiencies – much through delivering services differently, more intelligently. Halfway through the financial year, we've already reached 79% of our annual savings target, delivering \$67.9m against the goal of \$86m.

We've approved new service reviews for 2025/26. Legal Services is complete, the final report for Resource Consents has arrived, and

terms of reference have been approved for Waste Services, Healthy Waters, Heritage Property, Sports and Recreation, and Arts and Culture.

These reviews matter. Over the past five years, the programme has identified more than \$60m in financial opportunities through clearer governance, standardised processes, and stronger contract management.

These achievements set the tone for the broader work underway.

Take the resource consenting system – one of the issues I hear about most. People say it's slow, confusing, unpredictable. They're right. That's why we've backed an improvement programme to standardise processes, reduce

unnecessary regulatory burden, and rebuild the capability that has slipped. The council heard the feedback and we're acting – the consenting process needs to be faster and more intuitive.

I'm often asked why the council invests in arts, culture, sport, and recreation when budgets are tight. The answer is simple. A global city cannot thrive without a strong cultural heart and accessible recreation. These sectors aren't "nice to haves". Culture, social interaction, and spaces for organised and informal play are essential for our health and wellbeing. In fact, I've recently shared my ambition to see Auckland become the greatest cultural city in the southern hemisphere.

## Eden Park boss urges Auckland to think bigger

**Tim McCreedy**

Eden Park chief executive Nick Sautner has spent years making the case for Auckland to think bigger. Through changing political environments, ongoing debate about the stadium's role and planning constraints that have shaped what Eden Park can host, he has remained a steady advocate – not just for the stadium, but for the city's global ambition.

"I would like to see Auckland known internationally as a city where people want to live, work, stay and play," he says. "Few global cities can offer what Auckland has – a harbour city lifestyle, a strong cultural identity, improving connectivity and a scale that allows us to move quickly when we choose to."

Though he grew up in Australia, he now considers himself a local, with a strong sense of investment in the



**Nick Sautner**

city's future. What he sees is a place with all the fundamentals of global relevance – lifestyle, natural beauty, cultural identity, talent and opportunity – but one that has, at times, been

too quick to underplay its strengths and create friction around opportunity.

"I do not want us to try to replicate other cities. We need to be confident in Auckland's own identity and ambitious in how we bring that to life."

That confidence, he argues, is closely tied to the role of institutions like Eden Park.

"Destinations like Eden Park help shape a city's identity and confidence because they provide a place where people come together to enjoy shared experiences," he says, pointing out that in doing so, they generate real economic value. "I often refer to Eden Park as a destination because it is more than a stadium – it is a globally recognised venue that hosts major moments and draws people into the city."

The impact extends well beyond the turnstiles. "People may arrive as ticket holders, but many leave as

tourists," Sautner notes. "Spending time in local bars, restaurants, hotels and retail precincts, and experiencing more of what Auckland has to offer."

Since 2011, Eden Park has delivered more than \$1 billion in economic benefit to the wider region – evidence, he says, that "places like Eden Park matter ... they do not just shape how a city feels, they shape how it performs."

Yet for all its advantages, Sautner believes Auckland still has a mindset shift to complete. "The challenge is not whether we have the potential, it is whether we are prepared to back that potential with bold thinking, decisive action and the pace required to move from concept to execution."

At times, he argues, Auckland has thought too small and moved too cautiously. But that, he suggests, is beginning to change.

"There is growing recognition that Auckland should not just participate

in global conversations – it should lead in some of them."

Looking ahead, Sautner's ambition is for Eden Park to anchor a broader transformation.

"If Auckland really leaned into being a globally ambitious city, I would like to see Eden Park and the wider precinct become one of the city's great destination areas," he says.

With the City Rail Link set to improve connectivity and the inner-city population continuing to grow, he believes the opportunity is clear.

"There is a real opportunity to strengthen Eden Park's role as a key destination for sport, entertainment, community activity and economic growth. As a city, we need to think and act collectively – aligning infrastructure, transport, planning and investment, and moving with greater pace when opportunities to strengthen places like Eden Park are in front of us."

# The battle to build a better city

Richard Hills explains his vision for a housing density plan to  
**Tim McCready**

**A**s chair of Auckland Council's Policy, Planning and Development Committee, councillor Richard Hills sits at the centre of the debate over how the city will grow.

"I really like the role because it's complex," Hills says. "I like details."

Those details will shape one of the biggest questions facing Auckland: where the next generation of homes will be built.

Earlier this month councillors agreed a set of principles to guide how Auckland reduces its theoretical housing capacity from around two million homes to about 1.6 million, after the Government signalled it would lower the target.

The decision follows five years of national housing reforms requiring councils to enable significantly more housing, including rules permitting up to three homes of three storeys on most residential sites.

In Auckland, that meant the city's planning rules had to demonstrate enough zoning capacity for roughly two million homes.

The figure was never a construction target. It simply represented the number of homes Auckland's zoning rules could theoretically allow if every eligible site was developed. But it quickly became a lightning rod in

the debate about Auckland's future.

Under the principles agreed by councillors, any reduction in capacity would likely begin further from the city centre, including areas more than 10km from the CBD, while retaining higher densities around rapid transit, City Rail Link stations, and walkable catchments around bus corridors, town and local centres.

"Density makes sense around stations, centres and places where we've invested billions in infrastructure. In any major city you would expect more homes in those areas," Hills says. "We would look first at removing development capacity on the edges of the city, preventing six-storey buildings far away from jobs or good public transport."

For Hills, the debate is less about forcing people into a particular type of housing than about giving Aucklanders more choice. "It's about giving people options," he says.

The economics of the city, he adds, are already pushing in that direction.

"We expect people to live on the outskirts, commute long distances, and then we're surprised when the cost of living goes up."

Petrol prices alone can reshape a household budget overnight.

"You could be hundreds of dollars in the red just by a change of political conflict overseas."

Protections for historic neighbourhoods also remain. "We are still allowed to use qualifying matters, including special character."

For Hills, one of the hardest parts of the job is navigating the politics.

"It's not easy because everyone expects you to help their one issue," he says. "You're constantly balancing the area you were elected to represent with the whole city."



Density makes sense around stations, centres and places where we've invested billions in infrastructure. In any major city you would expect more homes in those areas.

Richard Hills

That tension has only been amplified by the stop-start nature of national policy.

"I was looking forward to this year being more proactive: more vision and more focus on what we could be doing from planning development to regeneration," Hills says.

"But unfortunately, we've gone straight back to being reactive."

He says Auckland needs clarity.

"Other councils in New Zealand have already implemented the National Policy Statement for Urban Development in their plans. Auckland – the biggest city with 40% of New Zealand's GDP – is the only place that hasn't rolled this out."

What the city needs now, he says, is certainty for homeowners, first-home buyers, developers and investors. "Nothing is ever going to be perfect," he adds. "But we have to do something."

The council is now waiting for the Government to finalise the legislation that will determine the next steps.

Hills says the next phase will involve councillors and local boards reviewing options for redrawing the city's zoning maps.

"We need to protect the integrity of the 10,500 submissions that have already gone in, but also make sure people affected by changes have the ability to have their say."

After that, the independent hearings panel will examine the detail.

"They'll be measuring it against access to trains, the city centre, jobs, parks and amenity," Hills says.

Beyond the policy mechanics, he says the debate ultimately comes down to the kind of city Auckland wants to be.

"My vision is a city centre that is full of people, with higher-density

housing near stations where people can walk to work and access public transport easily."

That includes homes for young people entering the housing market, and downsizing options for older residents who want to stay in their communities.

In some areas, he says, that is already happening – with older residents moving into smaller homes nearby and freeing up family houses for younger buyers.

"If you're thinking about your parents, or your kids, or your grandkids – where are they going to live?" he says.

"The city centre is safer when it's full of people walking around. When people pop out of stations and walk into markets, theatres and restaurants."

Sprawling development makes that harder.

"We have to enable growth where the infrastructure investment is already going," he says, pointing to projects such as the City Rail Link and the Central Interceptor.

Despite the controversy around intensification, Hills remains optimistic.

"I'm sick of people being negative about Auckland," he says. "It's a fantastic city."

"Year after year people come here and want to live here. The natural environment – our beaches and our forests – are second to none."

Ultimately, he says, the challenge is not just building more homes, but building a better city.

"We haven't done infrastructure well for generations," he says.

"But we're getting on top of it. We just need to make sure we bring everyone along with us."

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TĀMAKI HERENGA WAKA

## PROJECT AUCKLAND 2026

# The quiet engineering giant shaping our future

For 105 years Beca has played a leading hand in designing and engineering some of Auckland's most distinctive buildings and infrastructure projects – and it's not stopping there, writes **Graham Skellern**

**A**s Auckland enters a pivotal phase of renewal, the city's future will be shaped by how well ambition is translated into co-ordinated tangible delivery, says Beca chief executive Amelia Linzey.

"For more than a century, Beca has been part of the fabric of Tāmaki Makaurau, we are founded and headquartered here, and we are personally invested in Auckland's long-term success," she says.

"Progress will require collaborative partnership – between central and local government, business, iwi and community – to connect vision with execution for the benefit of the economy, infrastructure and the environment."

"We have an opportunity to strengthen co-ordination, integrate private capital and work harder to sequence and develop programmes with greater clarity and confidence, to tackle the connected challenges of growth, infrastructure and climate adaptation."

Linzey says projects such as the development of Wynyard Quarter show how joined-up planning and delivery can build confidence, resilience and economic momentum.

"With co-ordinated sequencing of land remediation, public spaces, commercial and residential buildings, and accessibility – like the pedestrian bridge to the Viaduct – the development shows how working together can deliver great spaces to work, live and play."

She says the opening of the New Zealand International Convention Centre and the City Rail Link stations represent the kind of long-life civic infrastructure that shapes how the city functions for generations. "It feels like there is a lot of opportunity ahead of us, and we need to seize the ambition."

Linzey says Auckland needs to be more assertive in representing the country on the global stage, and that takes some courage.

"Auckland's strength is as a system enabler for New Zealand, providing an engine room to support innovation, talent attraction and investment. We have some serious assets. The Waitematā Harbour and our access to natural features is pretty impressive."

"We have solid and trusted democracy in New Zealand and it is a safe and easy place to do business. Being physically remote has become more attractive than it has for a long time."

"We need Auckland to be a vibrant city, with its social and cultural connections, to attract talent and leverage the technology opportunities such as artificial intelligence and automation that, if thoughtfully applied, will lift productivity, resilience and even inclusion to drive prosperity."

"Look how quickly we moved with the aerospace industry. Rocket Lab has become a great New Zealand success story and it's a good example of how a new technology industry can encourage and foster innovation, create new types of services and attract talent."

Linzey says Beca started in Auckland 105 years ago and, "we've been involved with the development and maintenance of many things that define and connect our city."

"The size of our team gives us the ability to do a vast array of projects. Beca's contribution spans both the visible landmarks and the essential, often unseen water systems that keep the city functioning."



Auckland has good bones, and its success now depends on partnership and system-based thinking that translates ambition into co-ordinated delivery progress.

Amelia Linzey

"For a sense of scope, this ranges from working with Fonterra on industrial operations and BlueScope on the electrification of the Glenbrook steel mill to transport projects such as City Rail Link, Waterview Tunnel and Northern Busway. We are also working to advance technology solutions, like systems and simulation, for the Air Force and Navy."

"Of course, we are also very proud of the more visible buildings our structural engineers have worked on – historically that includes the Auckland War Memorial Museum, and more recently the Sky Tower, NZ International Convention Centre, and our long-term work with both Auckland University and Auckland Hospital."

"Our business takes real pride in the longevity of the projects we sup-

port our clients to deliver and how they serve our communities," Linzey says.

"We can build on that legacy and play a role in helping Tāmaki Makaurau Auckland reach its potential over the next century too, helping shape a confident future through public and private partnership, continuity and longevity."

Beca, one of Asia Pacific's largest independent advisory, design and engineering consultancies, last year moved its head office downtown, from Pitt St to the Wynyard Quarter.

"It was a deliberate move to connect with the innovation hub," says Linzey.

Its new global headquarters, Te Paeroa o te Kawau, is a high-performance six Green Star building in Halsey St. Beca was involved in the planning and creation of the Wynyard Quarter since the beginning.

"It was our focus on the future that prompted our move," says Linzey. "We wanted to create a workplace that would encourage creativity and collaboration, and help us reach our decarbonisation and sustainability goals."

Linzey, who has a Masters in Geography with first-class honours from the University of Auckland, became chief executive in November 2023 and will celebrate 30 years working with Beca this year. Her previous roles included group director – advisory and chief planner.

She leads a team of more than 4300 in 24 offices – including 1300 in Auckland. Beca, founded in 1920 by Arthur Gray, has delivered pro-

jects in more than 70 countries.

Beca is an active member of the Committee for Auckland, which encourages strong civic leadership and the opportunity for business leaders to contribute to the city's development and growth.

The committee aims to lead the drive to fulfil Auckland's potential on the global stage, making it a chosen home to live, work and play. Linzey says: "It's an opportunity to bring groups together, discuss new ideas and make it happen."

She says the next big project off the rank should be revitalisation around the CRL stations, including commercial and residential development, and creating public spaces.

"I had the privilege of attending the opening of the Waitematā Station 22 years ago and I saw the change that occurred around the Britomart area as a result."

"The CRL will be transformational for Auckland. It will further connect with the buses and ferries and bring the whole city into downtown."

"It's all part of Auckland growing up and what it needs to look like as it grows. World-class cities succeed when people are given genuine, well-integrated transport choices."

"CRL provides a choice, and as someone who lives in the rural fringe, I think taking a train into the city centre is a more sensible option than driving an hour and a half in a car."

Beca is also involved with the electrification of the ferries. Auckland Transport has four electric ferries on the water, and the first receiving station at Half Moon Bay has been electrified.

"We need to protect transport corridors and support urban development. Right now, we are working with stakeholders, driving development in the CBD downtown area and making sure the transport system works well," Linzey says.

The Downtown Carpark is set to be demolished and replaced with a mixed-use precinct of residential, offices, retail and hospitality.

Beca is collaborating with Auckland Council, Auckland Transport and iwi to unlock a transformation opportunity in the Quay St corridor, focused on place, connections and movement of people in and around the CBD.

Beca has a team working with other partners on the Auckland airport redevelopment, which includes the new domestic jet terminal that is being integrated with the existing international terminal.

The consulting firm has played a prominent hand in the Auckland University campus development. The consulting firm provided nearly all engineering services to the award-winning, eight-storey Hiwa recreation centre on Symonds St.

The recreation centre, opened in February last year, includes a swimming pool, gymnasium, indoor athletics track and courts on a constrained site, and within the first year of operation recorded around one million visits, putting it in the same league as Te Papa Museum.

The Beca team helped refurbish the category 1 heritage-listed Old Choral Hall, built in 1872, and meet seismic requirements to extend its useable life for another 50 years.

Beca provided the engineering services for the adaptive re-use of the existing nine-storey Arts and Education (Social Sciences) Faculty that included a soaring glass atrium, vaulted timber roof and solar photovoltaic panels.

The six Green Star building has dance and drama studios, lecture theatres, state-of-the-art teaching and study spaces, and archaeology wet labs, and won the overall Building Performance Champion title at the global CIBSE (Chartered Institution of Building Services Engineers) awards in London.

Now the Beca engineering team is deeply involved in the construction of the 13-storey Law Faculty and multi-purpose performing arts facility with retractable seating to replace the Maidment Theatre, which was demolished in 2016. This building on Wynyard St will open in 2029.

Linzey says the university is thriving and adds so much to the central city.

As a next step she believes, "We have to look at connecting it with the city centre by bringing student accommodation there and lifting the vibrancy."

"I took my children to the Arts Festival this year and it's fun to see the city when it's full of life and colour and activity. Buskers and live shows on the street. You see that activity lift when the cruise ships are in, too."

"It's about ensuring the city centre feels like a place you want to visit and be part of the energy. Auckland is full of potential."

"It has good bones, and its success now depends on partnership, continuity and system-based thinking that translates ambition into co-ordinated delivery progress," she says.

● Beca is a sponsor of the Herald's Project Auckland report.

# Midtown powers the revival

A \$10 billion transformation is taking shape around the new International Convention Centre, writes **Viv Beck**

**M**idtown is the new Downtown. Not the same, but an exciting proposition that is set to go, with key ingredients already in place.

That's a take-out from JLL's latest study, which highlights \$10 billion of public and private investment driving change in this area.

The great thing is, you don't have to look far to see this progress manifesting.

The opening last month of the NZ International Convention Centre was a tremendous moment in time, six years after its planned launch.

The unique way it tells the story of our city and country, with artworks, lighting and hospitality, is quite moving. Its magnificent design sets it apart from the often monolithic, grey-walled facilities I've seen offshore, with expansive views of our harbour and surrounding area from within. Overall, it's a significant marker for the critical role it will play in the regeneration of midtown.

I was pleased to participate in the first official business event – a panel discussion facilitated by Jack Tame with the topic "Auckland's New Economic Engine: What NZICC Unlocks for the City and New Zealand".

It will bring a significant boost, with its unique offering and new venue size options, which will help to grow the events market – with business events ready to become more prominent.

To date, 120 events are confirmed for 2026, music to the ears of surrounding businesses.

The value of events and conventions has been demonstrated over again – more than 20,000 people here for a Jehovah's Witness convention in January was a classic example – people with pink vests and lanyards on every corner, shopping, eating out and adding a warm, friendly vibrancy.

Metallica's one-off show in November even outstripped the spending benefits of Coldplay a year earlier, bearing in mind it coincided with 3800 people here for the World Indigenous Peoples' Conference on Education, the largest academic conference ever held in New Zealand.

After a decade representing people at the heart of so much disruption, this is the best news. And there's much more.

Tourism numbers are at 95% of pre-Covid levels and there has been ongoing investment in hotels to support growth. In midtown, we have recently seen the addition of Radisson RED – a creative jewel in the heart of our arts and cultural quarter, and a tremendous example of sustainable redevelopment.

It wasn't easy and ideally there would be incentives to make such repurposing more cost-effective but hats off to Stonewood Group for what they have achieved.

Not far off, DoubleTree by Hilton is under development; a rebrand of the President Hotel to Edit Auckland Central and you get the picture of a place poised to welcome more and more guests.

Students are another major good news story.

A few weeks ago, we welcomed 200 first-time international students to our city at an event in Elliott St,



the heart of midtown. Student numbers are back to pre-Covid levels and just a short walk away, it's inspiring to see so many living within a stone's throw of their lectures. Hospitality in the wider midtown area has grown organically to suit diverse student needs and we expect much more retail and other convenience offerings to join.

Workspaces have changed markedly too. Top marks to Quattro group for their evolution of the modern office, with A-grade facilities, community and event spaces.

Alberts, the heritage building at 1 Albert St and The Formerly right by the midtown CRL station, Te Waihorotiu, are both largely leased. Just down the road in Victoria St, they are redeveloping four interconnected buildings, including the former Finance Centre, to create The Exchange by Alberts. PAG's Mosaic was also an insightful choice in Wakefield St, with "plug-and-play" office and coworking spaces, wellness facilities and a podcast studio.

Nearby, Queen St has its fair share of exciting change coming too.

The St James redevelopment is underway – good news for those looking forward to a new venue for live music. Cartier will reveal its magnificent new boutique in lower Queen St later in the year, along with luxury department store Faradays and the redeveloped Queen's Arcade.

Finally, the City Rail Link. Much talked about and long awaited.

There is still no confirmed opening date but it is getting close, making it easier and faster for people to get here.

There is a lot still to come but the threads are there.

And, with Auckland's population on track to reach two million within the decade, and a drive to intensify housing in the core city centre, it will be a pleasure to watch as people get used to jumping on and off the train, with dinner to take home after work – or better still, to eat out, watch a show and then head home.

● Viv Beck is the CEO of Heart of the City, Heart of the City is a sponsor of the Herald's Project Auckland report.

The opening last month of the NZ International Convention Centre was a tremendous moment in time, six years after its planned launch. The unique way it tells the story of our city and country, with artworks, lighting and hospitality, is quite moving.

PROJECT AUCKLAND 2026

# Cruise terminal the new



**Project Auckland**  
**Andrea Fox**

How Auckland's new cruise hub could reshape the waterfront and freight network

**F**rom March next year, a rich bounty of visitors to Auckland from the world's largest cruise ships will get a welcome befitting a global-class city when the port opens a purpose-built new international cruise precinct.

Part of Port of Auckland's mission to stamp the city large on the global ship call map, the large terminal precinct is one piece of a \$200 million "big ships" development project that will also see it able to receive cargo vessels carrying 10,000 containers by the end of next year.

The project includes the new Bledisloe North wharf, enabling cruise ships carrying 4500-plus passengers to tie up at the visitor precinct, development of the Fergusson North wharf to handle bigger container vessels and associated dredging works.

Port of Auckland chief executive Roger Gray says Auckland currently welcomes more than 300,000 cruise



Roger Gray says the cruise industry is hugely important to the city's economy.

Photo / Dean Purcell

passengers a year who bring \$600m of value to the city's economy.

While 4500-plus passenger ships have called at Auckland, they've been reluctant visitors.

Lack of dedicated facilities and berthing space has provided "a terrible customer experience", Gray says, with cruise tourists having to be shuttled around, delayed offshore, or berthed at the Fergusson container terminal.

The new precinct will allow visitors to walk directly into the CBD. Auckland is one of a only handful of global ports that offer this opportunity. The facility will be able to process up to 1500 passengers an hour.

The potential is for Auckland to double its cruise ship calls to 160 a year with the summer cruise season and the return, from next year, of winter cruising, Gray says.

"Now we're looking to see real growth in those big 4500 ships, so I would think we have a real potential to bring in 100,000 more passengers as we continue to invest and re-attract people."

With the new Bledisloe North wharf able to take very large cruise ships, the port can start its operational exit from the ferry basin, "which is great for the city", he says.

"It will allow us to discharge or load a big cruise ship within three hours.

Gray says the cruise industry is hugely important to the city's economy – and this is "key to unlocking the central wharves development and the work Auckland Council and Auckland Unlimited want to do on continuing to revitalise the waterfront".

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# gateway to a global city

years and to be seen as a "global city" also requires the region's freight, retail and business communities to step up, says Gray.

## 24/7 – serious conversation needed

If the port is a lens for Auckland's global growth ambitions, then cargo receipt and distribution needs to become a 24/7 operation, Gray says.

Auckland's population will grow in the next 40 years, along with consumption, so the country's main import gateway has a critical role in ensuring the city – and the New Zealand supply chain – is ready.

"We see our role as being here for the city, growing with the city and how we grow together. That's about getting trucks off the road for rail and getting them out of peak traffic hours, working at night and through the weekends.

"That's the 24/7 focus we're still keen to see others adopt."

Gray is calling for a "serious conversation" on the 24/7 operational aim with industry groups. He says the port's owner, Auckland Council, and transport agencies such as NZTA are supportive of the call but there needs to be a holistic mindset change within the city.

"With New Zealand industry and businesses... it's about major cargo receivers not being open in the afternoon on a Friday, or on Saturday or Sunday, not having night shifts, these sorts of things."

Cargo receivers include the food manufacturing and retail sectors, large-scale importers and freight forwarders.

"As the city grows so will the demand on cargo receivers to start receiving, so we're engaging directly with all of them."

"We acknowledge it's not easy and it does add cost in the short run. But in operational performance, the speed of getting cargo moving will outweigh other costs in the long term.

"So that's a discussion we're starting to have with industry, with the Food and Grocery Council, to talk to food manufacturers, food sellers, supermarkets. We also need the support of council to make sure they don't impose noise limitations in and around delivery points."

The discussions with the supply chain about a 24/7 operation economy are starting to pay dividends.

Gray says there's been an increase in the amount of cargo travelling by rail, with around 20% of customers now using rail to import and export their goods.

Since the port has increased its peak and excess charges, transport companies had started to shift cargo after 6pm and on weekends.

Asked to name the worse constraints on cargo movement, Gray responds: "Sit on the southern motorway, sit on the northern motorway, sit on the northwestern motorway at Monday to Friday peaks and you'll be able to answer that question.

"Our road network needs to have the load shifted to the back of the clock in order to start to see a better flow and a reduction in congestion."

With growth in Auckland's population will come growth in cargo and that means growth in ship calls and vessel sizes, Gray says.

"That's why we're building the Fergusson North wharf (container terminal wharf) and doing the dredging to be 10,000 TEU (20ft equivalent container) capable going forward in our role as one of, in my view, the three blue water ports in New Zealand into the future."

As to what regulatory or policy shifts Gray thinks are needed to achieve 24/7 freight logistics, he says the most important influence will be congestion charging legislation currently going through Parliament.

"That will allow the council to start



Auckland International Cruise Terminal will have a canopy pick up-drop off area on Quay St, providing direct access into the city.



Our road network needs to have the load shifted to the back of the clock in order to start to see a better flow and a reduction in congestion.

Roger Gray

to implement time-of-use charging and making that dynamic influence traffic flows. It will be another prompt to look at opportunities to go (travel) outside those periods of charging but secondly, will assist in probably reducing demand on already restrictive infrastructure roads.

"It'll enable the council to get cracking and will be the great unlock to the regulatory change that has to happen."

Gray says the investment in a purpose-built international cruise precinct follows discussions with cruise companies reluctant to bring the new wave of mega-liners to Auckland because of the risk of having to anchor in the harbour and tender in passengers because of a lack of dedicated space.

"That's a terrible customer experience. But bring them alongside, be processed through a purpose-built facility and be allowed to walk into the CBD is really nice, what a good customer experience is.

"It will assist shipping lines in further scheduling Auckland and New Zealand (for calls) with the bigger

ships and mean we can compete against other ports with amazing cruise terminals at the base of their cities.

"We want to be one of those sort of ports, a global city where people have a global experience. Right now it'd be fair to say we haven't been delivering a global competitive experience."

Gray says New Zealand as a country needs to grow the cruise industry. Cruise tourism generated \$1.23 billion in total economic output for New Zealand in the 2024-25 season.

"We're seeing a very interesting change in the ships coming – very big ships carrying 4500 like Ovation of The Seas and small boutique ships with 600 passengers.

"A figure not well-known is Auckland has in excess of 300,000 cruise passengers a year – that's 300,000 Americans, Europeans, Asians – we've seen growth in Japanese visitors – and Australians. They want an amazing experience. They want a seamless transfer on and off.

"That's what global cities do. And

that's why we see this as being an absolutely fundamental investment to further the growth of Auckland on its journey to being a global city."

Gray says Auckland shouldn't underestimate the beauty of its harbours, the location of its port and the economic benefits of cruise tourism.

"We are building for the next 40 years at the port. We're here to grow with the city and we want to help the city grow.

"People need to realise as well that as we continue to grow, we'll lift our contribution to our owners. This financial year we are budgeting to deliver \$95m net profit after tax and to pay a dividend of at least \$52m.

"We are a very different organisation than perhaps we were in the past... we say the 'turnaround' is done; now we are a highly performing asset for the city and the people.

"And, we believe, a real enabler for the growth of Auckland as it grows into the global city it deserves to be."

● Port of Auckland is a sponsor of the Herald's Project Auckland report.

PROJECT AUCKLAND 2026

# Playing the long game

Forget grand visions, Auckland's real problems are productivity and politics, writes **Cameron Bagrie**

**T**he correlation between growth in the national economy and Auckland region is 75%. Is it the dog wagging the tail or the tail wagging the dog?

That correlation simply says you cannot differentiate the path for Auckland from New Zealand. After all New Zealand is hardly a large nation, and will only ever have one truly scalable city. And at 1.7 million Auckland's population lacks scale. A lack of scale limits options.

Only Otago and Canterbury have stronger correlations with the national growth cycle, showing that might and size are not the only influence and the importance of connectivity into the rural sector.

Auckland sits unprudently with the highest unemployment rate in the country. House prices are stagnating. The engines behind New Zealand's economy recovery are coming from income-generating and rural-aligned regions, not Auckland for now.

Hence the calls for a grand vision. Can I foresee a grand plan for Auckland, mirroring Oslo (100% electric vehicles), London/New York (finance), Dubai (futuristic), Singapore (urban mobility), or Riyadh (future infrastructure)? No. Such visions typically require deep central and local government pockets, which we do not have, and the ability to execute.

Maybe I'm just a sceptic. But any country that can manage to spend/invest around 5.8% of gross domestic product (GDP) annually on infrastructure over the past 20 years (one of the top spending countries in the Organisation for Economic Co-operation and Development), yet we rank towards the bottom for efficiency with capital productivity typically a negative number, needs to get some runs on the board first.

There are too many basics to fix first, including infrastructure – spending and management of projects, education, government and council finances, risk management, productivity, and housing – before you could ever embark on something truly differentiating. In rugby parlance, it would be setting a game plan to score lots of tries but without a tight five to deliver the ball.

Start by bringing greater independence into the management of local government assets via a fully independent investment committee. The same for many central government assets. Council and central government assets total \$700 billion. Imagine a 1% improvement (do the maths).

The entire Auckland stadium situation is another case in point. The Request for Proposal noted Auckland could not afford four stadiums and the current mix. What does Auckland still have? The same stadium mix.

Auckland and New Zealand are not impotent though when it comes to offering something different. We reside in a fractured world that is becoming increasingly divided with dissatisfied populations, populism on the rise and security a key theme.

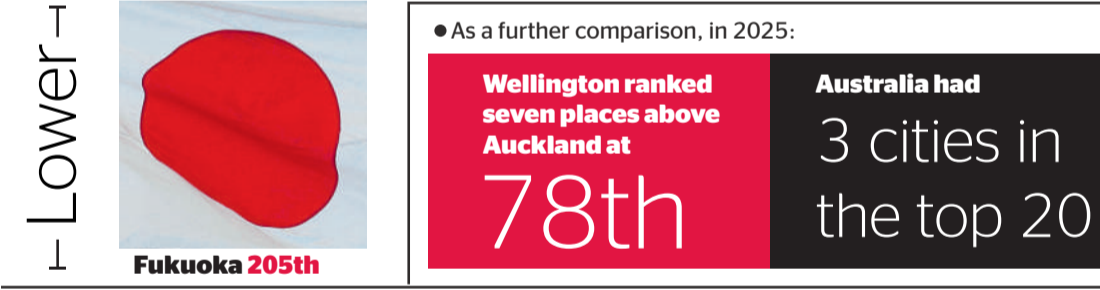
Perhaps the greatest addition we could make to Auckland (and New Zealand) would be a return to the political centre this election at a time when other countries are moving to the periphery. The periphery is destabilising and drives short-term decision-making. All cities with real vision have taken a long-term view.

If we want to embed the long game, that requires a shift in the political landscape to give greater policy stability across the political cycle.

The playbook on that is not easy and covers economic and social facets with real leadership. But imagine the allure of a country or city that is devoid of the extremism percolating against the current global

## Oxford's Global Cities Index 2025

• Nine cities were benchmarked as comparable to Auckland in 2024. A year later these are their rankings:



Source: Oxford's Global Cities Index / Herald Network graphic

backdrop? You would fill your boots with talent and capital, with the right migration settings, which we have moved towards.

### A broken model

For decades, Auckland has been at the forefront of New Zealand's broken economic model. We sold more expensive houses to each other, and Auckland house price growth would exceed national growth.

Credit facilitation has become too dominated by housing. The wealth effect from housing was a contributor to spending. We relied on bums on seats to drive growth via migration and tourism. Migration and tourism can add value – if delivered correctly.

The endgame is a housing unaffordability, clashes between generations and weaker productivity (with the latter influenced by lots of other factors). With each monthly stagnation in house prices, reality is setting in that New Zealand and Auckland's growth model needed to and is changing. Hooray.

### The stats

Auckland is a \$160 billion region, accounting for 38% of New Zealand's GDP in 2024, but represents 33% of the population. At face value the region is punching above itself, with GDP per person \$88,355, compared to \$78,233 across the nation.

Wellington supposedly has the highest GDP per capita figures across



We reside in a fractured world that is becoming increasingly divided with dissatisfied populations, populism on the rise and security a key theme.

Cameron Bagrie

the country (\$92,776), with a huge government centrality about it, which in my view means we should be wary of what regional GDP per capita figures say. Regional breakdowns of GDP can be somewhat arbitrary. Auckland's nominal growth

exceeded the national average between 2000 and 2024 (288% versus 266%). However, on a per capita basis GDP in Auckland rose 160% between 2000 and 2024 compared to 166% across New Zealand as a whole. Auckland has underperformed.

Cities are supposed to benefit from agglomeration economics, or the benefit of scale. Agglomeration occurs through the closeness of physical capital, companies, consumers, and workers. There is a flipside. Poorly planned agglomeration (infrastructure) can see cities choke as infrastructure fails to keep up with spread. Yes, that means more inner-city living close to existing infrastructure and a world-class transport system far beyond what Auckland has, which will need to be paid for by society.

A rise in the tax burden over the next decade is inevitable. The only question is the magnitude, which will be a function of growth, and the spending efficiency of the tax/levies/rates paid.

### Liveability

Auckland is slipping down the rankings and "economics" is at the core. Auckland ranked 85th in Oxford's *Global Cities Index 2025*. Wellington came in at 78th. For perspective, Australia had three cities in the top 20. Driving the (lower) ranking were

low scores for Economics and Quality of Life, with Auckland ranked 154th for economics, which covers a city's size, growth, GDP per person, employment, stability, and economic diversity. The quality-of-life ranking was 239th. This covered income inequality, income per person, housing expenditure, life expectancy and the crime rate. Auckland commuters lose 66 hours a year stuck in traffic and its rising. Goodbye quality of life. Hello, Central Otago.

Auckland was benchmarked in 2024 (*The State of the City Benchmarking Tāmaki Makaurau Auckland's international performance*), against Vancouver, Portland, Austin, Dublin, Copenhagen, Helsinki, Tel Aviv, Brisbane and Fukuoka as comparable cities.

Oxford ranked eight of the comparables higher. Vancouver (37th), Portland (50th), Austin (47th), Dublin (13th), Copenhagen (18th), Helsinki (38th), Tel Aviv (36th), Brisbane (23rd) with Fukuoka the exception, coming in at 205th.

Auckland has lost ground. Common denominators are Auckland's low rankings for the economy and quality of living. This also applies to the whole of New Zealand when you look at GDP per capita ranking, which is in the lower quartile of the OECD.

### It all starts with productivity

Forget about grand visions. Think small to stand tall. Focus on productivity. We all know the stats. Productivity used to average 1.4% a year in New Zealand. The decade average is now 0.3%. Lacking productivity translates into an income problem, which magnifies cost-of-living pressures.

The enablers are not sexy or grand. They are competition, innovation, AI, digitisation, quality infrastructure spend, red tape, and education. Signs are promising in some areas (education), sub-par in others (AI embracement), flip-floppy in others (necessary housing intensification) and downright disappointing when it comes to competition policy.

There are supposedly some exceptions to New Zealand's productivity trend. Annual average labour productivity growth in Auckland city centre over the last 20 years (1.6%) has been double that of the rest of New Zealand (0.8%), according to the July 2025 edition of the Auckland Economic Monitor.

The city centre has apparently kept this up since 2019, with the city centre's productivity premium over the rest of New Zealand rising from 21% in 2004 to 40% in 2024. Agglomeration economics can work. If you want agglomeration economics to work, look no further than having a major proportion of your population around the CBD or easily accessible to it. And that requires transport infrastructure. Much hope is being placed on the City Rail Link but Auckland suffers from not having a broader rapid transport system.

### The bottom line

Beware the promise or the allure of magic potions. They tend to be snake oil. No grand vision for Auckland will ever work if we do not have a productivity and income story to back it up. Get the foundation right before you build the house.

My big hope this year is that New Zealand moves towards the political centre, going against the trends we are seeing globally. With that, the prospect of real long-term decision-making becomes more feasible.

• *Cameron Bagrie is principal economist at Bagrie Economics, a premier boutique research firm.*

# A stable partner in Wellington

Labour's **Carmel Sepuloni** calls for long-term plan to grow Auckland

**A** flourishing Auckland is crucial to a thriving Aotearoa New Zealand. When I first came to Auckland from Waitara to train as a teacher, the city was in transition.

The Sky Tower was being constructed, new apartments were cutting out a new skyline, the CBD was a constant hustle and bustle of university students, workers and tourists, and the Viaduct was transformed for the 2000 America's Cup.

The city's population has rapidly evolved and become increasingly diverse since. Today, we live in a global hub; a hot spot for innovation, business and world firsts.

From Mint Innovation's work turning e-waste into gold and Toku Eyes' developing AI that detects eye disease, to the world's first tourism hydrofoiling electric ferry designed and built by Veshev, Auckland is a city of pioneers.

Even in my own backyard of West Auckland I've met some amazing people working across manufacturing, film, and engineering, reassuring me there's no shortage of Kiwi ingenuity in our city.

It's this innovation that Labour will back with the New Zealand Future Fund – creating secure, well-paid jobs and keeping our ideas, wealth, and people here at home.



When I think about Auckland's future, I think about a city that I want my kids and my moko growing up in, studying in, working in, and contributing to.

I want an Auckland rich with opportunity. A city that inspires generations to build their futures here at home rather than feeling they have to go abroad, as so many have in recent years.

It's unacceptable that Auckland, the economic engine of the nation, currently has the highest unemployment rate in New Zealand. It's also disheartening that countless businesses have been forced to close up shop, hollowing out the city, because there's been no fix.

It's crucial that we listen closely to what local communities are most concerned about and what their aspirations are for a better life.

We need a sustainable long-term plan for Auckland. It's no use chopping and changing every three years because of political ideology. It's exactly why we've said we'll be sensible when entering government regarding long-term projects already underway.

We need infrastructure that reflects a growing population and addresses the challenges many Aucklanders face daily.

This means ensuring Auckland stands the test of time and inevitable severe weather events. It means making life easier for Aucklanders and giving them certainty on major infrastructure across transport, housing, and big events.

It's a huge shame that National stalled construction works nationwide – putting projects in limbo and costing up to 20,000 construction workers their jobs. This doesn't give certainty, nor does it instil any confidence in a government that can sensibly back Auckland.

We know what can happen when there's genuine bipartisanship on long-term projects. The City Rail Link is a clear example of this. A project developed through successive governments resulting in Aucklanders getting a new, more efficient way to get around town later this year.

It's crucial that we listen closely to what local communities are most concerned about and what their aspirations are for a better life.

Aucklanders want a city with well-paid jobs, accessible hospitals, and affordable housing. It's why we've said making an affordable New Zealand is our number one priority and announced policy like three free doctors' visits a year for every Kiwi.

Sadly, what we're getting instead is a failing economy, with high cost-of-living causing pain for many who were promised a fix.

With talks still ongoing for the Auckland Regional Deal, what has been previewed so far doesn't look like much. In saying that, we shouldn't underestimate the importance of having a better framework for engagement between Auckland Council and the Government – but it's clear Aucklanders are wanting more.

They want to get to work without sitting in traffic for hours, to be able to pay their bills, see a doctor, access affordable housing, and have money left over at the end of the week to do something nice with their whānau.

A globally ambitious Auckland is one that is ambitious for its people.

Tamaki Makaurau has everything it needs to thrive – it just needs a Government that backs it.

● Carmel Sepuloni is Labour's deputy leader and the party's spokesperson on Auckland.

## WHAT DOES IT TAKE?

... to create sustainable economic growth?

Infrastructure investment has long been recognised as a catalyst for economic growth - both through the immediate stimulus of construction and long-term gains in productivity and connectivity.

The National Infrastructure Plan lays out clear priorities in response to New Zealand's infrastructure challenges, now it's time for collaboration and execution to deliver tangible outcomes for all.



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## PROJECT AUCKLAND 2026

# Making the right connection

The EMA is calling for a connected city and says the assets are already in place to plug the gaps, writes **Bill Bennett**

**A**uckland wants to be a globally competitive city but struggles with everyday urban basics such as connectivity, planning and liveability. Major projects dominate public debate, yet many of the barriers to growth lie in smaller gaps between the city's existing assets.

Given that Auckland generates about 30% of New Zealand's gross domestic product and anchors the upper North Island economy, closing those gaps is a national urgency.

Alan McDonald, the head of advocacy and strategy at the Employers and Manufacturers Association (EMA), says while businesses see those gaps every day, "the assets are already in place."

He says Auckland has a great harbour, the best universities, top hospitals and an excellent research base. Yet it lacks integration. "We've got a beautiful natural city ... but we're also difficult to get around. We don't have great connections between business hubs, the university and specialist communities like the med-tech sector."

McDonald says leveraging these assets for economic success depends less on mega-projects and more on filling in the gaps between what already exists. This matters to EMA because it represents firms employing a large share of the workforce. Most of its members are Auckland-based. They depend on the city's transport links, industrial land and research institutions. When Auckland's planning fails, it shows up quickly in EMA members' productivity and investment decisions.

McDonald says Auckland's importance goes beyond the city itself. It is the anchor of the "golden triangle" economy linking Auckland, Hamilton and Tauranga. If the city functions well, the benefits flow across the wider region and the national economy. Investment is essential: "If you're serious about driving the engine room of your economy, serious about attracting overseas people to come and help drive that."

Creating a more liveable city is part of that. Successful international cities typically have a vibrant heart. Global talent expects to see dense urban environments.

Although Auckland has improved in recent years, McDonald says it needs to do better. In particular, it needs family-friendly infrastructure. "To be an international city we need more people to live in the centre. People often talk about at least doubling the population of inner-city Auckland. Currently there are 38,000 people living in the area between Symonds St and Hobson St."

"If you chose, as a family to live there, you might want to live around one of the inner-city parks – but where do your kids go to school?"

"We need inner-city schools – primary, intermediate, high school – because that is the glue for families." He is concerned that the city often feels empty after the workers have gone home. That weakens its vibrancy, its attractiveness and its safety. "The more people there are around, the safer the place is."

While intensification is already part of planning, the social infrastructure has not kept pace. A busier central city supports retail, hospitality and knowledge industries that depend on dense urban networks.



If you chose, as a family to live there, you might want to live around one of the inner-city parks – but where do your kids go to school?

Alan McDonald, head of advocacy and strategy at the Employers and Manufacturers Association

"If we say we want double the growth, then let's put in place a plan that includes the social infrastructure, such as parks and schools."

McDonald says the city could also make better use of existing buildings. Under-used office buildings could be converted into apartments, which would allow the central city population to increase without large new developments.

"Changing building regulations so that some of those emptier office blocks can be readily converted to apartments would help unlock that potential."

A few office conversions have happened, though others have stalled.

Different safety and building standards apply to residential buildings, which can make conversions difficult even where the structure is suitable.

Planning challenges are not limited to housing, McDonald says similar planning gaps affect Auckland's business and industrial areas, where businesses looking to expand often struggle to find suitable space.

The problem is particularly acute in established industrial areas such as Wairau Valley on the North Shore. Companies that want to grow often struggle to find nearby space.

"I've got members who say, 'I wanted to expand. There's nowhere

I can expand to except I could go south or I could go further north."

In some cases, McDonald says, businesses are pushed to new industrial zones far from their existing operations. "There's little room to expand in places like Mt Wellington, the new industrial areas are places like Waiuku and Warkworth."

For many firms, relocating further away from existing operations risks losing skilled staff who are reluctant to face longer commutes. McDonald says he knows of companies that ended up moving operations overseas because that is an easier option.

He argues the consequences are visible across the city. "A lot of the congestion we see is because we haven't planned where businesses and people should be located. If you push industry further out, people still have to get to work."

For McDonald, these problems reflect a broader planning issue. Auckland often struggles to connect individual projects into a clear long-term vision.

He points to Sydney as an example of a city that has reshaped its central district over time. "If you look at downtown Sydney, they've reshaped everything. They've done Barangaroo, they've done the light rail and the underground," he says.

"As you walk from the ferry terminal up George St, there are new squares, new buildings, apartments

and parks. You can see a plan. You can see the outcome."

Auckland, he says, often lacks that same clarity of direction. "We tend to say no for this reason or that reason. Instead, we should be asking how we can make things work."

Planning failure has a direct cost. In 2018, the EMA commissioned a study that put Auckland's congestion bill at \$1.3 billion a year. McDonald says the underlying cause is not just too many cars, it is decades of industrial land decisions that force people to travel further than they should.

"A lot of the congestion we see is because we haven't planned where businesses and people should be located," he says. "If you push industry further out, people still have to get to work."

The answer, he argues, is not always a new road or a new rail line. It is using what already exists more intelligently. Auckland's harbour sits largely idle as a transport corridor. The Northwestern Motorway was widened without a busway. Meanwhile, Sydney's public transport network – rebuilt over a generation – offers the reliability Auckland is still chasing.

McDonald recalls leaving a meeting in Martin Place and reaching Sydney's North Shore in seven minutes. "Last time I tried to get a train from here into town, I left an hour before the meeting and was half an hour late." The same integration gap that troubles McDonald about housing and transport is visible in Auckland's innovation economy.

Standing near the EMA's offices, he can see the University of Auckland's innovation precinct and the Auckland City Hospital from a single vantage point. The proximity is striking. The connection is not. "You've got research, tech and innovation there," he says. "But where's the connection to the business communities?"

The med-tech sector is a case in point. Auckland has genuine world-class assets: the medical school, the hospital and a strong research base. Yet McDonald says the cluster has never fully integrated with the commercial ecosystem that could scale its work into products and exports.

The contrast with Rocket Lab is instructive. Peter Beck's company has become a one-firm lesson in what agglomeration can do. Its supply chains have spread across the country's manufacturing base in ways that even insiders find hard to quantify.

"It feels like about 50% of the manufacturers in the country are supplying Rocket Lab," McDonald says. The company's composites work, much of it done in Auckland, is world-leading. What Rocket Lab shows is that when a high-value anchor business takes root in a city, the benefits ripple outward fast; provided the city has the industrial depth to respond.

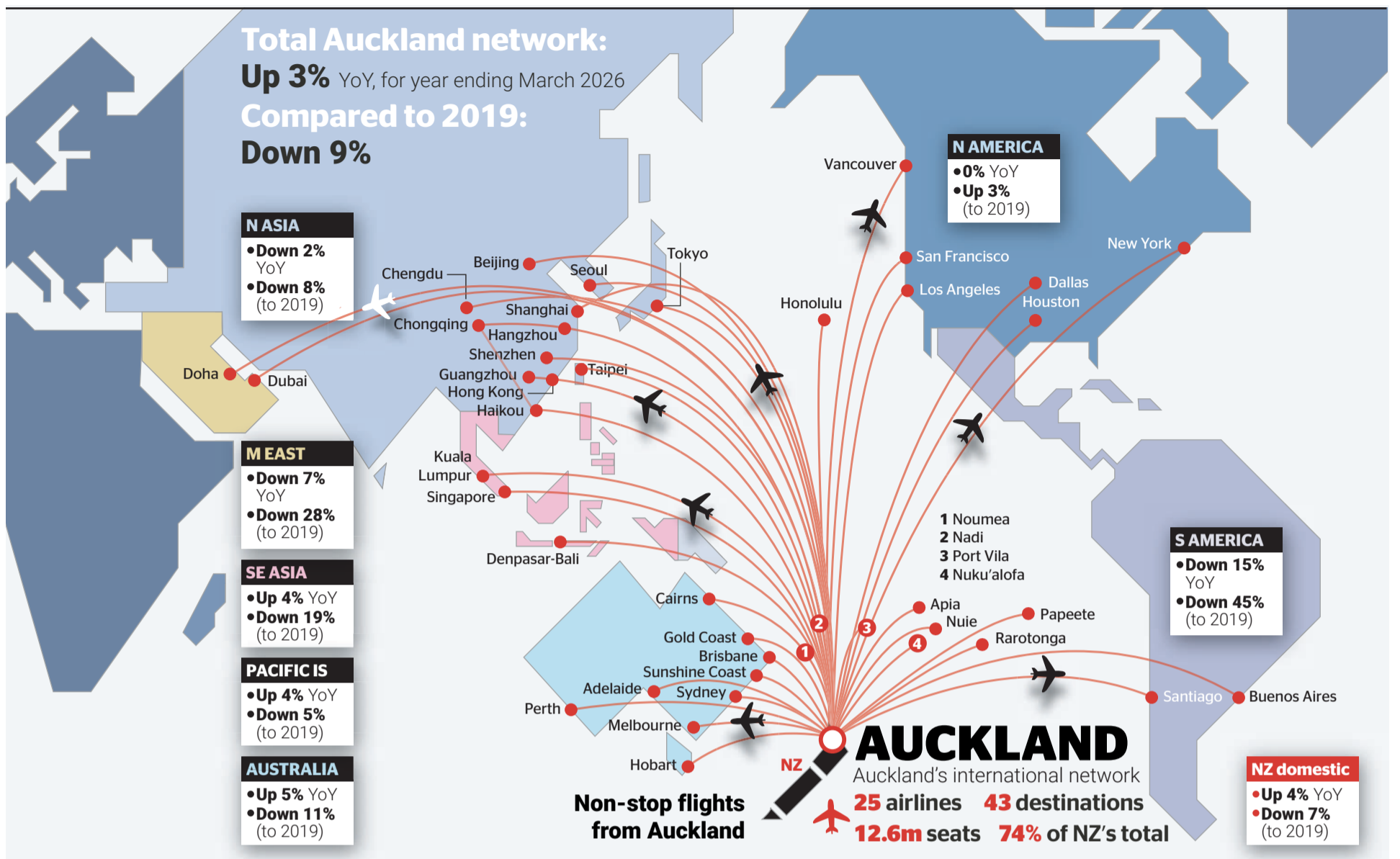
McDonald keeps returning to a single point. Auckland does not need to invent its future from scratch. The assets are already there. His "make the most of what we've got" message sounds simple. But it requires fresh ways of thinking and a lot of hard work.

Auckland needs a plan that connects assets rather than leaving them as islands. It needs to create density that supports genuine agglomeration, the social infrastructure that makes the centre a place families want to live and a political culture willing to commit to decisions and see them through.

He points to the Viaduct redevelopment. It was fiercely opposed at the time, yet now it is admired. "Is anyone saying that was a bad idea now?"

Auckland's problem has never been a shortage of assets. It has been a habit of finding reasons not to act. "We just have to connect them," he says. "The pieces are already there."

● EMA is a sponsor of the Herald's Project Auckland report.



# On the flight path to success

Airline connections underpin Auckland's economy, writes **Bill Bennett**

**C**ities compete globally to attract and maintain airline routes because air connectivity is central to being an economically successful city.

That's the view of Auckland International Airport chief customer officer Scott Tasker.

"There are only so many aircraft available to fly in the world," says Tasker. "A limited supply of aircraft means airlines will choose the places where they see the best year-round profitability".

Tasker says in a geographically isolated country like New Zealand, Auckland Airport's sales pitch is important to the national economy.

"You are pitching to airlines to deploy a \$200 million asset to your place. You need to tell them how they are going to see robust demand for passengers across the year, who those passengers are, what they're going to pay and where they're going to come from. The same goes for cargo."

"Our job is to make sure we're moving to the top of the list as aircraft become available," he says. "Those aircraft bring high-value visitors."

"They enable us to get out to the world and do business."

It is a pitch that Auckland Airport makes in cities ranging from Seoul to Singapore, Guangzhou to Dallas Fort Worth.

Auckland Airport handles about 75% of New Zealand's international passenger movements; roughly 90% of long-haul traffic and about 90% of



international air cargo. It is also the country's third-largest port by value, with import and export activity totaling roughly \$41 billion annually; most carried in the holds of passenger aircraft.

The airport's economic footprint is estimated at \$35b per year and projected to reach \$54b by 2032.

Some 25,000 people work at or within the airport precinct across 250 businesses, making it Auckland's second-largest employment hub after the CBD.

Air cargo is a vital part of the equation. When Auckland Airport negotiates a new passenger route, it also unlocks cargo capacity.

Auckland is bidding against Sydney, Brisbane and Melbourne and a dozen other Asia-Pacific cities, for the same aircraft assets.

The city's geographic isolation becomes a commercial challenge when an airline is weighing its options. Distance means more fuel, more crew costs and more operational complexity.

To make the case for Auckland, Tasker and his team build detailed

You are pitching to airlines to deploy a \$200 million asset to your place. You need to tell them how they are going to see robust demand for passengers across the year, who those passengers are, what they're going to pay and where they're going to come from.

Scott Tasker

pitch documents for individual airlines: passenger demand data, fare trends, cargo volumes and seasonal patterns.

The visiting-friends-and-relatives market is driven by New Zealand's large and growing communities from India, China, the Philippines and elsewhere. It has become an increasingly important part of that pitch. New migrants travel home often, and that demand strengthens the commercial case for a route.

Auckland's international seat capacity is running about 5% below pre-Covid-19 levels on a 12-month rolling basis. Australia, by comparison, is sitting at about 105% of 2019 capacity.

Tasker says Auckland's slower recovery is due to a combination of factors: Air New Zealand's well-documented fleet challenges, the reluctance of some long-haul carriers to return to a remote destination after shrinking their networks during the pandemic, and the slow pace of global aircraft deliveries.

Philippine Airlines has not yet returned. Thai Airways is only now planning its comeback.

The recovery, though, has bright spots.

Capacity between New Zealand and China is already about 5% above 2019 levels. US capacity is also above pre-Covid levels. Tasker says the gap should be closed by around 2028, after which the focus shifts to growth.

Two recent developments illustrate the Airport's progress.

Thai Airways is set to resume daily services on the Bangkok-Auckland route before the end of 2026. The airline has not flown to New Zealand since the pandemic. Bangkok is a major hub with strong onward connections to the United Kingdom, Europe, India and Southeast Asia.

Tasker estimates the 110,000 annual seats on offer will attract visitors spending about \$250m in the New Zealand economy, with the route facilitating an estimated \$500m of trade.

The second development is the recent launch of China Eastern's Shanghai-Auckland-Buenos Aires service, operating twice weekly. At roughly 29 hours, the flight is technically a single service with a refueling stop in Auckland rather than a true non-stop, but it is the world's longest commercial flight by distance.

Auckland now serves as the essential waypoint between North Asia and South America. LATAM, the Chilean-Brazilian carrier, has restructured its South American network to give Auckland dedicated capacity on the Santiago route, four to five times weekly, rather than treating the city as a stop-over on Santiago-Sydney services.

New Zealand and Argentina now have competing carriers for the first time since Air New Zealand withdrew from the Buenos Aires route in 2019. One area that remains a challenge is direct flights to India.

Both Air New Zealand and Air India have signalled their intent to fly direct. Last year's Prime Ministerial trade delegation to India set a target for direct flights by 2028.

The problem is aircraft availability. Tasker says widebody aircraft deliveries have been slower than airlines anticipated. Competing for routes requires more than relationship-building. Airlines need to know if they commit to Auckland, the infrastructure will be there to support them.

Auckland Airport turned 60 in January.

Tasker says its founders showed foresight establishing a 1500-hectare site in South Auckland. That has given the airport room to grow in ways that urban airports elsewhere cannot.

The airport's current infrastructure programme includes a northern airfield stands development, opened in October, which added significant aircraft parking capacity. It has also built a new landside-airside road connection and a cargo checkpoint.

That investment connects directly to the new cargo precinct on Manu Tapu Drive. Ground handlers Menzies Aviation and Swissport are relocating their terminals to create a more efficient operation with direct airfield access and better motorway links.

Auckland Airport is developing to a master plan designed to ensure the airport does not put the wrong infrastructure in the wrong location.

Tasker says: "We don't want to be the blocker. If you don't have enough capacity to bring in growth because you haven't planned and built in time, you can't have a conversation with an airline about growing. The two things have to work in concert."

There's more to Auckland Airport than planes, passengers and cargo. Its influence reaches into local communities through initiatives such as the Ara Trust – a partnership that creates pathways for young South Auckland school leavers into the construction industry, including on the airport's own building sites.

● Auckland Airport is a sponsor of the Herald's Project Auckland report.

PROJECT AUCKLAND 2026

# Paving the way now for a

Commercial Bay developer backs dense, safe, 24/7 future for Auckland CBD, writes **Andrea Fox**

**T**he potential for Auckland to create a powerhouse global city centre where people live, work and play 24/7 is “immense”, says the head of Commercial Bay developer Precinct Properties.

Chief executive Scott Pritchard says a thriving city centre can't be just a place people commute to and from for work.

“We currently have less than 40,000 people living in our city centre. We should have 100,000 people living in our city centre.”

“We should have a school in our city centre. It should feel like a community, a place you belong to,” he says, citing New York, where the residents outnumber workers and there is a daytime economy and a night-time economy.

“That's the opportunity that's in front of us. I think that if there was a shared vision for what our city would look like and what success would look like, it would be 100,000 people living here in 10 or 20 years.”

What will it take to bring them?

“I think we've got to convince people that our city is outstanding – and our city is outstanding,” Pritchard



Precinct Properties CEO Scott Pritchard at Commercial Bay.

says. “Our city's got to feel like a community. You've got to feel safe in the city centre and for it to be a place where you can enjoy the city, whether you're working there, living there or socialising there.”

“There are some terrific examples of other cities around the world that have done it very well. And I think the potential for that in Auckland is immense.”

“The Auckland isthmus is very narrow. I don't think urban sprawl is the answer for housing. Greater density is most certainly the answer and, I think if we do that in a really well-planned way, the Auckland city centre could look really different in another 10 to 20 years.”

NZX-listed Precinct Properties is walking its talk. To date, it has delivered \$2.3 billion of mixed-use devel-

opments that have redefined city centres, such as the Commercial Bay and Wynyard Quarter precincts in Auckland and the Bowen Campus in Wellington.

Well-known as a commercial office owner and developer, the publicly traded company's strategy has evolved to include residential and purpose-built student accommodation while scaling its capital part-

We've got to convince people that our city is outstanding – and our city is outstanding. Our city's got to feel like a community. You've got to feel safe in the city centre and for it to be a place where you can enjoy the city, whether you're working there, living there or socialising there.

Scott Pritchard

nering model. Precinct defines itself as a long-term owner, developer and manager of city centre real estate, specialising in city spaces.

Its next major project is the transformation of Auckland's Downtown carpark site into a mixed-use commercial, residential, hospitality and hotel community with high-quality public space, which will integrate with the Commercial Bay precinct.

The company says the development, which it expects to begin this year, subject to consenting and procurement steps, will enhance east-west connectivity across the city and strengthen the link between the city centre and waterfront.

Once completed, the Downtown Project is expected to lift the Commercial Bay workforce by 70%, from 10,000 to 17,000 people, while the

**“We don't just deploy infrastructure, we deploy intelligence that makes city living genuinely better for all.”**

**Ben Ransley, Founder at SmartCity**



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# powerhouse city centre

hotel will attract thousands of visitors a year. Precinct says the recently acquired Downtown site is one of the last major opportunities to reconnect Auckland's commercial heart directly with its harbour.

The company is now seeking resource consent for the project with the Environmental Protection Authority under the fast-track consenting pathway.

"We're really excited about the prospects of that project," Pritchard says.

"It is large-scale, so the intent for that is to really leverage on the work that's been done with Commercial Bay and to concentrate a lot of our activities for Auckland in these few waterfront blocks, right on the water's edge."

As an "active champion for Auckland as a globally ambitious city", the company is a cheerleader for investment in the city centre for a simple reason, Pritchard says.

"I think Auckland could, without any doubt, be the best waterfront city in the world. It's very much about connecting the Hauraki Gulf and the city centre and, as well as that, creating a community within a city."

"In doing that, I think we'll begin to see the range of uses start to really operate in harmony."

"At this stage, I think the city is making great progress towards that, but there's still a huge amount of opportunity to really get all of those uses working in harmony."

Precinct says as Auckland competes globally for talent, investment and students, the shape and quality of its city centre matters more than ever.

So what are the challenges ahead to realising the vision of a thriving, vibrant city centre community?

"I think at the moment there's a bit of a perception issue around the city that I think is unfounded. It's had some challenges in the last four or five years around those perceptions and they principally relate to safety and crime and so on," Pritchard says.

"I think the reality is that in the last couple of years, central government agencies, local government agencies and a whole bunch of other participants in the market have done a huge amount of really good work to create a city that's really vibrant, safe and fantastic. So one of the biggest challenges is overcoming that perception."

"The second is really trying to knit the city together so that it can leverage all its great attributes."

Pritchard thinks Precinct's role in trying to shape the city is best evidenced by what it has achieved.

"Commercial Bay is a mixed-use development of office use, retail use, hospitality use and a hotel. In one city block there's probably 7000 or 8000 office workers and, at any given time, a few hundred people staying at the hotel. There are 120 shops and all those uses are working in harmony."

"When I think about the city and role that Precinct has to play, I think we can do that on a bigger scale – that's where the secret sauce exists."

Precinct has around \$5 billion of assets. It owns around \$4b of this portfolio, Pritchard says, the remainder being managed. While the company has offshore capital project partners, as a publicly listed entity, its makeup and ownership is largely held by KiwiSaver mum and dad investors, he says.

This year Precinct has reason for confidence in its mixed-use project strategy.

It reports strong momentum in office leasing, with first-half leasing significantly higher than in recent years and occupiers having a strong preference to be in core Precinct locations. It notes strong occupier demand for premium Auckland CBD offices, outperforming other New Zealand markets, and 13 million-plus visitors to Commercial Bay annually.

Pritchard says the notably higher



**Top: Precinct Properties has plans for Dova on a site between Dominion Rd and Valley Rd, Mt Eden. Above: Pillars at St Mary's Bay/Ponsonby. Left: Purpose-built student accommodation on Stanley St.**

Images / supplied by Precinct Properties

office leasing demand in the first half of the year is due to a reversal of work-from-home practices post-pandemic.

"A lot of businesses over the last five or six years have shrunk their office footprint, while a number of their staff were working from home."

"I think they've realised productivity takes a big hit... and so almost all of our occupiers within the precinct portfolio are trying to encourage their staff back to the office more often. That's putting quite a lot of upward pressure on office space at the moment." The company notes strong in-office attendance by occupier staff – 41 days a week against the national average of 3.3 days.

"The second thing is that to get their staff back in the office, they're having to rent really high-quality offices. That's something the precinct is most certainly benefiting from," Pritchard says.

Precinct's part in overcoming perceptions is "to design spaces people want to be in", he says. "They're well lit, they're spacious, they're safe. There are a lot of people around and because the urban environment is so good, people are attracted to it."

"The more people that are in the urban spaces, the safer it is."

Precinct also has an active residential pipeline of development with \$375m of build-to-sell projects – most recent being Dova in Mt Eden and Pillars at St Mary's Bay/Ponsonby.

The company says its purpose-built student accommodation strategy supports Auckland's education economy, vibrancy and long-term CBD resilience. The most recent projects in this class include a 964-bed construction at 22 Stanley St, due to open in 2029 and a 638-bed build at 256 Queen St, also opening in 2029.

Bringing the vision of a powerhouse global city centre together will take more than Precinct's efforts, however.

"The city needs to have a sense of community and an absolute commitment for people to be safe here," Pritchard says. "We need contributions to things like schools, so that families can live here."

"We need to leverage the infrastructure that's been invested in – the likes of the City Rail Link and the International Convention Centre. I think it's about prioritising that this is the most productive 4.5km in our country. Now we want to layer it up with other uses."

"At the moment our city centre is set up to be a workplace. We need to set it up to be thriving, 24-7."

● Precinct Properties is a sponsor of the Herald Project Auckland report.

PROJECT AUCKLAND 2026

# Ten projects to make



**Project Auckland**  
**Anne Gibson**

What development is happening, planned – or stalled – in the city centre?

**T**en planned, under-development, stalled or gone-quiet Auckland CBD projects are enough to make you celebrate, or cry.

These 10 dominate conversations as much as they influence the ever-changing face of our dynamic city centre.

They include once-prominent plans which have either gone extremely quiet or stalled.

As we prepare to ride the \$5.5 billion City Rail Link later this year and take joy in visiting the new NZ International Convention Centre, progress emerges from some sites.

That includes Mansons TCLM's \$650 million office project at 35 Graham St on the ridge above Fanshawe St.

Also, one of the 20 sites, described last year as "dire", due to being bulldozed and left, is at last changing, albeit into car parking.



Mansons TCLM is building an 11-level twin-block project, connected via a central atrium on Graham St.

News is slow to emerge at other sites where plans were announced two years ago: Malaysian Resources Corporation Berhad and their local consultants are quiet over the much-promoted planned Symphony Centre beside the Aotea Centre.

Design changes could be under way.

Yet we can also celebrate a series of huge wins in the CBD, like the

buzzing Commercial Bay with its new PwC offices, downtown eateries and shops, as well as Peter Cooper's popular Britomart.

Bosses behind the single most audacious planned multi-billion dollar project are pushing "go" later this year.

The following is a list of some of the city centre's largest projects – planned, quiet, and otherwise.

**1 Mansons TCLM's \$650m offices**  
This is New Zealand's largest new under-construction single commercial office project.

Yakka Construction demolished the ex-Auckland Council offices on this block at 35 Graham St, leaving only BJ Ball House.

Mansons TCLM is now building new offices, having won consent for

an 11-level twin-block project, connected via a central atrium.

The design shown in one plan is for a building to be 24,649sq m, or 2.4ha, of indoor floor space.

Some large tenants are looking for new space, including major trading banks, now in extremely dated buildings.

Old offices often lack green star ratings, so the banks fail to meet their commitments to sustainability and the environment.

**2 Pūmanawa o Tāmaki**  
Precinct Properties' chief executive Scott Pritchard vows to start this year on the twin-tower 55-level and 45-level Downtown Carpark redevelopment, Pūmanawa o Tāmaki.

Procurement discussions are under way with several main construction contractors and sub-contractors, "with good levels of interest," Pritchard said last year.

Works are expected to start, "following pre-leasing and construction procurement".

Precinct has applied for fast-track consent for the many apartments, hotel rooms, offices and common areas the project could bring.

On January 12, it reapplied after withdrawing its original December 2 application.

The development is to be three podium buildings, two towers and four levels of shared basement.

New public spaces and a new laneway network are to create more connectivity within the city centre.

Modifications are to be made to adjacent buildings HSBC and Aon to create that new laneway network.

# Auckland means business. So do we.

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**Simon Bridges**

CEO  
Auckland Business Chamber

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# you celebrate or cry

## 3 Food Alley/Yates site to be car parks

Hong Kong's Wilson Parking and Singapore's Kum family and its M&L Group is livening up the bulldozed Albert St site of the Food Alley and Yates Building.

Work is happening at the site between Federal St, Wolfe St and Albert St, across the road from the J. W. Marriott hotel.

"A long-vacant central site on Albert St in downtown Auckland is set for a positive transformation, with owners M&L Group and Wilson Parking partnering to upgrade the site," a joint statement said.

The level but empty site, which previously had a barbed-wire-topped fence, appeared in a Herald feature last year, which chronicled the dire state of our CBD.

Is this the best we can do, one block from the waterfront and create car parking?

In 2024, Deputy Mayor Desley Simpson said it was very sad the site had been left in that state for so long: "Auckland deserves better," she said of the 4371sq m block.

## 4 NZ's tallest student block

Precinct has also started its 638-bed \$201m student block in the CBD.

Icon is building that 32-level tower at 256 Queen St.

Precinct aims to have the tower finished for the start of the 2029 academic year.

Icon also built a new 18-level student accommodation building with 758 units at 66-77 Lorne St in Auckland CBD. That is for Cedar Pacific, with UniLodge to be the operator. Like Precinct's Queen St tower, the Lorne St block was designed by Ashton Mitchell.

Last October 14, Precinct announced its Queen St project had started.

## 5 Seascape – 56 levels, dead

Seascape is perhaps the worst thing to happen in our CBD in many years.

We have only partial completion of this \$300m 56-level tower, whose developer, Shundi Customs, is now in receivership.

Not until May 11 will the receivers release their initial report showing what went wrong.

"What a shambles the inner city is. What an eyesore that building is," said one Herald reader.

## 6 Waterfront watershed

Again, it's Precinct for a third major city project, this time with Orams Marine in a controversial waterfront Wynyard Quarter scheme.

Call this a waterfront watershed because plans are for a 23-level 80m tall apartment and carparking building across the road from the Wynyard Quarter's tallest existing apartment.

Precinct's fast-track application for 188 Beaumont St seeks consent for "a marker building containing approximately 215 residential apartments with in-built flexibility for use as serviced apartments, ground-floor retail activities and associated car parking".

Neighbours are fuming. A resident of the Madden St block, developed by Willis Bond, said: "There is general horror and concern in the community."

## 7 New World Victoria Park – slow

A head contractor is to be appointed this year to the Foodstuffs (North Island) New World Victoria Park, so badly burned on June 17 that Nikau demolished most of it.

Nine months after the fire at New Zealand's most valuable New World, no rebuild application has emerged,



**From top: Precinct aims to have New Zealand's tallest student tower finished for the start of the 2029 academic year; the twin-tower 55-level and 45-level Downtown Carpark redevelopment, Pūmanawa o Tāmaki; MRCB renovated Bledisloe House and plans to build the Symphony Centre on a neighbouring site; the long-vacant former Food Alley site on Albert St is set for a positive transformation; renovation work taking place at the St James Theatre.**

although its owner/operator says they are "going at full pace on design".

Residents of Herne Bay, St Marys Bay, College Hill and surrounds lost their supermarket and mourn what they see as the slow progress.

## 8 North Wharf plans imminent

Stride Property is leasing three CBD waterfront sites from the Auckland Council, for new hospitality/offices blocks opposite ASB North Wharf.

CEO Philip Littlewood announced plans for a redevelopment of two of the three properties with the company's results in November.

Design and consenting is underway for a 10,500-12,500sq m premium mixed-use retail and office development, he said.

The combined area of the sites on Jellicoe St, facing the pedestrian North Wharf Promenade overlooking the sea, is 3672sq m.

## 9 Malaysians' \$450m Symphony Centre

Little has been heard of the Symphony Centre for months.

MRCB renovated Bledisloe House and plans to build the Symphony Centre on a neighbouring site.

RCP director and project development director Cristean Monreal was previously prominent on the scheme.

A local PR consultant said she no longer worked on this account.

Monreal went to MRCB, which issued an update. "The Symphony Centre remains an important project for MRCB International. Our team is currently working with our project partners to optimise the design to further align with current local market and construction conditions. We look forward to providing further updates in due course."

That obliquely refers to a possible redesign to meet the poor market.

The Symphony Centre office and apartment project is planned beside the Aotea Centre on what was a carpark used for the Auckland Council's fleet behind Bledisloe House. This scheme has also been cited as a sign of CBD revitalisation.

Resource consent was granted in 2023.

Sector leaders have empathy for the Malaysians, saying now is not the right time for such a big scheme, given the economic downturn. Few apartments were sold there so far.

Monreal did, however, talk last year about RCP's involvement in the Bledisloe House refurbishment.

## 10 What of the St James Theatre?

Last February, the Herald reported on funding for the St James Theatre on Queen St. It was once one of Auckland's premier concert venues.

Auckland Council voted to commit \$15m in funding to restoration.

That followed a \$15m commitment from the Government through the Ministry of Arts, Culture and Heritage.

PROJECT AUCKLAND 2026

# Rail Link an investment



**Project Auckland**  
**Graham Skellern**

Ferries, buses and trains will connect to provide more frequent, easier, faster journeys around the region, writes **Graham Skellern**

**T**he long-awaited City Rail Link that will change the way people move around Auckland, and reduce congestion, is just a few months away from opening.

The comprehensive testing of all aspects of the network and the timetable by Kiwi Rail and Auckland Transport (AT) is nearing an end, public open days will be staged, then the transport transformation that is the \$5.5 billion CRL will be under way in the second half of this year.

"The CRL completely changes how people get around – not just into the city centre but right across the region," says Barry Potter, Auckland Council's director of resilience and infrastructure.



"During peak times, trains will be coming through every four to five minutes in the city centre and busiest parts of the network," Potter says.

"We will have people moving in the same way they do in most major cities around the world. Buses, ferries and trains will feed into each other and create a whole integrated public transport network.

"The network will drive development around transport nodes, housing and commercial, and it will change where people choose to live and work."

The CRL completely changes how people get around – not just into the city centre but right across the region

Barry Potter, Auckland Council director of resilience and infrastructure

Presently, Auckland's traffic congestion is costing an estimated \$2.6 billion a year in lost time and productivity. The CRL is designed to provide some relief with more frequent trains and quicker journeys.

Potter says the CRL provides a choice and frees up arterial roads and motorways for those who must drive, including freight and emergency services.

He says the more people using the rail network and the more vehicles coming off the roads, the more sustainable Auckland becomes.

"CRL is much more than a dynamic transport project – it's a city-shaping investment."

Andy Baker, Franklin Ward councillor and chairman of Auckland Council's Transport and Infrastructure Delivery Committee, says

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## Enabling communities to thrive.

Downer is delivering NZTA's Mt Messenger Bypass, which will improve safety, resilience, and reliability with a new 6km route that avoids the existing steep, narrow and winding passage over Mt Messenger.

**UNIVERSITY OF AUCKLAND**  
Whakareia, Te Whare Rau

The University of Auckland's Hiwa Recreation Centre, built by Hawkins, is a state-of-the-art complex offering students the opportunity to create lifelong social, physical, and mental wellbeing.

Hawkins is delivering Auckland Airport's new Domestic Jet Terminal which will connect to the present international terminal, creating a smoother, more spacious experience for Aotearoa's future travellers.

# that is shaping the city



"when you look at big modern cities, they are all premised on having a well-functioning, efficient and attractive public transport network based on rail, generally.

"You will have new options for one-seat rides and if you do have to get off and change trains, it'll be seamless with easy transfers inside modern stations. We are getting a world-class transport system."

Baker says the upgrade of station neighbourhoods, the CRL itself and the CRL-enabled timetable will improve how the city grows and competes.

"Looking at all four CRL station precincts, one that is going to go nuts is Karangahape. It's one of our most iconic places in the city. It mirrors a lot of the funky, cosmopolitan parts of other big cities – like Fitzroy in Melbourne.

"I'm really looking forward to jumping on a train down the road from my place in South Auckland, exit the station at Mercury Lane, and head to St. Kevin's Arcade with its awesome restaurants and the other eclectic parts of Karangahape Rd."

Baker says the rail network will open up parts of the city that have been difficult to get to, and even forgotten. "In the area I represent, there's a bustling town centre in Pukekohe and people from the city centre will be able to get out there easily and explore other parts of the region."

The opening of CRL, 12 years in the making, means the trains will pass through the once dead-end Waitemata Station (formerly Britomart) and loop around a more accessible city centre underground, 42 metres below street level at its deepest point.

There are two new stations – Te Waihorotiu near Aotea Square with entrances on Wellesley St and Victoria St, and Karanga-a-Hape with entrances on Beresford Square and Mercury Lane. Beresford Square, Mercury Lane and the plaza on the eastern entrance to the Waitemata Station have been turned into urban-designed public spaces.

The CRL consists of twin 3.45km rail tunnels connecting Waitemata Station with the re-developed Maungahau Station in lower Mt Eden.

The renamed East West Line will join existing stations along the way and provide a direct connection from Swanson to Manukau via the city centre.

The South City Line connects South Auckland with the city centre, looping around the city via the brand new underground CRL stations.



The rail network will open up parts of the city that have been difficult to get to, and even forgotten.

Andy Baker, Chair of Auckland Council's Transport and Infrastructure Delivery Committee,

Three new stations are being added to this line between Papakura and Pukekohe – Drury, Ngakoroa and Paerata – to cater for the development of Drury into a city the size of Napier within 20-25 years, with a population of 65,000.

When CRL opens, travel from Henderson to mid-town Te Waihorotiu Station will take 35 minutes, a saving of 24 minutes on public transport; from Panmure to Karangahape Rd 21 minutes, saving 14 minutes; and Ellerslie to the same destination 20 minutes, saving 16 minutes.

There's no need to use a bus from the Otāhuhu Station to Karangahape Rd. And travelling from the Maungahau Station to downtown Waitemata will take just under 10 minutes

– about half the current time.

Stress testing the timetable and frequency has revealed network congestion at the Wiri, Otāhuhu and Westfield junctions, where freight and passenger services compete for track space. Westfield and Wiri could eventually be grade-separated.

"We'll tweak a few things before we run the simulation again in the April school holidays, to help us finalise a robust timetable and provide reliable services from day one," AT's director of public transport and active modes, Stacey van der Putten, told a recent meeting of the council's Transport and Infrastructure Delivery Committee.

The project agencies will have removed or improved 13 level crossings in different parts of Auckland ahead of the CRL opening.

Potter says CRL will double the number of people experiencing a public transport journey time of 30 minutes or less into the city centre by train, and this major infrastructure investment will deliver a significant return on the council's 50% stake in the project.

AT has increased its all-electric train fleet by 30% from 72 to 95 three-carriage trains to handle the additional capacity.

As well, AT is hiring more frontline staff, updating bus routes, developing

a new operating timetable, integrating the stations with their neighbourhoods, and updating wayfinding and customer information.

The final timetable will provide 16 trains per hour in each direction through the CRL and have the capacity to move up to 19,000 passengers an hour into the city centre in the peak periods of 7am-9am and 4pm-6.30pm during the working week.

All weekend services will operate on the off-peak timetable, as it does today, and will increase from every 20 minutes to every 15 minutes.

Potter says CRL is designed to carry up to 54,000 passengers in the future, supporting population growth for decades to come.

Moving that many passengers is a long-term prospect, and relies on investment in the wider network, such as longer platforms, extra tracks, more trains and train infrastructure, and level crossing removals – some of which is already under way.

The new CRL stations are all designed with long platforms for future nine-car trains.

To begin with, the final trains through the city centre are expected to run to around 11pm from Sunday to Thursday, and around 1am on Fridays and Saturdays.

The CRL stations will close over-

night after the last train for cleaning and maintenance. But they will re-open before the first morning service – around 5am on weekdays and just before 6am on weekends.

The fares and zones will stay the same after an average 5.1% increase early last month. A one-way train trip from Pukekohe to any CRL station will be \$7.90, from Swanson or Papatōetoe \$6.50, and Panmure/Otāhuhu \$4.90.

A quick trip from Kingsland into the city centre will cost \$3.

And for everyone using an AT Hop card, there's weekly cap of \$50.

So, will the CRL live up to expectations?

"People are looking forward to it, judging by the number of inquiries we are getting," says Potter. "The most common question is: 'When does it open?'"

"We will open the doors in the weeks leading up to the opening for public viewing of the CRL stations, and they can see how it works."

Potter says the CRL has provided a legacy of thousands of men and women bringing their skills and energy to make it happen. It's been the most complex – and biggest – transport project undertaken in New Zealand.

"The public will be impressed with the quality of the stations and how easy it is to get around. I think they will be very proud of CRL and it will become part of their life."

Baker says the city centre is coming alive again. It's been through challenges and hard times – the Covid pandemic and the disruptive CRL works – but it's over now.

"I was talking to a hotel operator about the Military Tattoo being in town and he remarked they experienced their best weekend ever in February.

"There are 35,000 people living in the city centre, the universities are full, the convention centre has opened, and events are taking place at Wynyard Quarter and Aotea Square.

"Each area of the city centre has its own theme, such as mid-town with its arts and learning and CRL will enable people to rediscover the city and get the vibe," Baker says.

"CRL is more than just getting workers into the city centre. Melbourne's has become a tourist attraction in its own right. CRL brings us into line about how we live and operate as a true international city."

● Auckland Council is a sponsor of the Herald's Project Auckland report.

## PROJECT AUCKLAND 2026

# An innovation story

**A**uckland Council is getting ready to tell the story of its emerging central city innovation district and its exciting opportunities.

The shape of the district is like a koru and can lead Auckland to becoming a truly internationally-recognised technology hub, like Sydney Tech Central or Toronto-Waterloo.

The koru is a spiral symbol based on an unfurling silver fern frond. It represents new life, growth, strength and regeneration, and hope for the future.

The council hasn't yet decided on a name/brand for its technology offering but is evolving a connected city centre of entrepreneurial businesses, seed to venture funding, research and commercialisation, design and engineering, and talent.

Pam Ford, general manager of the council's Economic Development Office, says, "Our role is to keep making Auckland a great place to live and work and provide quality jobs. A lot of it is in the storytelling, as we have the ingredients."

She says technology is where Auckland shines and there are already many exciting companies across the region.

"The sector contributes 56% of New Zealand's technology gross domestic product and 65% of early-stage investment. Out of the top 200 tech firms, 110 are based in Auckland, and there are 900 start-ups.

"We are talking about the people behind the companies – these leaders, engineers, designers and entrepreneurs are special, and we have to create the conditions for them to thrive and attract the talent they need.

"We know from other cities that if you have a concentration of characters that make up an innovation ecosystem, then it's easier for international investors and talent to tap into and be part of exciting new companies and research.

The koru begins with Wynyard Quarter, which in 10 years has become a bustling innovation precinct, driving \$424 million gross domestic product a year. It began with GridAKL as a home for energetic technology and digital start-ups and a meeting place for ambitious entrepreneurs.

GridAKL was soon surrounded by the Media Design School, the New Zealand offices of Google, Datacom, Fonterra, Microsoft and IBM, and most recently, became the headquarters of engineering and consulting services firm Beca.

Software company Medtech Global, with 15,000 licensed users logging in daily to its practice and patient management system, has also taken a Wynyard Quarter address.

The Migrants in Tech programme began with 50 people meeting at GridAKL every two months. Now membership has grown to 1500.

"The Wynyard Quarter has really become a thriving community," says Ford.

Moving from the quarter along the waterfront and lower downtown, the koru takes in venture capital funders NZ Growth Capital Partners and Bridgeway Ventures, and reaches Parnell with the Icehouse and Icehouse Ventures, along with Outset Ventures, the birthplace of Rocket Lab and LanzaTech.

On to Newmarket and Grafton, we have the research hub Medtech-iQ Tāmaki Makaurau, technology educator AcademyEX, and the Auckland office of Asia Pacific engineering, design and advisory firm Aurecon.

The University of Auckland has taken over the 5.2ha site formerly owned by Lion Breweries and is turning it into the Newmarket Innovation Precinct, with development plans that will make this a world-class place for innovation.

Further university research hubs such as the Bioengineering Institute,

Auckland has all the ingredients to tell the story of world-class creativity taking place in the region, writes **Graham Skellern**



We are an exporting nation and we want to export amazing goods and services as well as being an importer of talent and investment.

Pam Ford, general manager of Auckland Council's Economic Development Office

the Centre for Innovation and Entrepreneurship, and the Space Institute are likely to move to the precinct.

The Newmarket precinct has large-scale engineering and science research facilities and is home to more than 40 early-stage companies that have raised nearly \$21m in capital.

Further along the way is a new development area in lower Mt Eden, spurred on by the rebuilt Maungahau Station, a key connection for the City Rail Link network.

The koru then loops into mid-town and the core education campuses of Auckland University of Technology and the University of Auckland, with their commercial arms AUT Ventures and Uni Services, which will be moving to Newmarket.

"I can envision that in 10 years' time central Auckland will be internationally-recognised for the innovation and smart companies coming out of it," says Ford. "To be globally ambitious, we need to have a strong innovation story to take to the world."

Further afield, there's more innovation at Grid Manukau, the Food-Bowl near the airport, the Reserve Tāmaki hub in Glen Innes for local start-ups, and the Te Puna Creative Innovation Quarter at Henderson.

Ford says the Auckland region has pockets of industrial precincts such as Rosedale, Silverdale, Wairau Val-

ley, Rosebank, Penrose, East Tāmaki (home of the country's biggest technology company Fisher and Paykel Healthcare) and Māngere around the airport.

"These precincts have amazing firms involved with advanced manufacturing and transport and logistics, and we are seeing more disruptive technologies emerging," says Ford.

Auckland wants to rival Sydney Tech Central in Australia and Toronto-Waterloo Corridor in Canada. Tech Central is a 6km sq precinct near the Sydney central business district, with the highest concentration of venture capital and technology businesses anywhere in Australia,

supporting a \$42 billion economy and 100,000 workers.

The New South Wales Government committed A\$38.5m in its 2025-26 Budget to further convert Sydney's cluster of high-performing industries and institutions into a world-class, integrated innovation ecosystem.

Businesses in Tech Central have access to more than 160,000 students and 150 research institutes and centres of excellence, including Sydney University, University of Technology Sydney, Nanoscience hub, Australian Centre for Robotics and Biomedical Accelerator.

That sounds very familiar to the emerging Auckland innovation story.

Toronto-Waterloo is a 105km road and rail corridor linking 26,000 tech companies, including 5200 start-ups and some 373,600 employees in high-tech industries. The innovation corridor is the third-largest technology cluster in North America and contributes C\$476b (\$600b) to the Canadian economy. The corridor has Canada's largest engineering school, the top three computer science programmes, and six business schools.

With more than 10.7% of the total workforce employed in tech, the corridor has a similar talent density to Silicon Valley and greater density than New York or Boston.

Auckland Council is developing a refreshed economic development strategy that focuses on future industries and future jobs – the last one was written in 2012.

"We are looking at what the council can do to enable economic growth, for businesses to be more resilient against climate change and technology changes, and to be globally ambitious," says Ford.

"No doubt, there will be an acceleration of new technologies in artificial intelligence, quantum computing, energy, and robotics. There are great things going on at AUT and Auckland University.

"As an economic development office, we need to consider the levers of council that could support the innovation sectors and companies. We might be able to develop working spaces and precincts, work on industrial zoning and rates, provide mayoral support in advocating to Wellington, and create international connections."

Auckland mayor Wayne Brown has placed an importance on economic development. Last year he announced the Auckland Innovation and Technology Alliance and a leadership group to drive the city's ambition to become a globally competitive innovation and technology hub.

"We've got the ideas. We've got the talent. What we've lacked is co-ordination and a city that truly enables innovation to scale," said Brown at the time. "This group is here to fix that – backing innovation that delivers real results for Auckland and lifts the whole country.

"When I launched the alliance, I made it clear that this isn't another talk shop. It's a delivery-focused team of proven Auckland leaders who know how to cut through and get things done," Brown said.

The leadership group includes Auckland Tech Council founder Simon Bridges, Auckland University vice-chancellor Dawn Freshwater, the first Chief Science Adviser to the Prime Minister Sir Peter Gluckman, Spark chief executive Jolie Hodson, Tech New Zealand chief executive Graeme Muller, Outset Ventures co-founder Mat Rowe and AcademyEX founder Frances Valintine.

The economic development office has had some recent wins. Last October the council hosted the first Auckland Startup Week, where innovators, investors and corporate partners met and connected. There were 32 events in 10 venues in the city centre, with 4200 participants – double the expected number.

Representatives from Auckland's sister cities Denver and Fukuoka attended. "The startup week plays an important role in us being internationally connected and recognised as a tech hub," says Ford.

The council plans to stage the week-long event for the next three years at the same time of the year.

In conjunction with the University of Auckland, the council has run the Digital Manufacturing Light programme to equip small and medium-sized manufacturers with practical digital tools to improve productivity and workforce capability and build long-term business resilience.

The programme caught the eye of the Government, which is now funding up to \$475,000 a year over three years to support at least 180 manufacturers across Auckland, Waikato, Northland and Bay of Plenty.

Participating businesses receive an assessment of their digital needs, guidance on selecting the appropriate technologies, assistance with installation and training to support effective use of the technology on the factory floor.

Business resilience became a key theme following the 2023 Anniversary Weekend floods, which, according to insurance company Aon, caused an economic loss of \$5.5b.

# to take to the world

The council developed ClimateWise, providing free tools and resources for businesses to prepare for climate-related events and reduce their risks. This is being rolled out through banks and insurance companies.

Ford says a pizza business, for example, lost all its receipts during the flooding, which became a nightmare for its tax returns at the end of the financial year.

The council is fostering the Amotai supplier diversity programme, matching Māori and Pasifika business (the suppliers) with large contractors and projects (the buyers).

"Amotai provides huge opportunities for indigenous trade connections and opportunities," says Ford.

McConnell Dowell, which is a founding member of the Amotai network, engaged locally-owned businesses on the Puhinui Station Interchange project, resulting in procurement totaling \$730,000.

McConnell Dowell partners Amotai on all its New Zealand projects and provides mentoring to upskill businesses and their activities.

The council wants to take advantage of the Free Trade Agreement with India and build stronger technology relationships with cities such as Ahmedabad and Bangalore. A mayoral visit is expected later this year.

"As our mayor says, 'this is business between cities'. India provides a lot of opportunity – it has gross domestic product growth of 7.8% – and we want to open up new connections," says Ford.

"We have Auckland companies like Fisher and Paykel Healthcare and Rakon based in India, so it's not quite



The Newmarket Innovation Precinct is shaping up to be a dynamic place for a wide range of research, development and commercialisation.

Photo / Auckland University

new territory. We'd like to explore how GridAKL can build partnerships with innovation centres in India."

Ford says China is still important as the country's largest trading nation and Australia is critical with good friends in the sister city of Brisbane. "We've told them they have to whip

over for the State of Origin (rugby league) match next year.

"We are talking with other cities such as Helsinki, which has a very active technology and innovation scene, about how to tap into European funding such as Horizon Europe that could help Auckland."

Horizon Europe is the European Union's key funding programme for research and innovation, with a budget of more than \$NZ186b, and New Zealand is an associate member.

The Auckland innovation network will soon be boosted by the opening of the New Zealand Institute for Ad-

vanced Technology, which is currently recruiting a chief executive.

The institute, replacing Callaghan Innovation, is the country's fourth public research organisation and a cornerstone of the Government's goal to grow a high-tech, high-value economy. It will connect researchers, industry and investors, and the Government is funding major investments in a science platform focused on future magnetic and materials technologies, along with accelerating artificial intelligence research and commercialisation.

These initiatives aim to strengthen New Zealand's capability in advanced technologies and unlock new economic opportunities across sectors such as health, energy, transport, and the space industry, the Government says.

"We have no shortage of amazing entrepreneurs and incredible new ideas. We have the emerging Newmarket Innovation Precinct, the maturity of Wynyard Quarter, the new Institute of Advanced Technology, and the opening of City Rail Link will unlock new development areas like Maungawhau-Mt Eden," Ford says.

"I'm thrilled the region is coming out of the recovery stage, following Covid and the floods, and I'm looking forward to our stories being told.

"By being bolder and more ambitious, Auckland can land on the international stage as it deserves to be," says Ford.

"We are an exporting nation and we want to export amazing goods and services as well as being an importer of talent and investment."

● Auckland Council is a sponsor of the Herald's Project Auckland report.

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## PROJECT AUCKLAND 2026

# Auckland has bones to be

**Erica Lloyd** looks inside Auckland's rising deep tech hub, from Rocket Lab to stellar startups

**W**e all know the first rule of Fight Club. Don't talk about Fight Club. The same can be said of technology ecosystems. If you are one already, you're likely way too busy with hustle and scaling awesome businesses to be talking about being one.

Over the past 15 years there has been a lot of talk about ecosystems here in Auckland. Strategy decks. Panels. Working groups. I've been on some. Lately, though, I've noticed the word is being bandied about a little less. I hope this means that operators are getting on with the doing.

There is a globally debated, though accepted, recipe for what it takes to build a solid technology sector and startup hub. Auckland now has some of the key elements lining up nicely. Not all. Some are fixable. Some are on their way. And a few structural chasms that will take time to bridge if we ever can.

**Where Tāmaki Makaurau is now**  
On the tick side of the ledger, we have real companies. Xero, Rocket Lab, Fisher & Paykel Healthcare leading the charge. These are globally



recognised firms with meaningful scale, strong execution track records and real economic contribution. They demonstrate, unequivocally, that globally competitive companies can be built from Auckland.

We have early-stage capital that simply did not exist a decade ago. Icehouse Ventures, GDI, Outset, Bridgewest and more.

NZ Growth Capital Partners (NZGCP) sits behind them as the fund of funds, committing roughly \$250 million and backing more than 160 companies, with a further \$100m from the New Zealand Super Fund last year. Plus a clear and stated mission to invest \$5 billion in five years.

Auckland's tech sector contributes 56% of our GDP at \$18.1b. The city houses more than 55% of the

country's tech startups, alongside the highest concentration of angel investors, venture capital, private equity and incubators.

Deep tech investor Mitali Purohit says Auckland has carved out a unique global identity as a tech hub.

You can see that starting to form. Pockets of density. Space. Agritech. Fintech. Cleantech. Super-early clusters where some startups sit close to capital, and alongside high-value manufacturing capability.

But there are unseen niche enterprises tucked away in industrial parks of Albany, Glenfield and Ōtāhuhu doing crazy things with hydrogen, carbon, plastic waste.

**Auckland is always contradictory**  
But there is a vibe-change afoot. You can feel it is the way conversations

are short-handed, and shared knowledge and in-group language are tossed about at meet-ups. On group chats. There are events and startup specialist media.

As an Aucklander, I think of my hometown as relatively sprawly, a little chaotic. For offshore investors, Auckland works because everything is in one place.

The feedback is consistent. They are surprised by the quality of innovation and the proximity of it. That is starting to convert into capital. Through migrant investor flows, capital has already landed into companies like Quantifi Photonics, Wellumio and Hectre.

Plus, hooked-up and motivated returning Kiwis are starting to come back. A standout is ex-Facebook Marketplace product leader Bowen Pan, who is giving the ecosystem a real shot in the arm.

It's patchy, but it's warming up. The more important shift is behavioural. More exchange with offshore hubs. More focus on sectors where distance doesn't matter and increasingly where it does, but is outweighed by capability and an acceptance that global mobility is ticket to the game.

Geography becomes less relevant. Capability becomes the question. And on the ambition front, there is no structural reason why Auckland can't compete.

The limitation, as with everything in our city or country, is scale.

Outset Ventures back founders whose ambitions are massive. Think fusion. They also have a flywheel in motion and an uncomplicated ask: for Auckland to be the place where people live and grow.

The venture capital (VC) itself has

grown five times bigger in seven years and Parnell-headquartered Future House is the real deal in terms of a startup enabler and hang-out.

With LanzaTech's Dr Sean Simpson on the board alongside Sir Peter Beck, the VC and their founders have a direct link to companies that have already scaled globally. LanzaTech alumni have spun out others, Will Barker's Mint Innovation to recover precious metal from electronic waste, Avertana, Ternary Kinetics and agritech startup BioConsortia.

One company becomes several. Talent, capital and experience carry through. The next company starts further ahead. This is how it works.

And then there's the draw of the city itself. Skinny as a shoelace draped across 53 volcanic craters and cones, the Waitemata and the Manukau pressing in on either side, Tāmaki Makaurau is breathtaking. Even better from the water.

And slowly, finally, it is all wiring up. The City Rail Link has been grinding along Thomas the Tank Engine-slow, but it's happening. My town is getting flow. Becoming greener, more walkable, more cyclable. With more appealing places to be and live – if you can afford it.

Urban appeal alongside and access to the outdoors is what we offer. In the global arm-wrestle for specialist tech talent and investor capital, it has to be the combination, says Angus Blair, of Outset.

**Knowledge-based engines**

Will Charles has been fighting the good fight for more than 20 years at UniServices. The executive director of investments describes our

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# a global deep tech force

ecosystem as more built than it looks – but not yet scaled.

UniServices sits at the centre of the University of Auckland's commercial engine, linking research to industry, capital and company creation. Around it is a deliberately constructed system: the Centre of Innovation and Entrepreneurship develops capability and mindset across students and researchers, while the Newmarket Innovation Precinct and Medtech IQ provide the physical space to turn ideas into companies.

The pipeline is not accidental, it is triaged and trained through.

Its \$40m Inventors Fund supplies early "get going" capital, backing scientists as they move from lab to startup. And it has its fingerprints on many of the companies we identify as real players today.

The opportunity set is broad but backed-up: chemistry, physics, engineering, energy, medtech, space, geothermal, hydrogen, infectious disease and AI. The shift, Charles says, is cultural as much as anything. More PhDs are now choosing to build companies, not just publish papers.

But the constraint is our constant bugbear. Auckland starts companies, then struggles to scale them. The gap is human capital, says Charles, and we see this all over the place.

There not enough people here who have taken a company from \$5m to \$50m, let alone to \$1b.

Orion Health did. It was one of Auckland's first globally-scaled tech companies, building health data systems used worldwide and creating a generation of experienced operators who now feed back into the ecosystem.

Ian McCrae is building again, with AI through McCrae Tech. He's clear on what has shifted for him. "We used to be fearless, like we could take on the world. Guys like John Britten and Bill Buckley led the way." And on whether Auckland can back itself and become the tech centre we hope it can, he says, "There is no reason why not. We will if there is the will."

## The flywheel (and the scale problem)

On the cross side of the ledger, it all comes back to the flywheel. Or more precisely, the absence of it. The flywheel is the key to sector creation a la LanzaTech. A self-reinforcing loop where one success makes the next one more likely, cheaper and faster.

Rocket Lab is our stand-out. Sir Peter Beck put New Zealand on the map in space. As importantly, it has started to spawn. The company has fuelled a generation of engineers and operators. And it drags us all forward. A can-do signal that we can deliver deep tech, not just talk about it.

Right now, we have a couple of



Tucked away in Mount Eden's leafy suburb while locals are in a white-fisted battle over villas versus verticality, Dr Malcolm Snowdon is building rockets. His approach is the "shut up and build" school of engineering.

whales. We need 10, 20, 100.

What matters is not just creating these companies, it is the exhaust, if you like. Talent that has seen scale and understands what good looks like at global level.

Right now, Auckland is somewhere between generation one and two. We've proven it can be done. It doesn't quite feel normal yet.

## Build a rocket near a volcano

Someone doing the doing is Dr Malcolm Snowdon. He is ex-Rocket

Lab employee number eight and my former colleague at Zenno Astronautics. We worked together to bring space technology based on high-temperature superconducting magnets to market.

Tucked away in Mount Eden's leafy suburb while locals are in a white-fisted battle over villas versus verticality, Snowdon is building rockets.

His approach is the "shut up and build" school of engineering. Stellar Kinetics is his company, and his small team are building orbital launch vehicles for Europe and Asia-Pacific.

Right now they have a contract in place to export a rocket to Malaysia as it develops its space programme. Other commercial customers are in play. His focus is speed and capital efficiency. Months to launch, for less than one million euros, compared with programmes that take many years and require hundreds of millions in capital.

He'll stay here too, Auckland works for him. Snowdon sails, climbs mountains and sees no obstacles to growth with access to strong local engineering capability and space

Urban appeal alongside access to the outdoors is what we offer. In the global arm-wrestle for specialist tech talent and investor capital, it has to be the combination, says Angus Blair, of Outset.

launch geography.

Will he succeed? It's high risk – what isn't these days? He's a fierce engineer and he's already had a couple of previous spills. This time around, he is ready. Snowdon's business was global from day one and he has no interest in waiting around for government procurement.

His plan aligns to the practice of an aggressive revenue-first discipline. Validate demand with paying customers so you are utterly certain that what you are building is what the market actually wants.

Compress time and cost. Shorten build cycles, target months, not years. Drive capital efficiency as a competitive advantage.

Snowdon has given employees an exciting mission to chase and equity from day one. They're incentivised to work beyond the reasonable, as he does. This is broad participation, not just reserved for the founder.

To make it work, we absolutely must have a cheaper, clearer system for Employee Stock Option Plans (ESOP) that are not tangled up in tax.

Mehran Gul, a leading thinker on innovation out of the World Economic Forum, has been clear on this model. Yes to simple ESOP. Plus backing fewer companies, but backing them properly. Focus on outcomes.

He sees that the way to go is to do whatever it takes to generate more startups. By attracting the best talent is how the unicorns will emerge. And when they do, keep them here as long as possible, even if they have to list offshore. Hold them. NZGCP are aligned here.

Gul is less fazed about R&D levels but calls for simplicity in system and notes that New Zealand has reputation on our side. Trust can be our currency.

We can't win on scale. We can win on trust. This under a growing distrust of big tech and its trillionaire founders. We know who they are on a first-name basis. There is a creep factor in the concentration of power that has overreached. We can do better, we have decent values and a technology community aligned around them. Trust as a catalyst.

## Deep tech for the win

AI is eating software and that's not all, which is why a deep tech focus matters even more now.

Deep tech is science, engineering and hard infrastructure, things that take time to build, are difficult to replicate, and create a deep and defensible moat.

And in New Zealand, we are damn good at it – and Auckland has a notable concentration. Global technology is shifting into AI, quantum computing, space and sovereign capability. Geopolitical uncertainty has accelerated demand for hard assets. Auckland has the bones.

## Why right now?

New Zealand has underperformed in productivity and GDP per job for a long time. Other economies have done a better job converting science into commercial technology and frontier companies.

Arama Kukutai (Waikato, Maniapoto, Te Aupōuri) is a California-based investor. He co-founded Finistere Ventures, has led and governed companies across Silicon Valley, the EU, Israel and New Zealand. He recently joined the founding board of the NZ Institute of Advanced Technology, part of the Government's science and technology reset, which, as we are the epicentre of this activity, will be based in Auckland. Another win.

He points out that while science reform may not capture political attention, it signals the need to extract more value from public research. New Zealand is lagging in investment, value capture, and the creation of high-value jobs and companies.

The constraint is increasingly cultural and structural. Too much bureaucracy. Too much friction between public and private sectors. For a small economy, we are not agile enough.

There is also a significant opportunity to expand Māori participation in the tech sector, both in entrepreneurship and private investment. This will be a massive change, given the historical focus on primary industries and property.

It is in the air. Tāmaki Makaurau is rising. Te Rūnanga o Ngāti Whātua now has CEO Renata Blair at the helm.

Recently returned to his iwi after a corporate career, Blair combines his skills of te ao Māori with extensive knowledge of the business world. Technology investments and the decision to harness AI by controlling their own data from end to end will play a strategic role here.

In his own words: "Nau mai e te āwhā. Run towards the storm."

● Erica Lloyd is the Executive Producer Launch for Herald NOW Business. Disclaimer: Erica Lloyd is an investor in Zenno Astronautics and advises early-stage companies.

## B BUSINESS REPORTS

**PROJECT AUCKLAND** is one of a series of eight premier Business Reports published annually in the New Zealand Herald.

These reports are premier, business-to-business publications providing critical sector insights alongside robust informed content and commentary about issues that matter to NZ businesses. The reports canvas the views of Cabinet Ministers, business leaders, and business organisation chiefs.

This sits alongside expert commentary from respected thought-leaders through interviews and in-depth articles written by the Herald Business Reports team.

The reports are distributed within the Herald and the editorial content is carried online at [nzherald.co.nz/business](https://nzherald.co.nz/business).

## PUBLISHING CALENDAR FOR THE BUSINESS REPORT SERIES 2026:

Project Auckland	Published
<i>To coincide with the annual Project Auckland luncheon</i>	
Capital Markets & Investment	Thu 14 May
<i>To coincide with the INFINZ Awards</i>	
India Report	Thu 18 Jun
Agribusiness & Trade	Thu 23 Jul
Infrastructure	Thu 20 Aug
<i>To coincide with Infrastructure NZ's Building Nations Summit 2026</i>	
Mood of the Boardroom	Thu 22 Oct
<i>To coincide with the Mood of the Boardroom breakfast and finance debate</i>	
Sustainable Business & Finance	Thu 12 Nov
Dynamic Business	Thu 3 Dec
<i>To follow the Deloitte Top 200 Awards</i>	

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## PROJECT AUCKLAND 2026

# Time to start spending on 'the poor cousin'

Proactive maintenance could protect Auckland from the next big weather hit, Downer's managing director Murray Robertson tells **Andrea Fox**

**D**owner NZ managing director Murray Robertson says proactive maintenance of the infrastructure we already have is "often the poor cousin because there's no exciting ribbon-cutting" but it alleviates big spending, delivers greater value to ratepayers and goes a long way to improving how infrastructure stands up to challenges.

Downer designs, builds and maintains assets, infrastructure and facilities, providing integrated infrastructure services in Australia and New Zealand.

In New Zealand it serves many infrastructure sectors, including transport, energy and utilities, social infrastructure and citizen services, and rail and transit systems.

Listed on the New Zealand and Australian stock exchanges, the company was founded in Wellington in 1933 and is one of this country's biggest employers, with 8000 staff working across 190 country-wide locations. Subsidiary Hawkins delivers civil construction and infrastructure projects.

Robertson says a new infrastructure resilience index report produced by Downer NZ and NZIER shows the stronger the focus on proactive maintenance, the less shock effect on infrastructure.

With infrastructure underpinning every part of Kiwi daily life from keeping the lights on and roads open, to ensuring clean water and reliable connectivity, and with climate events intensifying, the company was prompted to commission NZIER to produce the New Zealand Infrastructure Resilience Index. This provides a national baseline for how well our systems can absorb shocks and recover from stresses and where investment will make the biggest difference.

Index scores showed Auckland and Northland as the most vulnerable regions for infrastructure resilience, meaning a high likelihood of severe disruptions in the event of a shock. Electricity was Auckland's weakest link with limited local generation and frequent connection faults, with road condition only moderate.

Robertson says many people toil behind the scenes to maintain networks and ensure they stand up.

"It's often, as I said, the poor cousin in that it doesn't necessarily get the recognition. But it's so important for the betterment of an urban environment particularly, but also rural."

He believes New Zealand's delivery of infrastructure maintenance is "world class".

"We have a huge amount of depth and capability and good programmes. There's always areas for improvement – and I think that's a collective responsibility.

"Obviously there are different models that get put in place and we move between different contractual models to deliver that.

"There's always going to be a level of competition between how work is funded either from capital or an operational perspective, capex versus opex. The way we deliver maintenance services is seen as a key part of the business.

"We have people who've dedicated their entire careers to delivering maintenance."

Robertson says more regular and significant weather impacts in the past five years "are starting to shine a light on some of our networks. That's started to bring that to the attention of the public.

"When things are going well, no one is looking at it.

"As a contractor to provide emergency response in that space, we are seeing there's real concern for communities that are cut off through



**Flooding in Queen St last year was caused by a burst water main.**



There has to come a time, particularly in centres like Auckland, where we actually need to start paying for that infrastructure on a user-pays basis in some shape or form.

Murray Robertson

these events. We saw that in Auckland with the flood events. I believe it's a real concern and something that collectively needs to be addressed. On a positive note, it is being focused on with central government taking a proactive role ... there is a recognition for the need for proactive maintenance."

Also close to Robertson's heart is the importance of local infrastructure service delivery, which fuels Downer NZ's strong focus and investment in staff training, apprenticeships and upskilling.

"Continuity of work is really important," he says. "It's great that the scale of work now coming out of New

Zealand is attracting interest from overseas contractors. That's positive but it has to be balanced with the recognition that local companies are going to be absolutely critical to deliver that work, to deliver that continuity and then of course to continue to deliver that whole-of-life service in terms of maintenance."

This delivery requires continuous training and development of staff across the business through offering apprenticeships, cadet and graduate programmes to ensure continuity of the human resource.

"It's an ongoing responsibility for companies like ourselves and Fulton Hogan, who are really proactive in that space," Robertson says.

"If we were not doing that and thinking we're going to rely on the sort of fly-in, fly-out model, then New Zealand would be exposed. It's a role that can't be underestimated."

Robertson has high hopes that New Zealand is now setting "the pipeline" of infrastructure projects the sector has long called for to create more planning certainty.

"There've been a lot of really positive conversations in the last 18 months around setting the pipeline and also the focus around a bipartisan approach to key projects.

"There are always going to be movements around that with potential changes in government, but I think there's a general sense in the

market that a mature view needs to be taken to make sure projects are well-planned and funded.

"The importance of that from a delivery perspective is it allows large employers like ourselves to set those plans, set those training pathways and bring people in.

"A lot of the time you're actually moving people around within the country, they're being set up and they're forming connections within their communities."

Robertson says New Zealand is often criticised for having low productivity across the construction sector. "A lot of that has to do with the start-stop nature of the work. If we can see more continuity, whether that's in vertical construction or infrastructure, the greater productivity we have."

On another New Zealand bugbear, the often-cited yawning infrastructure funding deficit, Robertson believes the country needs to accept the Crown has only so much funding to go around.

"There has to come a time, particularly in centres like Auckland, where we actually need to start paying for that infrastructure on a user-pays basis in some shape or form.

"How that is determined will be up to central government. I think New Zealanders have always struggled with that approach. But I think it's about recognising that infrastructure has to be funded, that it is progressive. It will drive an economic return.

"We need to have a fair and equitable way of paying for that. It's going to be a combination of what the Crown's able to front up with versus how the users can contribute in some shape or form."

Meanwhile, Robertson says extreme weather events continue to bring the best out in the infrastructure services industry.

"I think I can speak for other contractors when I say we find in heavy weather events the industry responds incredibly well. I think the level of collaboration across clients and contractors in emergency responses is fantastic.

"When people go into that work they recognise it's going to be hard but they really enjoy it because it puts everyone's focus on essentially connecting communities and getting people moving safely."

Climate risk is definitely going to change the thinking in town and urban planning, Robertson says.

"It's really calling into question where buildings and infrastructure are being located if we are seeing that weather events are increasing the likelihood of flooding, for example, will further expose communities.

"It's definitely shining a light on key issues that are harder and harder to manage.

"That could be around coastline-related infrastructure. What was deemed okay 10 years ago may not be the case anymore.

"It's about having those tough conversations around where we should be locating communities and critical assets and key road arterial networks to make sure we are not replicating some of the challenges of the past. And learning from what these weather events are teaching us in terms of what we can realistically manage or deciding we have to actually accept that there needs to be a change of location and planning."

While climate risk is getting plenty of discussion, something that's not being talked about enough for Robertson is the loss of people from the infrastructure service sector.

"New Zealand always produces quality engineers and contractors but we do lose a huge amount overseas. There's a particularly fairly high draw of people going to Queensland right now because of what's been signalled as a large amount of work ahead of the next Olympics (in 2032).

"I think there's a lot of loyalty and focus from people in New Zealand but retaining key talent remains a real challenge for our industry."

It's not a matter of better pay across the Tasman, he says, it's about starting a conversation about having robust pipelines of work, being able to give assurance the work is there, that there is training and a career pathway.

"So there is confidence to remain in New Zealand, have careers and families and be part of communities and not be concerned that you relocate and then all of a sudden, the work disappears and you've got to find other options. It's giving people that – it is a growth sector."

● Downer New Zealand is a sponsor of the Herald's Project Auckland report.

# 'This year, it's all about delivery'



**Project Auckland**  
Grant Bradley

Take a look inside  
Watercare's \$13.8  
billion upgrade plan

**W**ith a \$3.4 billion debt capital raise behind it, a bond programme in international markets and new governance in place, Watercare is looking ahead to getting on with the country's biggest decade-long infrastructure programmes.

Watercare is now financially separate from owner Auckland Council, giving it the ability to borrow more to fund and smooth out the impact of a \$13.8b spending programme over the next decade. It is embarking on 13 programmes to replace ageing pipes and equipment and build new infrastructure for the city's growth, especially on its fringes.

In July last year, Watercare completed New Zealand's largest-ever corporate debt capital raise, securing \$3.4b in committed bank debt facilities, followed by a further \$400 million bond issuance.

A syndicate of major banks, including Westpac NZ, BNZ, Commonwealth Bank of Australia and Bank of China supported the transaction, following the Government's Local Water Done Well legislation.

Watercare chief executive Jamie Sinclair says the financial transformation and new oversight by the Commerce Commission allow the company to deliver on its business plan. "With the foundations now in place, 'this year for us is all about delivery' for the company, with an \$18b asset base, he says. Around 1000 different projects are being incorporated into the different programmes enabling a more co-ordinated and efficient approach to building.

"Moving from projects to programmes is probably one of the most significant changes we will be making as an organisation," says Sinclair.

More severe weather – both rainfall and drought – and population growth is putting more pressure on existing infrastructure.

Watercare is spending on average \$3.8m a day with around half that on upgrading its existing network and the remainder on new infrastructure.

"I think everybody would accept that we've got an infrastructure deficit in this country and certainly water is an example of that," he says.

"A lot of our assets are coming towards the end of their lives. So it's about not ignoring what we have, it's getting out and showing it a bit of love."

Watercare's network stretches from Wellsford to Tuakau, serving around 1.7 million people now. It forecasts population will grow by 215,000 in the next decade.

Its flagship project, the \$1.6b Central Interceptor, (CI) is nearing completion with the two parts of it connected around the middle of the year.

Sinclair says although it doesn't attract the same headlines as projects such as the City Rail Link or the NZ International Convention Centre, it will be transformational for the city. It has already made a difference.

The southern section of the main CI tunnel went live in February 2025 and Watercare say it has so far prevented spilling of an estimated 450,000 cubic metres of combined wastewater or stormwater. That's the equivalent volume of a 20-storey (64m) building covering Eden Park.

The two halves of the 16.2km tunnel from Māngere to Point Erin in



The micro tunnel borer breaks through at Victoria St East after laying a new wastewater pipe under Queen St.



A crew member works on relining 6.2km of wastewater pipes in Beachlands and Maraetai.



We have a suite of  
another 11 programmes  
that are equal to or  
greater in size or  
complexity to the CI –  
that's the sort of scale  
we're talking about.

Jamie Sinclair



Watercare smart network engineer Kevin Ang is leading the roll out of smart sensors in the wastewater network.

Herne Bay will be joined around July and go live. But Sinclair points out that it's part of a much wider programme of network improvements.

Importantly, the CI enables the

\$876 million Waitemata Water Quality Improvement Programme, a joint initiative between Watercare and Auckland Council to significantly reduce wastewater overflows and re-

## Watercare snapshot

- Serves 1.7 million Aucklanders
- NZ's largest water utility
- Spending nearly \$14b over 10 years (that's \$27m a week)
- 18,000km of water and wastewater pipes
- Average household spend last year: 0.89% on water services
- Total revenue last year: \$1.158b, with a surplus of \$82m.

duce the amount of stormwater entering the wastewater network in some of the oldest parts of the city, which includes Waterview and Pt Chevalier through to Herne Bay in the north, down to Lynfield and Hillsborough in the south.

And Sinclair says other programmes now under way or planned are in the same ballpark and even bigger.

"We have a suite of another 11 programmes that are equal to or greater in size or complexity to the CI – that's the sort of scale we're talking about."

It is spending more than \$1b on the upgrade of its Māngere treatment plant, which serves about 1.3 million people; \$600m on its Rosedale plant on the North Shore, which will incorporate new solid waste during technology and process; and the cost of upgrading its Huia water supply infrastructure may well top \$2b.

One of the big issues facing Watercare will be expanding water supply to meet growth. A desalination plant is a possibility.

A more co-ordinated approach will reduce the time it takes for big programmes to come on-stream. The CI will end up taking close to 20 years from concept to opening and Sinclair says more time dedicated to front-end planning will reduce the duration of future projects.

"Having that integrated programme will really help because then you can co-ordinate works a lot better.

"It's being smarter with the procurement approach, getting a lot more done up front to help speed up construction."

Working more closely with other bodies, such as Auckland Transport, will help avoid digging twice on local projects and cut the time the dreaded road cones are deployed.

### Responding to change

While housing intensification policies by central government have been fluid, Watercare works on its own population projections. Because of that, it has had to warn developers and builders that connections can't be currently guaranteed in some areas due to pressure on wastewater plants.

Sinclair says there is targeted work

to improve responsiveness to the developers.

"In particular, it's being clear about what our policy is, our approaches, so that they can have some confidence.

"We aren't always going to be able to satisfy everybody in terms of being able to address development that is out of sequence with our plan."

Watercare's infrastructure can be in place for up to a century.

"At the moment, we've got quite a large number of private plan changes and fast-track applications that will affect the way in which development will happen and we need to be responsive to that. So that does create a challenge because of the long-lived nature of our assets."

Watercare has offered support to the owner and operator of Moa Point in Wellington, where a major failure resulted in sewage spilling into the sea. Sinclair says the incident has reminded people of the importance of infrastructure most don't think too much about – until something goes wrong.

"People just assume it's there and it works. We work really hard behind the scenes to make sure that it does always work 24/7. But the more people are aware of it, the more they have an understanding of what goes into maintaining and looking after these critical assets."

Sinclair says his company is watching for fallout from the war in the Middle East.

Watercare gets chemicals from, and equipment shipped through the area, and its vehicle fleet is a big fuel user.

"Any sort of pressure around that pricing is going to have an impact on us."

Watercare's multi-year bond programme is now exposed to more global risk.

"There's more variability, more uncertainty in the market, which has the potential to price in more risk – but we haven't felt that yet."

Under its new governance structure, pricing is now regulated by the commission, which assesses and reports on its performance regularly.

### Commission representatives attend board meetings

"It's a new mindset of transparency, which is really good," says Sinclair. "I think there's an adjustment period."

Like other regulated utilities, the commission sets a revenue cap through a series of rules around a return on capital or return on equity, he says.

"We just want to make sure that the settings are set up right at the beginning, because the cost to Auckland if we get it wrong is quite material."

In its initial report last November, the commission said "existing key measures and targets that Watercare uses to inform its stakeholders show it generally meets or exceeds its performance targets".

Noting wastewater overflows, it added: "In the coming year we expect to work with our co-regulators to ensure investment in reducing overflows delivers the best possible value to consumers and that Watercare demonstrates this in a way that we can all understand."

Sinclair says there'll be an 80% reduction in overflows within the catchment of the Central Interceptor and, although heavy rain can always mean stormwater enters the system, it's something the 1400 staff are working hard to improve.

"I can see in the next few years a really significant reduction in the environmental impacts caused by our network."

Watercare will announce its prices for the coming year in May, after its 7.2% rise for current users in the past 12 months.

● Watercare is a sponsor of the Herald's Project Auckland report.

## PROJECT AUCKLAND 2026

# The right mix for success

Diversity is a productive asset for a globally-competitive city, says growth expert

Tim McCready

**A**nna Kominik wants Auckland to be known as a city that proves you can build a globally-competitive, high-wage city that is also a great place to live in.

She says that too often, the growth conversation gets framed as a contest between business interests and community wellbeing. "And yet, higher wages, better public services, and stronger infrastructure are not casualties of growth. They are its point."

A director and lead adviser of Growth New Zealand, Kominik believes Auckland's genuine points of difference are compelling.

"It is one of the most ethnically diverse cities of its size anywhere on Earth. We have a Māori economy growing faster than the broader New Zealand economy, representing a distinctive model of indigenous capitalism that the world is increasingly admiring. And we have a disproportionate track record of producing world-class companies."

Kominik says that connecting all this is Auckland's diversity, which she says is a productive asset, not just a social virtue. "Cities that unlock the full creative and economic potential of all their people consistently

outperform those that do not."

Yet when set against globally ambitious peers such as Vancouver or Singapore, Kominik says Auckland is still searching for clarity.

"I am not sure Auckland has decided what it wants to be yet. And that indecision has a cost, not just economically but socially."

Cities with a clear sense of identity, she argues, build civic confidence – a shared story that attracts talent, earns trust, and sustains the long-term commitment that ambitious transformation requires.

"That settled sense of collective purpose is itself a form of capital, and Auckland is still accumulating it," she says.

The recent economic data reinforces that challenge. Auckland's GDP per capita declined in the year to March 2024 and likely again in 2025 – the first sustained per capita contraction since the global financial crisis.

"Those numbers are not abstract for the Aucklanders forced to make harder choices about food, housing, transport, and healthcare," she says.

"Economic stress does not stay contained – it erodes the trust, the reciprocity, and the everyday civic participation that supports communities and prosperity to flourish."

Infrastructure gaps compound the issue. Kominik points to delays in rapid transit, long-running uncertainty over the port, and a shortage of growth-stage capital that pushes successful companies offshore.

Against that backdrop, she argues Auckland needs to treat growth as a system rather than a set of isolated fixes.

"You cannot fix capital markets without fixing talent. You cannot re-



I am not sure Auckland has decided what it wants to be yet. And that indecision has a cost, not just economically, but socially.

Anna Kominik

tain talent without fixing housing. You cannot attract globally ambitious founders without the infrastructure that makes a city worth living in."

She points to several priorities:

- Infrastructure: "Productive cities are built around public transport as

the physical backbone that makes everything else possible," she says, urging delivery of the City Rail Link and faster decisions on the next stage of rapid transit.

- Capital: Auckland firms are hitting a ceiling at Series B capital raising, often forced offshore to scale. Redirecting even a small share of New Zealand's \$110 billion in KiwiSaver into domestic growth companies, she says, "would be transformative".

- The Māori economy: "There is a version of Auckland's growth story where Māori capital and global investment intersect in genuinely distinctive ways," she says, pointing to iwi as sophisticated long-term investors with growing interest in technology and clean energy.

- Skills: Kominik believes Auckland should aim to be "the most AI-literate city in the Asia-Pacific within five years" – not as a tech initiative, but as a wages and productivity strategy, with an immediate focus on upskilling the existing workforce.

Underpinning it all is talent. "First, attract globally: fast visa processing, competitive equity compensation, and a genuine landing pad with real connections and early capital access," she says.

"Second, stop the outflow by fixing structural settings around tax, housing and services, that deter people from staying; and third, unlock the talent that already exists across our city and in the Auckland diaspora."

New Zealand's large offshore population, she says, should be treated as an economic network rather than a loss. "At the end of the day, we want New Zealand to be a place that our children want to stay in."

If those settings shift, the upside is

tangible.

Kominik describes a "realistic, not fantasy" Auckland in 10 to 15 years: a city of around 2.2m people, better connected by functioning rapid transit, with a vibrant central city and infrastructure that links the harbour, suburbs and innovation precincts.

It would have a tech and cleantech ecosystem producing a steady cadence of globally-significant companies, backed by deeper domestic capital, alongside a Māori economy exceeding \$100b and actively co-investing across infrastructure and industry.

Crucially, she says, growth would be more widely felt. "Nearly one in five Auckland children are growing up in households experiencing material hardship," she says. "Every Aucklander who does not reach their potential represents lost prosperity – both as an individual and to the community."

On that trajectory, Auckland's global reputation would follow.

Kominik says that by around 2040, Auckland could be a city that people across the Asia-Pacific talk about in the same way they talk about Zurich or Amsterdam today. "Smaller than the giants, but sharper, more liveable, and genuinely world-class at the things it has chosen to prioritise – a city where the growth story and the wellbeing story are the same."

● Anna Kominik is an independent director, investor, adviser and innovator who recently made Auckland home. She is part of Growth New Zealand, a non-partisan group of passionate and experienced New Zealanders promoting a future where growth means lasting economic, social and environmental wellbeing, shared across the whole community.



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# Learning from Sydney's boom

**Cameron Law** explains how CRL and clever precincts could supercharge Auckland's tech economy

**T**āmaki Makaurau Auckland's tech strategy sets an important direction for the city. Future iterations could strengthen its impact by building more deliberately on Aotearoa New Zealand's existing economic strengths and by elevating the role of place, proximity and connectivity in supporting a thriving innovation economy.

With more than 11,000 firms and home to 60% of Aotearoa New Zealand's top 200 tech companies, Auckland already has a strong tech industry. However, to lift prosperity and unlock the high-value jobs of the future, the city needs to continue to grow that.

Looking to other cities can provide inspiration. Looking to other cities can provide inspiration. Aurecon recently brought Jeremy Gill, head of policy at the Committee for Sydney Innovation District Alliance, to Tāmaki Makaurau Auckland to tell us more about how Sydney is applying these principles.

Our closest neighbour is seeking to transform their historically coal-reliant economy to one driven by tech and innovation, advanced manufacturing, clean energy and higher education. And the strategy appears to be working, with Sydney now home to nearly 50% of Australia's scale-ups and the No 1 start-up ecosystem in the Southern Hemisphere.

Among the many insights from Gill, some of Sydney's success shows that Auckland needs stronger alignment between national strengths and regional opportunities, and greater emphasis on the role of place-based factors like transport, housing and vibrant precincts in attracting the skilled talent required to help firms scale.

## Building on what we're good at

A key lesson from Sydney is to build on our existing strengths. An example is Australia's strategy to shift from an economy that has traditionally exported much of its raw materials offshore for value-adding to retaining more of that value domestically – through processing, manufacturing and the energy transition.

To identify future opportunities for Auckland, we should look to two areas – first, the sectors that are already established here, and second, where Aotearoa New Zealand's economy has existing strengths. FinTech, HealthTech, and digital and creative tech are already thriving in Auckland, with significant potential to grow this further as identified in the Tech Tāmaki Makaurau Strategy. Nationally, however, Aotearoa New Zealand has strong capabilities in agriculture and the primary industries, as well renewable energy.

In his presentation, Gill challenged us to consider how Auckland could play a central role in capturing and retaining more of that value chain locally by focusing on Agritech, CleanTech and research and development.

Another consideration is the role our largest economy plays in delivering on national objectives. This means aligning research and development projects with national priorities and considering how innovation can help drive sectors with domestic demand – for example, using automation and modern methods of construction for housing. Connecting with national direction is important, as it drives us to ask how Auckland's industries can support wider societal goals, such as equity, decarbonisation, and iwi participation.

## The economy concentrates in specific places

A second lesson from Sydney is that



Sydney's innovation strategy acknowledges that the economy lands spatially, and economic growth and innovation need to be intentionally planned for.



the tech economy is inherently place-based, with industries tending to cluster in specific locations close to other tech businesses, and the facilities and resources they need to thrive. When considering the future of innovation precincts in Auckland, we need to consider this spatial context, intentionally plan for where growth will occur and invest in transit, housing, and placemaking for those locations.

## Spatial concentration – an opportunity, not a challenge

Looking at existing patterns can reveal what different industries gravitate towards. Sydney's Tech Central innovation precinct developed around specific amenities, with Camperdown's health, education and technology institutions clustering around Royal Albert Hospital and the University of Sydney; and tech and innovation start-ups in Eveleigh and Haymarket drawn to the world-class tertiary education institutions and transport connectivity anchored by Central Station.

An intentional strategy has helped them connect and grow, amplified by the creation of the Innovation District Alliance to drive research, attract investment, and provide advocacy.

Innovation nodes exist in Tāmaki Makaurau Auckland too, with FinTech and SaaS businesses concentrating in Wynyard Quarter; DeepTech in Parnell; MedTech and BioTech in Newmarket, with its proximity to Auckland Hospital and the University of Auckland; and film

and creative industries centred in Henderson. In the south, Manukau has several innovation and entrepreneurship hubs, while North Harbour is home to tech and AI start-ups and Massey University.

The current Tech Tāmaki Makaurau Strategy sees the spatial concentration of Auckland's existing innovation hubs as a challenge. However, we see it as an asset – with that existing spread and the post-City Rail Link (CRL) rapid transit network in place which addresses the strategy's inclusion aspirations – enabling agglomeration, which describes the productivity, efficiency and innovation that can be unlocked when businesses and people can interact and collaborate easily.

## Creating innovation ecosystems

Auckland's tech strategy rightly names technology infrastructure as key to growing the city's innovation economy. However, we should take this one step further and consider the importance of broader infrastructure investment in transport, housing and placemaking.

As noted above, innovation precincts require proximity – both to a diverse and skilled talent pool and to other precincts. Rapid transit is one of the simplest levers to increase that proximity.

In Sydney, Tech Central is anchored by Sydney Central Station, and the new metro and light rail have greatly improved access into and across the central city.

For Auckland, the opening of CRL this year creates a powerful opportunity to connect existing

We should consider the existing spatial concentration as an opportunity, not a challenge, and plan space for innovation to grow, aligning public transport, housing and investment in high-quality urban environments where innovation will actually happen.

Cameron Law

innovation nodes, give businesses access to a broader talent base and reshape land use. The Newmarket Innovation Precinct, in particular, is connected to two stations – Newmarket and Grafton – that will improve access to the central city, other precincts and to talent.

Newmarket, however, also highlights the opportunity in Auckland's tech strategy to consider the value of placemaking. Sydney's Surry Hills is home to a thriving tech industry with talent attracted not just to the proximity of Sydney Central Station and Tech Central but also to the bars, cafes and sense of place that Surry Hills offers.

The University of Auckland owns a large parcel of land that forms the core of the proposed Newmarket Innovation Precinct, though it is unclear if there is alignment with the council's urban development aspirations for the area beyond the Tech Tāmaki Makaurau Strategy.

If Newmarket is to become an innovation hub, it could benefit from investment in placemaking – in appealing third spaces such as hospitality, public art; in pedestrian connections across rail lines and busy roads; and to open spaces in the Domain and Newmarket Park. Wynyard Quarter and Britomart serve as great Auckland examples of such placemaking and connectivity. There is an opportunity for the strategy to hold the larger bold vision for Auckland that private and public interests can align around.

Mass rapid transit is also a catalyst for unlocking housing, a major priority for Tāmaki Makaurau

Auckland. Plan Change 120 will enable the city to maximise the potential of CRL through intensification around rail stations. While this is a positive step forward, simply upzoning around stations won't deliver the benefits we're looking for.

We also need to ensure these locations are appealing places to live, with quality urban design, green spaces and amenities, as well as allocation for affordable housing and homes designed for different kinds of families, if we are to attract the range of experience levels the tech industry will require.

Perhaps controversially for Tāmaki Makaurau Auckland, Gill offered a caution against pursuing housing at every CRL station.

While housing is critical, and a key factor in attracting talent, land for innovation precincts along the rapid transit network must be preserved from housing development, regardless of whether the latter is a higher-value land use. Incentives for the right kinds of development are levers councils can use to help bring their vision to reality.

## Planning for where innovation actually happens

The Tech Tāmaki Makaurau Strategy is a strong foundation, but insights from Sydney's experience suggest the next iteration should consider New Zealand's strengths and opportunities, not just the opportunities that are emerging locally and, if we are to attract industry, investment and talent, it should also consider place.

We should consider the existing spatial concentration as an opportunity, not a challenge, and plan space for innovation to grow, aligning public transport, housing and investment in high-quality urban environments where innovation will actually happen.

Lastly, Gill noted Auckland's relative advantage over Sydney in having a simpler governance structure with a single metropolitan council and only two layers of government.

Success in building innovation precincts will also require continued collaboration between the council and the private sector, something that has been a strength of Auckland to date, and which must continue.

● Cameron Law is the director, Auckland Futures, at Aurecon. Aurecon is a sponsor of the Herald's Project Auckland report.

# From Auckland, For Auckland



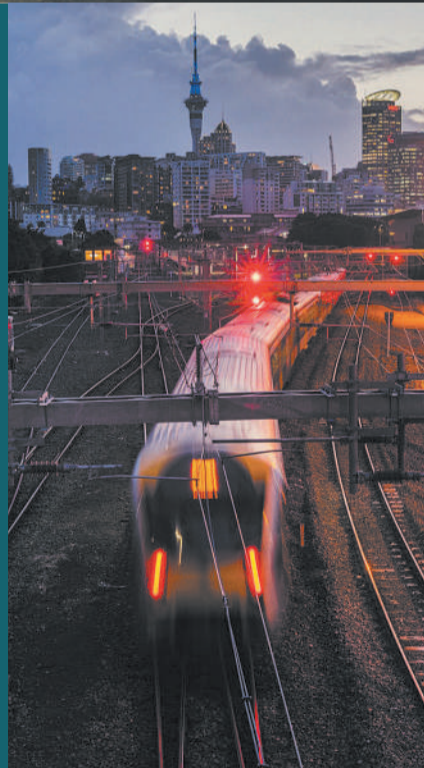
For over a century, Beca has helped to weave the fabric of Tāmaki Makaurau Auckland.

**We were founded here.  
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So we're personally invested in Auckland's future and seeing our communities prosper for generations.

Our deep local knowledge below, on and above the surface of the region, spans from Drury to Wellsford, from Panmure to Waitematā and the city centre, supported by specialist expertise from our offices across New Zealand, Australia, Asia and the Pacific.

Working in partnership with government, communities, industry, iwi, private sector and investors, we support long-term decision makers to balance resilience with growth, pragmatism with progress, and to shape a region that thrives for centuries to come.



Credit: New Zealand International Convention Centre



# New era on track with \$1.5 billion overhaul

KiwiRail CEO

**Peter Reidy** says a new maintenance approach will keep trains moving for passengers and freight following a mammoth network upgrade to prepare for the CRL

**W**hen City Rail Link (CRL) opens later this year, it will be supported by a transformed rail network that will meet the needs of the increased services the new underground tunnel will bring.

Every Aucklanders knows about the ongoing closures and disruption while we have brought it up to standard in recent years – we are all ready to reap the rewards of a new era for train travel.

The journey to get the network to a “steady state” is worth reflecting on to share the context for these upgrades and what we were able to deliver, with support from our rail partners Auckland Transport and City Rail Link Ltd and the funding injection of more than \$2b from the Government (excluding City Rail Link).

The Auckland rail network was originally built for freight and not designed for the level of use associated with a busy metro. Globally most metros don't share their networks with freight and the logistics are complex.

Many New Zealanders don't realise that we are still running a mixed-use network – this busy metro must co-exist with freight services as they deliver and collect goods from Auckland Port and our Southdown and Westfield hubs.

Logistically this creates challenges which only increase when passenger services become more frequent.

One of the ways we've addressed this complexity is the construction of the 6.5km Third Main line – an additional track that allows freight and metro services to bypass each other at the busiest part of the network on the southern line. Hand in hand with track configurations at Quay Park enabling more effective freight movements into the Port of Auckland, this decongestion solution future-proofs for the forecasted increase of both freight and passenger journeys.

Historically, for a multitude of reasons, KiwiRail hasn't been able to keep up with the level of maintenance needed for the huge increase in demand for passenger services over the last couple of decades.

This has left large parts of the network vulnerable to general wear and tear and weather events – often meaning we have had to enforce speed restrictions on the network for safety.

Our Rail Network Rebuild (RNR) programme has addressed these priority areas – rebuilding the foundations, drainage and track from the bottom up.

We're often asked why we can't keep trains running during these works. In the case of this programme, there is often no track in place for them to run on.



That's how invasive the works have been – RNR alone across 80km of track on the 182km metro.

Making train travel the quickest, most convenient choice has huge

Readying the network has been a massive undertaking by our people – delivering around a decade's worth of work in the past four years.

Peter Reidy

socio-economic and lifestyle benefits. So, getting ahead of the game by future-proofing for forecasted population growth in southern Auckland was a no-brainer –

extending the electrified track by 19kms from Papakura to Pukekohe has meant travellers into the city no longer have to change trains at Papakura, unlocking faster, cleaner journeys into the city.

Combined with constructing three new stations on this line – Drury, Paerata and Ngakoroa – it is a great example of infrastructure being developed ahead of population growth, future-proofing for increasing demand and ensuring that public transport networks are factored into the big picture for economic growth in South Auckland.

With more electric trains comes the need for more power.

Another part of preparing the network for CRL has been providing back-up power supply to support reliability. The Western Power Feed came online last year and uses new Static Frequency Converter technology to provide power further and more efficiently compared to existing substation feeds.

We have another power feed using the same technology in the south due

to begin operating in 2028 – ensuring we have power when we need it, where we need it as demand grows.

Readying the network has been a massive undertaking by our people – delivering around a decade's worth of work in the last four years – which has come at a cost.

We know the disruption has had a huge impact on train travellers as we closed the network to blitz it as quickly as possible and carrying out work that couldn't be delivered with trains running.

We acknowledge this major inconvenience and thank Aucklanders for their patience.

#### Future maintenance

The addition of CRL uplifts Auckland metro to a world-class network standard. To support this outcome, we will deliver maintenance in a new, proactive way, allowing services to run relatively uninterrupted and keeping momentum, bringing back patronage and giving passengers long-term confidence that they can rely on trains to get them around the city.

Our new maintenance strategy allows us to leverage new technology and automation to create a proactive, dynamic, cyclical maintenance regime – segmenting the network into 36 zones.

This allows us to maintain it to the necessary standards, while keeping trains running.

This dynamic approach is also key for our freight customers and the ability to keep the supply chain moving in this complex mixed-mode network, where passenger and freight rail must continue to co-exist effectively.

To be clear, there will always be maintenance needs. Neglecting these would put us right back where we started.

But this new regime will ensure lengthy whole-network shutdowns are a thing of the past, barring major weather events or critical failure. This will elevate us to the same standards of maintenance delivery as other world-class modern metros and enabling Aucklanders to enjoy the true benefits of the new travel experience CRL will bring.

● KiwiRail is a sponsor of the Herald's Project Auckland report.



## PROJECT AUCKLAND 2026

# Building for the next generation

Infrastructure projects must be investment-led, says Webuild's **Marco Assorati**

**A**otearoa New Zealand is standing at a crossroads in infrastructure development. Population shifts, climate resilience, urban transformation, and the accelerating need for low-carbon systems are converging to form a decade of unprecedented demand and opportunity.

As a company that delivers some of the world's most complex projects and transforms the vision of our clients into a tangible asset, Webuild sees firsthand that the value of infrastructure is not measured by the moment construction ends, but by the transformation it enables long after the cranes have gone.

The conversation in New Zealand should be less about projects and more about what kind of national legacy the next wave of infrastructure investment will create.

Infrastructure is not a cost. It is an investment in capability. When we build new transport corridors, water security assets, hospitals, or large-scale renewable and transmission projects, we lay the foundations for competitiveness. These assets unlock efficiency, connect industries to markets, embed digital technologies, and create conditions for public and private investment to flourish. A cost-first mindset reduces major projects to budget lines; an investment mindset recognises they are productive assets with long-term economic return.

## A century of global lessons with local relevance

Drawing on Webuild's experience across Europe, the Americas, Africa and the Asia – Pacific region, four clear themes emerge – each highly relevant to New Zealand's infrastructure ambitions.

### 1. Cities grow into the infrastructure they build

Large urban centres that commit early to rapid transit, resilient water systems, and integrated multimodal networks avoid decades of catch-up costs. Auckland's current momentum echoes global city-shaping efforts where metros, corridors, and resilience infrastructure helped unlock new economic paths.

### 2. Resilience must be engineered from the start

Climate-driven flooding, extreme rainfall, and rising seas demand a new standard for water and near-shore marine infrastructure. Globally, the most successful solutions blend traditional engineering with nature-based design and data-driven planning approaches increasingly relevant in New Zealand's storm-impacted regions.

### 3. Sustainable construction is no longer optional

From low-carbon concrete to circular construction practices, infrastructure programmes worldwide are shifting from carbon-intensive delivery to regenerative frameworks. New Zealand's ambitious climate targets make this transition not just desirable, but essential.

### 4. Digital engineering is a catalyst, not a bonus

The adoption of digital twins, advanced tunnelling control systems,



Webuild Group is delivering the Perdaman Project Ceres in Karratha, Western Australia. Australia's largest urea plant, it converts natural gas into fertiliser.

and integrated project data environments reduces risk, improves safety, and dramatically increases certainty, which are critical factors for complex, multi-year projects.

## Building skills for a generation

Building the workforce New Zealand needs requires thinking beyond individual projects and focusing on long-term capability.

To deliver the upcoming pipeline spanning complex transport infrastructure, near-shore marine, water management, climate adaptation and critical lifeline upgrades, the country must significantly expand and upskill its workforce.

Global experience shows this happens most effectively through two complementary approaches: embedding structured legacy planning into every major project, with clear training pathways, knowledge transfer programmes and defined opportunities for local SMEs and regional suppliers; and pairing international expertise with deliberate global-to-local capability building through exchanges, mentorships and shared technical leadership.

Countries that take this approach develop enduring expertise that lasts well beyond project completion.

## Communities as co-authors of infrastructure

No reputable global contractor approaches major projects solely as technical exercises anymore. Around the world, projects succeed when communities have ownership of the outcomes.

The Māori concept of kaitiakitanga – guardianship and stewardship – aligns powerfully with modern infrastructure principles: sustainable design, cultural respect, and environmental guardianship.

Community partnership is not a procedural requirement but a source of insight that strengthens the vision of the project into tangible outcomes.

## The supply chain as a strategic asset

Infrastructure systems are only as strong as their supply ecosystems. New Zealand's suppliers – fabricators,



The conversation in New Zealand should be less about projects and more about what kind of national legacy the next wave of infrastructure investment will create.

Marco Assorati

manufacturers, engineering firms, transport operators, and equipment specialists – have shown extraordinary resilience, but the upcoming pipeline will require more scale and diversification.

Global insights highlight three levers that help supply chains thrive:

**Predictability:** Multi-year visibility enables suppliers to invest confidently in equipment, technology, and people.

**Standardisation:** Common design approaches, specifications, and digital standards improve efficiency and reduce costs.

## About Webuild

Webuild is a global leader in the construction of large-scale, technically complex infrastructure, specialising in sustainable mobility, hydropower and water management, and next-generation green buildings. With operations spanning roughly 50 countries, the group brings together a workforce of around 95,000 people representing more than 125 nationalities.

Across its 120-year history, Webuild has delivered more than 3700 projects worldwide, ranging from major rail and metro systems to highways, bridges, hydropower assets, and landmark civil works. Its global portfolio includes over 13,600km of rail lines, nearly 900km of metro networks, more than 82,000km of roads and motorways, more than 1000km of bridges and viaducts, 320 dams and hydropower facilities and 200 hospitals.

Among the group's best-known achievements are the Grand Ethiopian Renaissance Dam, the Panama Canal expansion, the Long Beach International Gateway Bridge in California, the Second Bosphorus Bridge in Turkey, the Sydney Metro Northwest skytrain structures, the Kingdom Centre tower in Riyadh, and metro systems in Copenhagen, Paris, Milan, Naples, Rome, Doha, Thessaloniki, and Riyadh.

**Innovation partnerships:** Co-development of materials, modular systems, and digital tools accelerates capability and embeds resilience locally.

These principles can support New Zealand's ambitions to build a more self-reliant, future-ready supply chain.

## An era of opportunity for iconic infrastructure

New Zealand faces a suite of infrastructure opportunities that will shape the country's trajectory: next-generation transport solutions, water

resilience projects, connectivity corridors, energy storage and grid flexibility.

These are not simply projects, they are nation-defining investments that can lift productivity, climate resilience, livability, and economic competitiveness for decades.

What will determine whether the country captures this opportunity is not the scale of investment alone, but the approach: collaboration, transparent risk allocation, cultural partnership, digital innovation, climate-aligned design, and a relentless focus on capability building.

## Toward a more collaborative infrastructure future

Across the world, the most successful megaprojects Webuild has delivered share a common ecosystem: early contractor involvement, integrated and interdisciplinary teams, mature digital environments, and delivery models that reward performance rather than simply shift risk. These ingredients consistently unlock better value, stronger certainty, and more sustainable outcomes.

New Zealand's shift toward earlier collaboration is an encouraging signal – and a strategic opportunity to embed global best practice into the country's next generation of major infrastructure. When infrastructure is viewed not as a cost to be contained, but as an investment in national cohesion, resilience, and long-term economic transformation, the benefits extend far beyond the balance sheet.

The decade ahead will test New Zealand's collective ability to plan, fund, and deliver major projects at the pace required. But it also presents a rare chance for the country to set a new global benchmark in how large, complex infrastructure can be delivered – sustainably, collaboratively, and with a clear vision on long-term value. If New Zealand embraces that mindset, the projects built in the coming years will become the foundations of the next century.

● Marco Assorati is Senior Executive Vice-President, Operations Oceania, Webuild. Webuild is a sponsor of the Herald's Project Auckland report.

# AI will transform how Auckland operates



**Project Auckland**  
**Bill Bennett**

**“A**uckland generates terabytes of data every day. People are moving around. So are vehicles. Sensors are detecting, CCTV is capturing. There are air quality, water quality sensors and footfall sensors. Huge data sets are constantly being generated all over the city by multiple organisations.”

So says Smart City managing director Ben Ransley, explaining that this data needs to be put to work.

“We need to be using all of that data, to interpret it, learn from it and, ultimately, act on it and improve the way the city is run and improve people’s quality of life.”

“At this stage in Auckland’s evolution, our city is, from an information point of view, data-rich but insight-poor. Each area has its own insights, but the parts are not joined up.”

Auckland is not unusual. Cities typically generate data from many separate projects. In each case, the project aims to record data and perform a number of tasks to improve citizens’ quality of life or to make services operate more efficiently. These projects might include reducing congestion, improving safety, managing municipal assets or stretching rubbish collection budgets.

Ransley says data collection started as a way to measure and report on the projects. It asks questions – are the bins full, is the road congested, how many people are waiting at the bus stop?

Initially it was used by city departments to aid human decision-making such as sending a collection truck or switching on traffic signs.

A smart city takes this further. In principle, technology can increasingly take over that decision-making to the point where it doesn’t just tell someone a waste bin is full, but it dispatches the collection truck to deal with it in the most efficient way. Smart city traffic systems don’t just measure cars passing sensors, they adjust the signals so that traffic flows more smoothly.

Ransley says that requires a leap from data collection to automated decision-making. It is where most cities want to go, but few are there yet. He thinks Auckland can make the leap.

He describes the fully automated smart city mechanism as: sense, reason, act.

The idea draws on the way physical AI is used in advanced manufacturing. In sophisticated factories, robotic systems don’t simply follow fixed instructions, they perceive what’s happening at each stage, work out what to do next and then act. It may not get everything right every time. When it makes an error, it can learn from the experience.

Over time, this kind of system becomes, as Ransley puts it, “a well-oiled machine that is acting in real time against everything that’s going on”.

The difference between an automated smart city and the technology used today is significant. Traditional IoT (Internet of Things) sensors operate on fixed parameters set at installation: if the bin is above 80% full, send an alert. There is no reasoning, no learning, no adaptation to changing circumstances.

Physical AI replaces that static logic with a system that accumulates context over time and improves its responses accordingly.

There’s a push to turn big data into a truly smart city and improve quality of life



We need to be using all of that data, to interpret it, learn from it and, ultimately, act on it and improve the way the city is run and improve people’s quality of life.

Ben Ransley



Ransley says it would have been impractical to deploy that kind of intelligence at city scale two or three years ago. Today, largely due to the extraordinary leap in AI capability, it is not.

“Physical AI is sensing the environment, reasoning with it, then acting on that to impact the living environment in real time or to cue something to occur. It doesn’t need to have a citizen-facing impact. It could be something internal to the system’s functioning. It’s like autonomous robots running a factory.”

For now, there are few automated workflows in Auckland’s smart city infrastructure. The AI outputs that currently exist act more like consultants, analysts or experts.

beyond Auckland Transport’s basic patronage numbers: not everyone waiting for a bus catches one.

The organisation can learn how long people wait at a shelter, when they are busy and when they are quiet. That’s previously unavailable behavioural data about how people actually use public transport infrastructure.

There’s a sustainability angle with people charging phones using solar rather than the grid.

Auckland Transport is currently using the base model of SmartBeam with limited functionality. The features can be extended to include e-bike charging, advertising panels – which can earn revenue to help pay for the infrastructure, speakers, environmental sensors and free Wi-Fi.

Another example of physical AI is at the Rā Hīhi flyover, which links Pakuranga Rd to Pakuranga Highway in East Auckland. It opened in September. Here, Smart City’s SmartTraf provided real-time data on the flyover’s use from day one.

SmartTraf is a fixed traffic monitoring system using Bluetooth trackers and traffic radar.

Ransley says it delivered striking numbers: it measured around 18,000 city-bound vehicles on the flyover’s first day, rising to around 45,000 by the end of the first week. That rapid adoption curve and its effect on congestion across surrounding roads, was presented by the project manager directly to the Transport Minister. The technology influenced ministerial briefings and acts as an independent check on whether new infrastructure is performing as promised.

He says SmartTraf quickly identified that there were poor travel times at the intersection at the base of the flyover. After his team flagged it, the flyover layout was changed, an after-study confirmed there was improvement.

SmartRadar is a related technology used for transport analytics. It replaces people standing roadside with clipboards or contractors paid to watch camera footage.

“One application is measuring turning movements at roundabouts. This has been difficult in the past. The technology is able to classify vehicles, measure their speed, flow volumes, turning movements and observe trends. “We’re deploying a number of them, across various sites where they provide previously unavailable insight on exactly what occurs at roundabouts or intersections in a more accurate way than was possible in the past.”

Elsewhere Smart City has provided sensor-equipped compacting bins deployed in the Far North District Council area. The compaction mechanism is key: bins compress waste so they hold roughly seven times the volume of a conventional bin before needing collection. Fewer collection runs means fewer heavy vehicle trips.

Smart bins, bus shelters, and improved flyover data – individually they are modest improvements. But Ransley’s argument is that joined up and powered by physical AI, they represent the early architecture of a city that doesn’t just collect data about itself, but acts on it.

● Smart City is a sponsor of the Herald’s Project Auckland report.

## PROJECT AUCKLAND 2026

# One line to rule them all: Auckland must be at the centre of growth

Central government needs to see fixing Auckland as investing in a proven winner, says **Penny Tucker**

**S**ometimes it feels like Auckland local government politicians and Wellington elected members are packed into a car, driving down a road of national significance while fighting for control of the steering wheel.

The car weaves about. Fellow vehicles give it a wide berth, evidently worried that the drivers might be impaired. Meanwhile, the passengers lob insults at each other while muttering for the umpteenth time, "are we there yet?"

Auckland's path to increased global significance is not working as well as it could.

The different cohorts of decision-makers need to be in separate cars, committed to the same destination, but in their own lanes and using a better-managed division of power to stay the course. Ultimately, we want the same end point – a sustainable, prosperous New Zealand in which our lead city plays its proper role.

Within our Supercity structure, Aucklanders have, more or less, an understanding of how to develop the sprawling, glittering, creaking, messy,



One giant success story, synonymous with dynamism and the capacity to accommodate and synthesise external ideas and investment, is the lure to catch the biggest fish.

Penny Tucker

multicultural megalopolis that has eclipsed every other urban entity in New Zealand.

Our trajectory is incontrovertible. After all, in a country so small, there is really only room for one true gateway that functions like an arterial route to the rest of the world. One place capable of lifting the whole national economy. Take a bow, Auckland.

Yes, we know the country hates us for it. Yes, we see their glee when we get extra lockdowns, gridlock, resource blocks and various externally imposed directives that look good on paper but are properly annoying or too expensive to implement. That aside, it's not helpful to receive piecemeal edicts from Wellington.

Like how many houses we can or should build on Wisteria Lane, or patronising spending limits that convey the sense that we require some form of allowance administered by more mature minds. We can also do without slivers of strategy that morph continually in the wake of our stupidly short election cycles and are subject to cross-party utu every three years.

No. We need long-term national planning that puts Auckland at the centre of any blueprint for growth.

How about Wellington delivers a national ports strategy that is backed up by servicing infrastructure such as strong rail links, so that we can remove the port from central Auckland and unlock the potential of that land?

It is a jewel that could become an international talking point and a magnet for activity that does not involve pushing containers around what looks like a rusty Lego graveyard. Successive mayors have promised to do this, and they have all scuttled for cover. Why? Because local perceived interests make it too hard for the city to make up its mind. It has to be nationally co-ordinated and executed.

It is also in central government's lane to unlock rail capacity from Auckland over a new harbour crossing to the north, and better faster services heading south, through to Wellington. The southern areas are currently at the mercy of what looks like a few of Thomas the Tank Engine's awkward relatives lumbering to and fro in a piecemeal fashion. More people and more freight will be attracted to a better, quicker option.

That's where Transport Minister Chris Bishop should be directing his formidable brainpower. To selectively misquote *The Lord of the Rings*: "One line to rule them all. One line to find them. One line to bring them all." The pieces are partially in place, but an agreed high-tech upgrade would change the face of the New Zealand economy forever.

Third, we need the Government to allocate us money for more local infrastructure fixes, proportionate to our economic scale. We pour in just shy of 40% of New Zealand's total personal tax revenue, generated primarily through PAYE on income, GST on goods and services, and corporate taxes on business profits.

It's much more than our 33% population share. So, instead of hand-wringing about the cost of fixing Auckland, central government needs to see it as investing in a proven winner.

New Zealand's international competitiveness strategy must have Auckland at its heart, as a multifaceted draw for global firms, finance, international flights, research, the most dynamic labour resources and at least some semblance of scale. Ireland's Dublin and Denmark's Copenhagen are examples of where this has been done well.

Everyone gains as one giant success story, synonymous with dynamism and the capacity to accommodate and synthesise external ideas and investment, is the lure to catch the biggest fish. That feeds other places and more localised and niche entrepreneurship.

Reading between the expletives, our mayor actually has his hands on the wheel and knows how to stay in his lane with a pretty sound plan, and our deputy mayor has the discipline to adeptly co-pilot.

For now, we've been fortunate to be landed with an "A team" of Wellington ministers who are smart and influential. They have the horsepower to drag some heavy artillery behind them. As long as we don't crash into one another, it's starting to feel like we could be in for decent road trip.

● Penny Tucker is a public and trade policy consultant and former elected member of the Ōrākei Local Board.



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# What a new deal must deliver

The city's biggest challenges require a structured long-term partnership between central and local government, says **Mark Thomas**



**T**he imminent Auckland city and regional deal is important, overdue, and will be worth welcoming. It will mark a shift: an acknowledgment that Auckland's biggest challenges – transport, housing, infrastructure, innovation, and productivity – require a structured long-term partnership between central and local government rather than the cyclical stop-start approach the region has lived with.

It has been a long time coming. The case for city and regional deals has been on the policy agenda since June 2023, when National announced the policy and the Future for Local Government review, commissioned under Labour, also endorsed the approach. That it has taken nearly three years to reach even a first-stage Auckland agreement still reflects a country whose over-centralised system too often recognises local government issues late and responds slowly.

The argument for the deal structure goes back 15 years to when the UK Government began them with cities and regions. City and regional deals are meant to provide a more durable way for central and local government to work together. Properly done, they align city and government priorities, investment, and decision-making in a negotiated programme with clear accountability, replacing ad hoc bargaining with a repeatable delivery framework.

Last year's "Auckland at 15" event, marking 15 years of the super city, called for a new Auckland agenda for

Unless the model is broadly owned across the political system, it risks sliding from a central organising framework to just another policy tool.

Mark Thomas

the next 15 years. The Auckland deal could become an essential part of that response, alongside wider efforts by the private sector and partners to build a clearer Auckland narrative and a more coherent platform for civic and economic action. But to do so, it will need substance, clearer commitments, and strong delivery architecture. Without that, it will be

another example of Auckland – and New Zealand more broadly – taking too long to make too little of too great an opportunity.

Auckland is not short of experience with big institutional fixes or issue-specific bargains with central government. The biggest was the Super City amalgamation in 2010 – a major state-backed restructuring, underpinned by a political consensus, but imposed rather than negotiated. Auckland has also seen a series of more targeted "deals" in housing, transport, and major infrastructure. Some have delivered real benefits. Some have accelerated decisions that might otherwise have stalled. But they have usually been narrow, transactional, and tied to the politics of the moment.

Internationally, Greater Manchester remains one of the clearest examples of what is possible when the city and regional deal model is taken seriously. Its city deal and later devolution arrangements helped create a stronger

metropolitan platform, deeper transport and investment planning, and a more repeatable bargaining relationship with central government.

Manchester also offers a warning. These arrangements are difficult. They depend on constructive bargaining between local leaders and the government of the day, often across party lines and political tensions. Success comes from a strong deal-making system involving committed institutions, clear responsibilities, continuity through political change, and hard-wiring around funding and delivery. New Zealand does not yet have a deep tradition of that kind of metro-scale dealmaking.

Australia also offers a caution. Its "city deals" programme showed the value of structured agreements between levels of government, but also how quickly they can lose force when governments change and priorities shift. Some deals have endured and delivered – but unless the model is broadly owned across the political system, it risks sliding from a central organising framework to just another policy tool.

Parties will always have different policy and project priorities. But these can be negotiated only if an enduring deal structure remains in place. Early Opposition responses were encouraging, focusing on likely funding gaps rather than rejecting the concept outright.

Three years of State of the City reporting have made the core challenges plain. Auckland has some enviable strengths but remains, relative to international peers, constrained by weak productivity, a less-developed innovation and skills system, infrastructure gaps, transport deficits, and uneven economic momentum.

Given Auckland's importance to the national economy, that underperformance is not just a local problem. Without a stronger, more coordinated, and more sustained effort, the city's drift – and relative slippage against better-organised competitor cities – will continue.

So how should Auckland judge the deal when it is released?

First, by whether it has enough

substance to change outcomes. It is easy to produce a document saying that transport, housing, infrastructure, and innovation matter. Everyone already agrees on that. The harder question is whether the deal contains specific commitments, sequencing, milestones, public reporting, and mechanisms to force decisions and resolve disputes. If too much of it is built around "explore", "investigate", "consider" and "develop a joint work programme", the risk is obvious.

Second, by whether the institutional architecture is strong enough to endure. On the Government side, a deal needs a capable unit that can co-ordinate across agencies and survive ministerial churn. On the Auckland side – as with other cities that will pursue their own deals – it needs a disciplined regional counterparty able to set priorities, negotiate coherently, and stay aligned over time.

Third, by whether there is a credible decision-making and funding framework. A deal without enough authority to reshape investment choices and meaningful funding pathways can too easily become an organising narrative rather than a delivery instrument.

Auckland should welcome that a deal is happening, as should New Zealand taxpayers. A stronger-performing Auckland benefits the whole country. The city should recognise that a more structured partnership with central government is essential, acknowledge the practical wins already secured in the deal, and be realistic that no negotiated agreement gives every party everything it wants.

If this is the beginning of a more mature model of urban delivery in New Zealand, it will deserve strong support. If it is merely another example of recognising the opportunity but stopping short of what the moment requires, Auckland and other cities will call this out clearly.

Auckland needs a real deal, not a rhetorical one.

● Mark Thomas is managing director of Serviceworks and a director of the Committee for Auckland.

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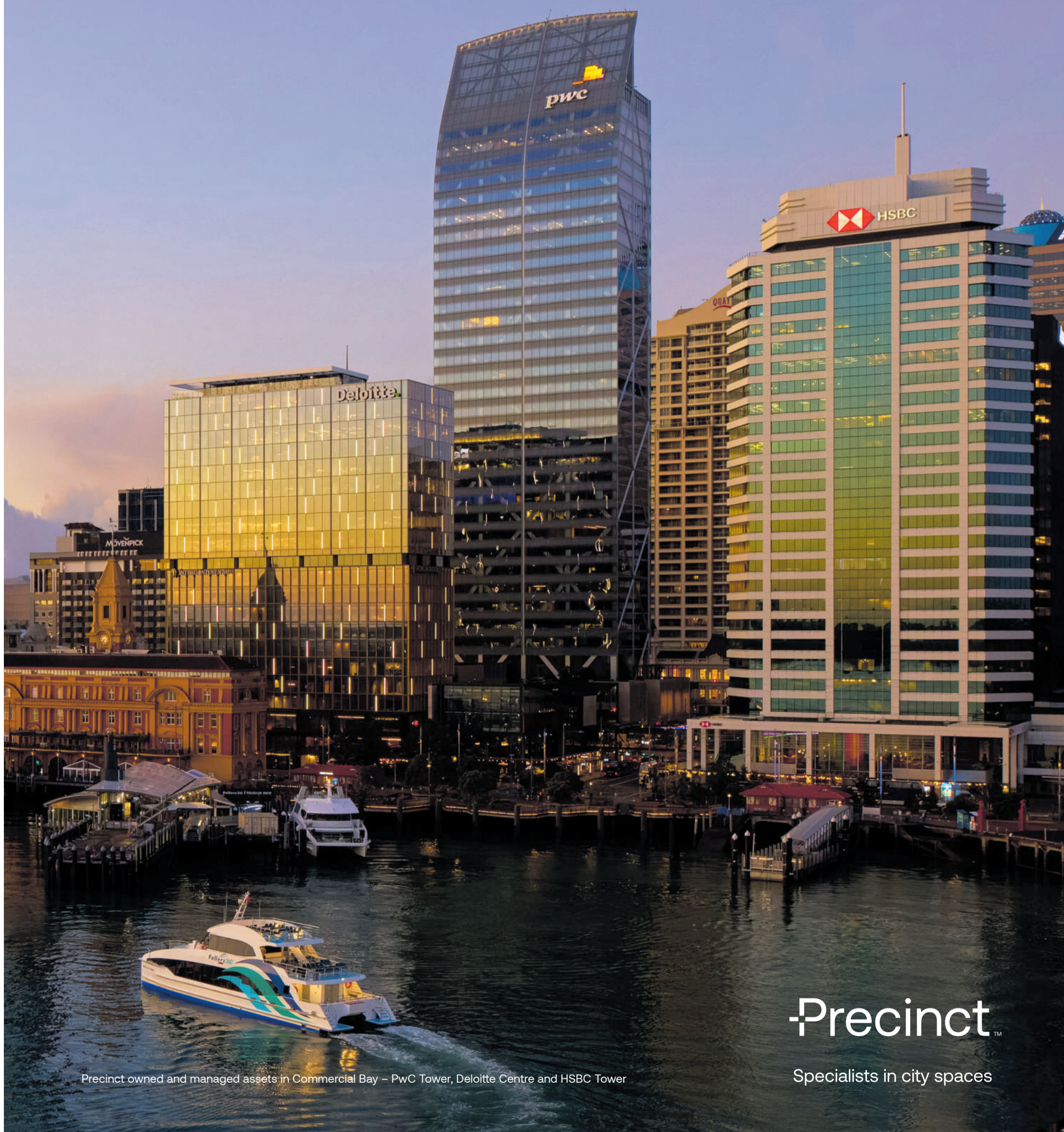
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