



*B u s i n e s s V i t a l i t y*

15 November 2011

## **Media Release**

### **Job for next government: Reform regional economic development model**

The New Zealand Chambers of Commerce want the incoming government to reform the regional economic development model to ensure local government and business organisations focus on their respective core services and areas of competence.

In recent years some local authorities have established business development services involving skills training courses and employment recruitment support.

“This is not the job of local government. These services can be best provided by the private sector,” said Michael Barnett, spokesman for the New Zealand Chambers of Commerce.

Organisations like the Chambers of Commerce are in close touch with their local business community, better qualified and trained to provide business development services.

Because economic development agencies are largely rate-payer and tax-payer funded, they should not be channelling their resources into individual businesses. Or put another way, they are publicly funded and so should be providing ‘public good’ benefits not private benefits to individual businesses.

We strongly believe local government can make an important contribution to grow local economic activity by providing ‘business friendly’ services – responsive regulatory and consent regimes, low competitive rates - efficient infrastructure, positive promotion of the local area, attracting tourists and events.

The reach of these activities needs to be linked to support, facilitate and work with local business organisations to do all they can to encourage businesses to be as successful as they possibly can be, concluded Mr Barnett.

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