

## Linking Social and Economic Development

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Section 10 of the Local Government Act 2002 requires local government to promote the social, economic, environmental, and cultural wellbeing of communities, in the present and for the future. This legislation puts the connections between these four wellbeings up-front.

This report has focused on the means to promote two of these wellbeings – social and economic. Each is dependent on the other. Both require an environment that encourages innovation, collaboration and actions based on the best available evidence. A strong economy requires a healthy and well educated population, where all Auckland's peoples can participate in generating wealth for the country, the city and themselves.

Economic and social development at the regional level have different focuses – economic development looks internationally, with central government acting as a partner in bringing knowledge about offshore markets and opportunities to decision-making. The need to export to generate national wealth is paramount. Social development, in contrast, looks across the region as a whole, to decide what the priorities are if all Aucklanders are to achieve the most they can, socially and economically. For the most part, the big money and universal policies lie with central government. But every policy has to be put into effect in a place, and that is where councils have unique knowledge and powers. For example, economic development agencies can provide work opportunities: sound public transport decisions will bring workers and business together; zoning and development approval processes can balance social, economic and environmental objectives. Good urban design creates environments where people want to live, work, walk and socialise.

Social and economic development are closely linked at the local level, as the Wiri Improvement case study and the Tamaki Transformation Programme show. Improving literacy levels, as is happening in COMET's Family Literacy case study, will provide a more skilled workforce when it happens on a bigger scale. Investing in quality Early Childhood Education to ensure equality of access as demonstrated in the Manukau case study, can improve both social and economic outcomes.

A sense of place is important to both social and economic development. Where people live has a major influence on their education, employment opportunities, leisure pursuits and health. The social development section of the report identifies some of the wide disparities in the quality of life between different areas of Auckland. Both sections highlight how belonging and having an identity with a place are important ingredients in economic performance and social wellbeing. They help create connectivity, thereby increasing the likelihood of economic transactions. This also generates wealth in localities and helps those living there prosper.

There are strong links between social and economic development in the area of housing. Where people live affects their health, education and many other aspects of life. Damp and overcrowded housing increases illness and reduces people's capacity to contribute to the economy. Housing also has an impact on the national economy, with the current imbalance in property investment being hotly debated around the country. Equally, a lack of affordable housing determines where Aucklanders can live, the quality of their housing, and how much income they have left over after meeting housing costs. Housing costs constrain Auckland's economy by limiting housing options for low to medium paid workers

and determining whether employees can afford to locate or remain in the region. If these factors are not in balance, many New Zealanders lose out.

These are a few examples of the relationship between social and economic development. To consider one without the other provides only part of the vision and solutions to Auckland's future. Taking both aspects of the city's life together, while recognising their different contributions and mechanisms for action, will help create a place where people want to work, feel safe, provide for their children's future and enjoy life.

Auckland is already well aligned with many of the drivers of success for the future. What it hasn't had in the past period has been unified and coherent government for the region which is able, not simply to provide public services but is able to take a leading role working with the private sector and the other institutions and build a very collaborative approach with central government, to make investment in Auckland's long term future a really key focus of activity and a key priority.<sup>47</sup>

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