

Ms Natalie Cook  
Director  
Economic Planning Division  
Via email: [mfem.economics@cooislands.gov.ck](mailto:mfem.economics@cooislands.gov.ck)

### **Cook Islands Chamber of Commerce – EDS Strategy 2030 Feedback**

Firstly, congratulations to the team for the work and output evident in this draft Economic Development Strategy 2030. We have the following feedback to submit:

1) Objective 1

Improving equity across the Cook Islands through:

- a. Improving the Government’s welfare system
- b. Better access to land and housing
- c. Minimum wage reform
- d. A more equitable Pa Enea

a	We would like to understand how and what benchmarks will be used in determining what improving the Government’s welfare system looks like. E.g. what is the base, and what is the desired outcomes, and at what cost
b	We support a review of the current land tenure system, to ensure equitable and efficient access to land. Incentives to build long-term housing should not be limited to tourism operators
c	The ILO is due to do a technical review of our minimum wage review process and we would like to ensure this occurs before any consideration for further changes. As part of this we would like to understand the impact of the last minimum wage increase. Page 39 refers to a minimum liveable annual income of \$20,845 in 2018 – how was this calculated and what is it now?
d	We would like to understand what Gni coefficient target is for the Pa Enea. We proposed in the Domestic Shipping Review that changes should be made when thinking about the big picture of transport logistics for the Pa Enea, and this included providing some air travel discounts and shipping subsidisation in return for ensuring regular scheduling and agreed service levels.

## 2) Objective 2

### Transforming our Economy

- a. Fostering innovation
- b. Improving competition and market efficiency
- c. Improving the delivery of Government services
- d. Fostering our creative and cultural industries
- e. Capitalising on new economic opportunities

a & e	<p>We would like to see more clearly defined pathways and areas of responsibility within Government for the area of Economic Growth, including Innovation, and Foreign Investment. It is unclear where the mandates sit for identifying business opportunities, developing and fostering relationships, and delivering innovative and diversified growth. Currently, we have MFEM, MFAI, BTIB, Tourism, and now a potential Ministry of Innovation and Communication. And where does the Private Sector fit into this? Many business opportunities come to the Chamber first as investors, particularly foreign investors, generally seek out information on the business environment prior to wanting to engage with Government.</p> <p>We would welcome inclusion into the Advisory Team to support businesses to change and adapt to new ICT technologies and services.</p> <p>The Chamber would like to see some work on the potentials for IPO's, and sound investment propositions could be attractive for CINSF to invest in.</p>
b.	<p>Competition is generally good for efficiencies and performance, but the question often asked here is 'is someone else already providing that product/service' and if so, this is seen as a bad thing.</p>
c	<p>We would like to see improvement in the delivery of Government services, particularly in the area of digital transformation and therefore cost reductions to business. There appears to be no relationship between the cost of delivering a Government service and the charge – this is a huge cost to business.</p> <p>We would like to ask how targets are set within Ministries in achieving efficiencies and who is setting the targets and are these reviewed with the HOM's are having their performance reviews?</p>
d	<p>Where does the Ministry of Culture fit into commercialising the creative and cultural industries?</p>

## 3) Objective 3

### Development of our People & our Culture

- a. Increasing our population
- b. Increasing our labour force participation rates
- c. Increasing our skills base
- d. Building on the quality of our schools
- e. Valuing the contribution of our culture, traditions and community values
- f. Ensuring a productive workforce

a	We would like to see a population plan and forecast for all Islands. This will help in determining what growth needs to happen in which Island in order to maintain a well- functioning Community, and therein determine what welfare, jobs, and services are required.
b	We note you would like to see an increase in our LFPR, we would like to learn what the target is? LFS, our overall rate is 70.4% which is slightly higher than NZ which is at 70.1%
c	The recent fees-free initiative was a great opportunity many took to increase their knowledge and skills, particularly when people had more time to work on their own development. We would welcome this continuing for targeted courses such as personal finances and other life-skills education.
d	We would like to see a review of the kind of education being delivered in the Cook Islands with respect to identifying whether streaming (either within schools, or separate institutions) in academic and non-academic would more readily suit the population better. We believe this may ensure all have an opportunity to thrive whether in an NCEA environment, or outside of this. We would welcome an introducing of a structured apprenticeship scheme and would like to see how the start of an apprenticeship could fit into a non-academic school environment.
e	We agree with valuing the contribution of our culture, traditions, and communication values. We would like to see some initiatives around crime and punishment in general, and how we can better capture what crime and kinds of crime is going on, have a more efficient system of reporting crime and investigation timeframes, how we can educate and rehabilitate better for the benefit of our communities.
f	We believe that in general, productivity in the Private Sector is generally good, but would like to understand what the measurement is and how does this apply in the Public Sector

#### 4) Investing in our Islands

- a. Ensuring a stable macroeconomic setting
- b. Investing in essential infrastructure
- c. Maintaining an attractive business environment
- d. Broadening our Economic base
- e. Facilitation greater local content in business and industry

a	Economic stability is key to a healthy environment in the broader sense, and given the recent upheavals caused by Covid-19, we would like to continue to be fully engaged with Government in working through what new budget forecasts are likely to be in the future. We remain very concerned at the continued border closures and what future visitor numbers are likely to be. We agree that we should be ensuring that we create and foster an environment that encourages diversification, however, we must ensure that this is not to the detriment of ensuring the survival of our tourism businesses in the first instance.
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	We would welcome the opportunity to be represented on the Banking Taskforce. We also agree with the potential introduction of bankruptcy laws.
b	We would like to ensure that infrastructure projects are managed professionally and without interference to ensure the best possible outcomes for the Country. We should ensure we learn from our past mistakes in this regard. We would like to ensure that any charge for water is applied equally and consistently for all households whether officially commercial, or not, when volumes used are more than the agreed allocation.
c	We need first to build an attractive business environment, and then maintain. Reduce costs for businesses in using Government services, and ensure that the Government is not competing with the Private Sector for goods and services. We would like to see a lift in Customer Service delivery from Government Departments in general, some staff within Departments are aggressive and unwelcoming, with seemingly no recourse for complaint. We agree with the ADB's assessment that the foreign investment regime is slow, discretionary, unwelcoming, and even discouraged. This needs to change if the Country wants to attract new investors, and keep existing investors here. In general the Chamber would like to see support for private medical facilities to be established in Rarotonga. Some financial pressure would be relieved for those that normally travel to NZ instead of using TMO, there could be the potential to develop medical tourism, and E-Health could potentially be delivered by the Private Sector.
d.	Refer 2. a & e. We would like to see a multiagency taskforce to identify opportunities with a clear mandate to 'make them happen'. This could even be led by the Private Sector.
e	We agree that increasing local content in business and industry should be a target, however, this should not prevent other opportunities from being achieved. A review of the Investment Code could form part of this.

#### 5) Greening Our Economy

- a. Improving our eco-efficiency so we grow while using fewer resources and general few emissions
- b. Preparing for climate change
- c. Having economic recovering plans in place to respond in the event of a natural disaster
- d. Improving the management of solid and liquid waste
- e. Introducing better and more efficient ways of regulating the sustainable use of our environmental resources

a	We should make it an attractive proposition to encourage upgrading of facilities and new builds to be eco-efficient through tax breaks, or other incentives such as concessionary loans. We could look to access cheaper funds for this purpose from International Agencies such as GCF or EU.
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b	We should all remain engaged in the GCF Readiness Programmes and work towards ensuring we create the opportunities for accessing funds for adaptation and mitigation.
c	We should have an all of country DRP which includes businesses, communities and Government. We would like to see a Public/Private sector review of all of the outcomes and activities associated with COVID-19, to ensure learnings are documented and noted for future disasters.
d	Agreed
e	We would like to see some more capacity within NES to ensure there are timely investigations and outcomes of inappropriate use of resources, or structures. We are concerned with the longer term effects of sand mining and rock walls as two examples. We would also like to see legislation and policy changes to align various acts and identify and correct cross-overs that cause confusion.