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S1 00:00 Hello and welcome to another episode of the Moxie podcast. This is episode 20 recorded on the 17th of March, 2015, though the Moxie session itself took place in October 2014. A special thanks to Alcatel Lucent whose sponsorship helps to make this podcast possible. This is the companion web show to the Moxie sessions, an internet economy discussion group held once a month in Auckland, New Zealand. Our aim is to bring together a group of interesting people from a diverse range of backgrounds to talk about how New Zealand can take advantage of the internet to improve its social and economic performance.

S1 00:37 I'm Andrew Patterson with you here in Auckland. I'll introduce our guest panel shortly, but first let me tell you a bit about our topic for this session. While the Auckland isthmus has been settled for almost 700 years, Auckland city as we know it is barely four years old, and like all four year old it's still got a lot of growing up to do. Auckland is New Zealand's only credible claim to a city of global scale and according to recent international surveys, it's increasingly been regarded as one of the world's most desirable cities in which to live. With its spectacular Hauraki Gulf, its Waitakere Ranges, its newly opened waterfront area and of course its popular cafes and restaurants and a variety of other recreational options, Aucklanders are almost spoilt for choice when it comes to using their leisure time. But being popular does have its down sides. Spiraling house prices, congested motorways and a public transport system that remains under pressure are all external signs of a city that is possibly growing faster than its infrastructure.

S1 01:39 So, how are we going with this experiment of a single city? What more will need to be done for Auckland to keep pace with its own popularity? And while its vision is to become one of the world's most liveable cities, what will that actually entail? Let me introduce our panel to discuss all of this. With me in the studio is innovation consultant James Hurman, and also joining us on the line, Auckland city deputy mayor, Penny Hulse, and from the tech sector, Tim Warren. Welcome to you all.

S2 02:07 Thanks Andrew.

S3 02:08 Hello.

S1 02:09 Let's kick off by getting a brief comment from each of you regarding your assessment of the super city four years on from its formation. What are you most pleased about and what concerns you? And Penny Hulse, as the deputy mayor, perhaps we can start with you.

S3 02:24 Lovely, thanks Andrew. I'm pleased that we're finally bringing together one vision for Auckland. We're a huge and spread out city and without that single vision we could grow somewhat like top seed and without connected public transport and connected communities. We've got the opportunity to do that and we're starting to put that in place. We've got the unitary plan which sets out how we're going to grow and we've

got some very good ideas about how we're going to deal with transport. The challenges however are that we're still groaning under a complex organisation to try and deliver that. We've got our CCO's, our Council Controlled Organisations which sometimes head off in their own direction. We've got the challenge of budget which seem to shock everyone at the size of them but we're still doing better than we were as individuals cities, and whilst growth is a blessing, it's also a huge challenge, as you outlined in your introduction. But those are the good things and the challenges. But the hopefulness for me is that we're starting to get Aucklanders viewing Auckland with a passion and hearing from those diverse voices about how we can solve some of these problems, and people are actually really knuckling down and focusing on that, rather than just looking at the negatives if you [would?], reading the Herald that is.

S3 03:50

We are working through how we intensify our city, how we use that intensification to improve public transport. And our biggest challenge now is to bring those voices together and get Wellington - in other words the Government - to partner with us, to adequately fund some of the transport needs that we have and to make sure that we don't throttle back on the good delivery of public transport.

S1 04:14

Yes, that's a good point about Aucklanders finally really getting proud of their city. I'd like to come back to that a little bit later in the discussion. But to James Hurman. From an innovation consultant's perspective, how are you reading Auckland?

S2 04:28

Certainly from my point of view the experiment of the super city has been in many ways a real success. I guess mine's a more personal story. I'm born and raised in Auckland and I spent most of my life, like a lot of Aucklanders, feeling kind of awkward about Auckland compared to the best cities in the world. We didn't seem to be getting a lot right. Then it was a couple of years ago when I surprised myself after a period of huge change and development in this city. For the first time I found myself feeling proud of the city that I was born and raised in. And so because of that I wanted to find out whether others felt the same way and did a piece of research, about a year ago now, where I asked a thousand Aucklanders how they felt about Auckland compared to ten years ago. Did they feel less proud, as proud or more proud? 21% said they felt less proud, 32% said as proud and 47% said more proud. So by far the biggest group had an increased sense of pride in Auckland since the city came together. And I think the formation of the super city helped enormously in that, helped us become not only one kind of infrastructure, if you like, that was capable of doing things together, but also it gave us one sense of identity and I think that's been a critical part of Auckland's pride growing over recent years.

S1 05:54

All right, good point. And just picking up on that Tim Warren, as somebody working in the tech sector, how are you reading things at the moment?

S4 06:03

It's an interesting comparison for someone working in tech. From our perspective Auckland's always been one city that you can launch from into the world sphere. And if we look at some of the other very successful city states around the world, like London and New York et cetera, those cities operate as really almost independently from the country that they're in, and they really have more in common with each other than they do with their own countries. I think especially in the case of New York. Within technology itself, the centre of technology in the US is Silicon Valley in the San Francisco-Bay, area which is a good example where you don't have to be the single biggest population centre to actually dominate a particular industry. And Auckland looks very positive from this perspective. Turning to financial services and the availability of capital, I think that's very important. And just anecdotally, when I'm

making phone calls in a financial services capacity, 99% of the phone calls I'm making are within Auckland. I've got reach to national capital, and even international capital, but I can do that all within the one city. Most people that I'm dealing with on that front are based here. I think overall Auckland is a very effective place to do business from a technology and financial services perspective. And probably the only place where you can have a complete business operating in the country, from that perspective.

- S1 07:38 Okay, thanks for that. Let's talk a little on the pride issue first because I'm interested in this and I certainly concur with James as somebody who grew up in Auckland, you were always making excuses for Auckland. You don't seem to do that anymore. What do you think has changed that? And is it the fact that it's just that Auckland has come together because the world has changed its view? Or is it something that Auckland has done to change that do you think? James, do you want to kick us off on that?
- S2 08:06 Yes, certainly. I think it's a whole cocktail of things really. The pride is driven by some really basic stuff, like there's a whole lot more to do in our city now than there was five years ago. If you look at the developments, the precincts for example, the hospitality community. If you look at the events strategy that's been pursued over the last sort of while. Now there is so much more to do in our city and that's fantastic. I think there's the praise from the world, so the fact that we are ranked among the best cities in the world by many different sources only serves to reinforce the good feeling that we have in our city. Also I think it's no accident that this has come about at the time of the rise of social media, so prior to something of a meme, and the fact that we are now able to share our pride and what we love about Auckland and other people see that and hear that and feel it. It again reinforces what's great about our city and I think that pride is spreading just like a meme does.
- S1 09:04 Penny Hulse in terms of ATEED's mandate - this is the Auckland Tourism, Events and Economic Development Unit - how much has that been a part of this? And what really has been its mandate in terms of actually trying to turn the city around?
- S3 09:22 Their mandate is two-fold. It's focused on the city, and selling the city to the rest of New Zealand, to itself and to making sure that, as Tim has said, that it's a good place to do business. But also selling Auckland on the international stage, and I think ATEED is doing a very good job of that. We're also seeing with the concerts and events that we're having here that New Zealand is pouring into Auckland and we're having weekend's now where there's not a bed to be had in Auckland, and that's been something that hasn't happened for a very long time. Some of this I think is quite rightly, as James said, attributed to social media. Suddenly people are proud of Auckland's place in the international scene. We're no longer competing with Wellington and Christchurch. We're competing with cities around the world and we're doing very, very well. And the Super City means that we're all allowed to have ownership of each other's lovely spots that we're proud of. People in South Auckland are proud of the Waitakere Ranges. People in West Auckland are proud of the beautiful East Coast beaches. We're all proud of the waterfront. We've suddenly realised that we're all allowed to own those great bits of Auckland that international visitors fall in love with.
- S1 10:41 Do you think though that this is going to create a problem, or is creating a problem, that Auckland is becoming like a city state within the country and obviously it's getting the rest of the country offside because of its success?

- S3 10:54 I think we're over-playing that issue. As Tim said overseas some large cities do operate as city states. I think that may be a strength for Auckland. A lot of us put a lot of energy into making sure that we retain good relationships with our other cities around New Zealand, and I, for the last couple of years, chaired the Metro Mayor's Forum where we worked with the eight largest cities in New Zealand and worked together collaboratively on issues. We try and work for the best of New Zealand Inc., but we can't get away from the fact that we are the big front door to the rest of the world and if we do well, the rest of New Zealand does well.
- S1 11:36 And Tim Warren, from somebody working in the tech sector, how important obviously and what benefits has Booktrack been able to derive from this new found heart that Auckland seems to have developed?
- S4 11:53 I think back to what Penny said around ATEED. ATEED has been a very functional organisation for Booktrack. Very functional for a lot of companies that I can see. It's very rare to hear anything negative about the organisation at all. And I think it's partly a coming together of the city to support what we've already got. Like I said, a lot of business' already see Auckland really do much as a cohesive unit, and have done for some time. There's been some issues around the edges in the past and we're addressing those now. But most people are really happy to accept it and really move on. I think in the-- although the America's Cup campaign wasn't as successful as we wanted it, the actual New Zealand coordinated support out of Auckland was an excellent example of how that worked for a lot of companies that were able to get in front of an audience that they otherwise would not have been able to do.
- S1 12:48 Yes, and from a tech point of view, when we think of tech today and we think where Auckland was 10 to 15 years ago, we really didn't think about tech at all so this is a whole new area. And how do you assess the health and the potential for tech to be a real driver for the city in the future?
- S4 13:07 I think it's enormous. I like to look at any of the negative or difficult situations that we have and say how can we turn that into a positive, and one of them is distance. The obvious way to deal with the fact that New Zealand is a very remote economy. If we're going to be part of the world economy, we have to turn that into a positive and the way to do it is to use technology and weightless export. So, exporting intellectual property, education is a fairly good example. There's a lot of examples in technology where we can develop here. We've got some of the world's best universities to train people. We can send out intellectual property to the world. And I think it's just happening, it's not effortless, you do have to put your mind to how you're going to be able to do that, how you're going to be able to successfully export to the world, but there are many companies around New Zealand that are doing that in a very effective fashion. And the more development we get in our technological infrastructure, the more we can support that.
- S1 14:12 Do you think concentrating that, like Silicon Valley has, is the way to go? We know we've got innovation precincts down at Wynyard Quarter and so forth, is that a strategy that you support or do you think that we should be pushing these sort of things out to places like Pukekohe, and somewhat like Silicon Valley originally was when it took over a former orchard area?
- S4 14:36 I think too much intervention and telling people how it should be done will be a negative. Being allowed to grow in a way that market forces push it will generate the best outcome. I think it'd be great if there's a successful technology sector in the

major centres and plus some of the minor centres as well. But let's be realistic about it, things happen when you get more people together and if everyone goes to one road, Sand Hill Road in Silicon Valley to get their venture funding capital for technology, they go from all over the world, you know that that's how the model works very successfully. In Auckland I think we can achieve that by getting a concentration in Auckland, a concentration with the investor base as well is very important and the more people you get talking, the more activity we'll get and the more jobs and well being we'll generate for New Zealand as a whole.

S1 15:30

Penny Hulse, does Council have a view on this? Is it a supporter of market forces determining where things should end up, or from a planning perspective, how much do you want to control that growth?

S3 15:45

We're a little bit of a mixed bag if I'm honest. The new unitary plan makes allowance for and provides for commercial and industrial land. Actually what happens in those areas is up to the market. We have however got some old sites that set out to be for tech industries, or for entertainment precincts or for leisure precincts. Health, medical, I don't know how successful that is these days. I think exactly, as Tim was saying, some of that just needs to happen on its own and in a way that actually works for the industry, and thinking of the tech industry in particular, they're changing on a daily basis. What we need to do with some of these is step out of the way and let the good things happen.

S1 16:33

All right. From your perspective, James, is that something you support?

S2 16:39

Absolutely. I think it's a case of you put talented, creative, great people together and then you get out of their way. I think that's what's happening with the grid, and I think that's what's happening with the whole plan from ATEED and Council about creating an innovation hub. It's not so much about controlling it. And no one quite knows what the outcomes will be, but the history of innovation has shown us if we put smart people together and we let them bounce off each other, then great things come of that. And I think that's the mentality that seems to be at play, and from my point of view, it's early days but it's certainly a fun place to be right now.

S1 17:16

What about this idea, Penny Hulse, of actually managing growth? That obviously as Auckland gets more popular, more people come. And we know there's the downsides to this, the issues around housing and so forth. How cognizant is the council that potentially Auckland is growing faster right now than it's ability to actually control that growth.

S3 17:40

Even though it makes headlines and everyone is truly concerned about growth at the moment, it's no surprise to us. We've been planning for growth as the separate councils for a long time. And councils like old Waitakere certainly grasp the nettle, and we looked at increasing density around the rail nodes, and were pretty successful in that. Some councils not so much, so there's a bit of catching up to do. There's huge opportunities in growth and we shouldn't be frightened of it. It does exactly what the other members are talking about. It provides opportunities for agglomerating benefits of a whole bunch of clever people together doing innovative things. It means that we get more thriving hubs out there in our suburbs. It means that we get better public transport because we've got more people to use it. It's how we use growth and how we plan sensibly for it. And I'm completely unapologetic about the fact that we need good urban containment, and we need to increase the density of the way that we build, so that we make some of these good things happen. And provide the range of

housing choices that people need, so that our young creatives can actually afford to live in and stay in our city.

- S1 18:55 James, in that survey that you conducted, did people raise the issue of growth as a concern?
- S2 19:01 Certainly. The ATEED study focused entirely on the positives. What's going right and how do we learn from that? And certainly there is-- obviously there's huge debate around growth and density. And I think you've only got to look at how great people feel when they're in the middle of our city and it's not empty now. You've only got to look at how great people feel when they walk along Wynyard Quarter and they're surrounded by people from all over our city, and how much that lifts people's spirits. And I think having a dispersed city, it never does that and that's why it felt shit for so long and now it's starting to feel fantastic. And so I think we've got to look at that concentration of population as something that will lift all of our spirits and will enable us to collaborate more, work more together and achieve more together.
- S1 19:49 Penny Hulse, how do you characterise the relationship with Government at the moment, because it always has been a vexed issue for Auckland. Is that a stronger relationship than it has been in the past?
- S3 20:02 [chuckles] I think it continues to be a bit vexed. The Government put us together, they created the Super City and they said look, once we've got the Super City, we'll have some single plans we'll be able to get on and partner. And we're saying, we've got a pretty comprehensive transport plan, we'd like to send you the bill thank you very much, and that's been not quite so forth coming. I think we're warming into it and we just need to make the most of the fact that we're clear in our thinking. We're clearer in what Auckland expects, and basically I think the Government just need to relax a bit. The rest of New Zealand are not going to view this as a negative thing if the Government gives more support to Auckland and I think the Government just need to get over that concern. We are having some really good results. I think some of that work coming out of the housing accord is positive, and a little bit like James, let's focus on some of the things that have worked well. We'll resolve the issues of the funding for transport, but we just need to plug on really.
- S1 21:03 Tim, when we think of issues like being able to find staff, and particularly as somebody working in the tech sector, this has been an ongoing issue. Are you finding that you can get the staff that you need, and when you get them here they can buy a house and those sorts of things, are those an issue for you?
- S4 21:23 It is difficult. Depending on the more specialised area of tech you might find that there might be one or none of the people that you need in the country. However, Auckland is a bit unique, you can get people to move here. It is pretty hard to get people to move to quite small towns and cities, but moving to Auckland with the scale we do have, people are prepared to move. In Booktrack for example, of the staff that we have, less than half are born in New Zealand and it gives you an idea of how diverse we are which is fantastic, it brings a range of thinking, but we have to be. If we were just hiring out of a local pool, if you look at a more homogeneous city like others in the country, it will be much more difficult. It's very difficult. Something I'd say though is that the building of New Zealand as a dominant population within New Zealand does help. It means if the people are in New Zealand there's a 40 to 50% chance of them being in Auckland. I read an interesting stat in a PWC report about New Zealand the other day. It said that after Dublin, Auckland is the city that most dominates its country's population and that by 2030 we'll have 40% of the total



population in this city. And it will only increase from there. Back to the previous points that the other speakers made, is that this is going to happen anyway. We can try and change it and block it and put some physical policies in place, but actually let's go with it. Let's accept this is what's going to happen and build the right infrastructure. Build the living conditions that people are really going to enjoy.

- S1 23:12 Well that's a good point and therefore, James, if we go down that track, what are we going to have to do more of do you think?
- S2 23:20 If we go down the--
- S1 23:21 The track of accepting that 40 % of people are going to live in Auckland, say in the next 20 years. What else are we going to have to be thinking a lot more of, apart from the obvious things?
- S2 23:33 Yes, I think that the road that we're going down at the moment which involves, from my point of view as a consumer of the city and a parent. The opening up of the city and the gifting back of the jewels of the city to the public and I think that's something which is incredibly powerful and super important. And I think the more that we do that, as well as the more we fix the problems with the transport, all that kind of stuff. The more important thing is how do we continue to make this a fantastic place for that large group of people to live because it absolutely can be.
- S1 24:10 Penny Hulse, one of the opportunities that I wonder for Auckland is that if we accept that Auckland is becoming an increasingly very popular place to live. People want to live here. We've got growth in the tech sector. Has thought been given by Council to actually put the welcome mat out to places like Google and say hey, what can we do to bring a Google innovation campus, or an Apple development campus or something like that to New Zealand, to this city? Have we done things like that in the same way that Ireland put out the welcome mat to bring the micro processor sector to Ireland in the 90s?
- S3 24:51 I think that that welcome mat is being waved out everyday and again, I give credit to Brett O'Reilly and ATEED. And despite the fact that we get criticised in the media for having people overseas advocating on our behalf, that's exactly how that happens. It happens through conversations. It happens through people talking to people. And it happens with bringing visitors out here to fall in love with Auckland and actually move their headquarters here, or parts of their business here. So that is absolutely ongoing. And part of that is also us saying how do we attract those people here? And it is about the vibrant city. It's about our stunning harbour and it's about our beautiful green spaces and wild places. So whilst we deal with growth and make sure we're vibrant, entertaining and fabulous, it's also keeping our harbour clean, looking after our green spaces and making sure that we retain that edge that Auckland's got, and that's how we're going to bring the Googles and organisations like that out here.
- S1 25:56 Do you think that will happen? Do you think that Auckland would one day host a major international company in the tech sector here?
- S3 26:04 Well if you look at the kind of people that we're attracting here, I'm absolutely convinced we will. There's a certain jaded quality about some of the places that these organisations have set up. They've made some quite brave decisions about heading out and supporting places like Vancouver and Seattle. I think Auckland is absolutely on that list of places where people would like to live. Our tech community are unbelievably transportable. My son's a software developer, he's working in London.

He works all over the world. And why would people not want to work in Auckland and transport their intellect from here? I'm absolutely clear that we've got a good future.

S1 26:52

Finally, I just want to use the remaining minutes to talk a little bit about this other issue around multicultural integration. We make a lot about the fact that Auckland is one of the world's most multicultural cities. But I wonder actually how much we do to integrate that into the city itself. It is still very separate on geographical lines. And while we have successful events like the Lantern Festival and so forth which are little beacons of hope. Do you think we'd be doing more in this area James? I kind of feel we do.

S2 27:25

Yes, I think we absolutely need to do more, but it's a journey we've taken really important first steps on. If you look at the pride that Aucklanders feel in our multiculturalism, it's enormous. One of the main findings of the study that I did, when people talked about what was going right in Auckland and what they loved about Auckland, the fact that they were surrounded by people and cultures from all over the world was one of the first things they said. Now that is an important first step towards proper integration. We don't have the racial issues have that many, many other cities do. We don't have vocal anti-immigration lobby groups. We don't have racial violence in the streets. We don't have any of those proof points of deeper racial issues, and we've got a love of our multicultural environment. I think that's step one, step two is now how do we represent that multicultural environment in our boardrooms and in our council and right throughout our culture in an appropriate way? But I believe we've taken a really important first step towards that.

S1 28:26

Tim Warren, any thoughts in that area in how we integrate the city more from a multicultural perspective?

S4 28:34

Certainly we can do more in the public space and I think that we're seeing more and more of that. When I look at operating in the business space, there's a great deal of integration already. Like I mentioned, it's pretty hard to have a software company in New Zealand with more than about four staff where you haven't got someone from another country. It's fairly common for teams and whole companies to be a majority migrant set of workers where New Zealanders are a proud minority and really pleased with the diversity that it brings. So if we can learn from our work places - especially in the high technology sphere - and bring that out to the city, then I think that will give us a road map of how to get there.

S1 29:18

And Penny Hulse, I know the Council's always very interested in this area, but do you feel that this is something that Aucklanders need to take ownership for themselves, or could Council be doing more in this area?

S3 29:32

We can only do so much and we support festivals, we support the ethnic advisory boards and that sort of thing. To me bringing it right back to the personal, it's celebrating our friends, it's our neighbours, it's the communities we live in. I live out west in a very, very diverse community. Our kids are marrying kids next door who are from other countries. Our grandchildren are mixed race. It's that kind of thing that is permeating Auckland and we're blessed. We need to settle peacefully into our diversity and celebrate it and be welcoming every step of the way. It's our biggest strength and I think we are so lucky.

S1 30:19

Do you think we're doing that?

S3 30:21

I think we are. I think in many communities around Auckland-- there are some communities that I go to and I think wow, certainly I could do with seeing a little



cultural diversity around here. I won't name any of these communities. But I think that will change. But certainly as I say, where I live out west there is an amazing mix of communities, huge celebration of each other's lives, and we just need to grow that. A lot of it is also then changing who we see as our city leaders, our leaders in the boardroom and our visible spaces of leadership and we've got a long way to go there.

S1 31:03

All right, I'll just get each of you to maybe give a little comment to finish off with, and we'll finish with James because he's got a little piece he wants to read. So Tim, a little comment to wrap things up from you.

S4 31:18

I'm very positive about Auckland's place in the country. In terms of looking towards the future when looks from the perspective of doing business in the city, in the country, it's a great place to do business. It's a single flight from pretty much half the world now, and we are the financial centre for the country. So I think it gives us many opportunities.

S1 31:43

All right, Penny Hulse.

S3 31:45

I think there's a responsibility that comes from living in a place with this extraordinary amount of gifts that it has. I think we need to start living positively as Aucklanders, and taking ourselves to where we need to go. Enough of the moaning and looking backwards, let's make the most of this extraordinary place we live in.

S1 32:06

All right. And James Hurman, a little quote to conclude us, I think from Dick Frizzell.

S2 32:12

Yes, Dick Frizzell, our awesome local hero. He was talking about coming back to Auckland from the Hawkes Bay, and how different it was. And he was talking about his son and friends and everyone around him. And he said, "They all think why would you live anywhere else? And nobody ever talked like that once. We just always fantasised about being somewhere else. In my lifetime - and I'm 71 this year - to see it all completely roll around, and for people to start talking about Auckland as a place you'd actually want to be. It took me a while to get my head around it." And I think that for me sort of sums up the magnitude of the change and feeling towards Auckland.

S1 32:52

And appropriate enough, you titled the piece Something's up in Auckland. Which perhaps is a nice way to finish this conversation. I thank you all for joining us. Innovation consultant, James Hurman. Also with Booktrack chief operating officer, Tim Warren and deputy mayor Penny Hulse. Thank you all, this has been the Moxie podcast. We hope we hear back from you again in the future. Thank you for joining us.