



**Economic Development Conference 2019**  
Working together to build quality growth

## Rarotonga Public Consultation 2019 — Summary

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### Background

The Government has started work on an Economic Development Strategy that is designed to address cross-cutting economic issues — both challenges and opportunities — with the aim of creating a favourable economic setting that encourages sustainable economic development over the next 10 years. The Strategy will have a broad focus that recognises that economic development will not be sustainable without addressing relevant social and environmental challenges. At the same time the Government is opening the telecommunications market — landline and mobile phones, and broadband internet — to competition.

Two public meetings were held on Rarotonga to hear firsthand community views on these two major policy proposals. The communities were invited to share their experiences with the current telecommunications service— landlines, mobile phones (calls and data) and broadband internet services — and their expectations for the future. They were also invited to share their views on the challenges and opportunities they face in their daily lives as well as with running and operating a business on each of the islands and what they perceive as possible solutions to fixing challenges identified and potential business opportunities worth examining further.

This paper provides a summary report on the key issues raised at the community meetings.



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## Puaikura Community Meeting

The first of the Rarotonga community meetings was held in Puaikura on Wednesday 30 November 2019 at the Calvary Hall.

### Employment

Through the consultation it was suggested that the process of obtaining an EIA needs to be improved as it is currently an obstacle to progress also that there is a lack of expertise at NES to provide guidelines in specialized areas such as quarrying.

There is a major shortage of skilled labor on the Island and as result foreign workers are brought in to fill the gap. Businesses provide opportunities to locals to upskill through CITTI or overseas in order to meet increasing demand for trade work with the increase in development. Another example mentioned is the training of teenagers to operate heavy machinery at a quarry operation to provide jobs as well as keeping them out of trouble.

### Agriculture

It was put forward that some of the Government's decisions have not benefited the Cook Islands over the past few years. An example is the problem with the introduction of invasive tree species to some of the Outer Islands. The fallen needles from pine trees end up covering the soil and having a negative effect on agriculture. It was estimated that it would take many years before the islands can go back to their previous agricultural capacity.

The Ministry of Agriculture needs support for a trade negotiator to assist and promote Cook Islands' Agriculture on a commercial scale. The country needs to increase agricultural production and align with the demands in the New Zealand and Australian markets. Changing the time-line could also be an important step in coordinating trade with New Zealand and subsequently strengthening the Cook Islands Agricultural sector. These changes will also benefit other businesses that will enable them to align operational hours to New Zealand to avoid working on Sunday.

Small scale agriculture and farmers are currently not protected leading to disincentive for people to enter the market, for instance the prevalence of theft of local farmers produce. It is believed that the small scale agricultural sector could be increased leading to restaurants focusing on dishes made of local produce. Also tourists could be taught the traditional knowledge and the local cooking techniques. Another mechanism that needs to be introduced is supply contracts to ensure the long term sustainability of produce and discourage farmers from undercutting each other's price.

### Disaster preparedness

Cyclone shelters and natural disaster preparedness need to be revisited. There are cyclone shelters and Tsunami Routes on the island but in reality people do not know the steps to take in case of an emergency. It is important to make sure that the emergency preparedness kits as well as step-by-step plans are publically available. It is crucial to provide residents and the

visitors with a detailed, easy to understand plan as well as emergency maps. People need to be prepared and stock up with food, water and all the emergency items ahead of time.

### **Water/waste water**

Sustainable water usage was another important topic touched upon at the consultation. It was suggested that businesses such as hotels should pay different quotas for the water, waste management and services. It was also suggested that water metering should be encouraged for all households to ensure water security and reduce waste.

Other issues that were briefly discussed at the consultation included the land tenure system in the Cook Islands and how this underpins development therefore there is a need to bridge the disparity with development/growth and the land systems. There is a need to work more efficiently in the Cook Islands with labour shortage, there was also discussion around the increasing number of public servants.

### **Telecommunications reform**

The changes to be brought about by telecommunications reform were well received by the community as this will bring about opportunities previously untenable in this sector due to the high costs. Such opportunities include the provision for data storage services as well providing electronic based services through utilising 'smart systems'. It was also mentioned that protection from larger companies should be given to those smaller businesses wanting to start up in this area, especially with accessing existing infrastructure.

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## **Takitumu Community Meeting**

The Takitumu community meeting was held at the Titikaveka Sunday School Hall on Thursday 31 October 2019.

### **Tourism**

The discussions regarding tourism were in relation to carrying capacity of tourist numbers, especially on Rarotonga and the social and environmental impacts this is having on our island. One way to cope is to spread the load with the outer islands. It was suggested that a limit should be set for tourism to maintain numbers but increase the revenue generated. Tourist operators need to be more conscious of the impact that their businesses are having on the environment and implement measures to minimise this. This can be tracked through the Mana Tiaki programme which will be expanding to including initiatives such as:

- Energy efficiency/sewage systems – reticulation.
- Recycle green waste e.g. shred and compost.
- Minimise use of plastics.
- Coastal protection and native plants use.
- Awareness programmes for staff/tourists and buying local produce.

## Cost of living/employment

There is no control over the cost of goods sold, no control over the prices being set for long term rental houses with people charging up to \$650/week. Regulating the housing market could decrease the prices subsequently lowering the cost of living. It is very expensive to live on Rarotonga especially if you are earning a minimum wage, this situation is worse off for people from the Pa Enua with no land here and who have to rent. Creating policies to increase the island's population are practically impossible with the current wage rate. Most of the people are unable to afford living on the island. Cook Islanders have more economic incentives to migrate to New Zealand where the hourly wages are about \$12 higher while the cost of living is lower. To have people come back, it is essential to provide them with economic incentives to do so otherwise the depopulation talks and strategies are a waste of time.

The increase in development on Rarotonga has resulted in an increase in the importation of foreign labour. Although they are paid minimum wage, the additional costs for airfares, immigration, other associated costs increases overall expenditure to employers. Would it be possible to hire a local for a salary that includes all the additional costs payed to a foreign worker? Would that be enough of an incentive for the local workers to stay committed to their work and the island?

## Health

Another major issue that the public was concerned with was the growing number of NCD cases in the Cook Island. The sugar tax does not seem to be working as well as it was intended to. There is a need to educate the public on the importance of healthy living in order to make positive changes and decrease the number of NCD cases in the years to come. Education should start at the infant stage so it becomes ingrained in the child's life. Another initiative should be for MOH to identify foods that don't impact sugar levels and promote these for people to eat.

Other areas that were briefly discussed was the inclusion of a well-being index to be incorporated into the strategy. Also, many of the changes that are occurring is as a result of a change in the values of the Cook Islanders from communal to individualism, with people more focused on making money.

## Telecommunications reform

The attendees at the community are receptive of the changes that will result from telecommunication reform. There were questions put forward relating to affordability of the telecommunications service and how this will be defined. This question particularly relates to Pa Enua prices in comparison with Rarotonga prices and the how much differences can be expected especially with the two different services provided. Also, questions were raised regarding licenses for telecommunications and how long the terms will be and who determines this.