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NEWS



Rockets to riches

NZ chases trillion-dollar market as protesters, police clash at summit

AEROSPACE
Blayne Slabbert

At the New Zealand Aerospace Summit in Christchurch yesterday, the question hovering over Te Pae was not whether this country can build rockets – it already does – but if the aerospace hub can scale in a global market measured in trillions.

While protesters clashed with police outside, Space Minister Judith Collins told delegates that the national space and advanced aviation sector, which employs 17,000 people, had grown 53% in five years to \$2.68 billion – outpacing international averages.

Her goal is to double that figure by 2030 through new testing regulations, defence partnerships and international investment.

But Rocket Lab founder Peter Beck is more ambitious, hinting the country should chase a 10% share of the emerging \$2.3 trillion aerospace industry, worth about \$230b to New Zealand.

His message to local companies was clear: ambition matters, and the ones that succeed will be those that act global from day one.

Speaking by video link, Beck said New Zealand's small size is no excuse for small thinking. "There has never been a better time to think big beyond our borders," he said. "On paper, Rocket Lab looked pretty improbable – a rocket company from a country with no space agency. But the hardest part was just deciding to start. Everything after that is work."

Beck's challenge to the summit was clear: New Zealand already has the talent and the track record; now it needs the scale, capital and global reach to turn a billion-dollar sector into a hundred-billion-dollar one.

Industry leaders agree the opportunity is real but warned that growth now depends on execution.

Aerospace NZ president Mark Rocket said the sector's expansion is no longer theoretical but part of a broader shift in New Zealand's economy. "We're building an ecosystem that's thriving locally and respected on the world stage," he told delegates.

Rocket said the sector is entering a decade of transformation. "What worked for New Zealand last century may not be fit for purpose now," he said. "Sustainable aerospace technologies can drive economic opportu-



Police and protesters from Peace Action Ōtautahi collide outside Christchurch's Te Pae convention centre shortly before the summit was due to begin. IAIN MCGREGOR/THE PRESS

nity, empower people and help us build a truly connected aerospace nation."

That national aspiration is being matched in Canterbury, where an ambitious regional aerospace strategy aims to create 1500 high-value jobs and inject \$1 billion into the local economy by 2035, requiring the sector to grow four-fold within a decade.

For Dawn Aerospace chief executive Stefan Powell, execution means proving that innovation built in Christchurch can compete on a global scale.

He told delegates that Dawn's reusable spaceplane, which sells for about US\$10 million, is preparing for high-altitude test flights by 2026, while the firm's propulsion systems already power 38 satellites in orbit for 25 international customers. "It's really starting to get there," Powell said. "We're producing hundreds of thrusters a year now, scalable, reliable and low-cost, and it's becoming technology that anyone could use."

Powell said New Zealand's geography gives it a natural advantage, but that the next step requires scale. "Aircraft make money in the air because they're reused thousands of times," he said. "Space technology has to reach that same level of reusability and

reliability if we're going to make it sustainable and economically viable."

With its open skies, engineering talent and proximity to the Southern Ocean, Canterbury has become the natural testing ground for the country's aerospace ambitions.

Christchurch's growing role in the global sector was on full display at the summit, which drew more than 800 delegates, up from about 100 when the event began four years ago.

Collins told delegates the country now ranks behind only the United States and China for the frequency of orbital launches. She urged industry to keep aiming higher.

"It's clear New Zealand's aerospace sector is entering a new phase, one defined by scale, ambition and global relevance," she said. "We have the talent, the infrastructure and the agility to lead, and with continued investment we can help shape the next chapter of global space activity."

Outside Te Pae, police arrested 37 protesters from Peace Action Ōtautahi after demonstrators blocked entrances to the convention centre in opposition to what they described as links between the aerospace sector and defence industries.

Hopes for confidence boost as OCR dips to 2.5%

REGIONAL ECONOMY
Liz McDonald

Canterbury businesses are cautiously optimistic and home buyers better off after the biggest interest rates drop this year – but the region's consumer confidence remains sluggish.

Yesterday, the Reserve Bank cut its official cash rate (OCR) – the wholesale figure from which banks set their interest rates – by half a percentage point to 2.5%. This brings the OCR back to mid-2022 levels.

Business Canterbury chief executive Leean Watson said with the drop coming as no surprise, and more drops expected, businesses are becoming more confident.

Business Canterbury's latest survey found 55% of Canterbury businesses plan to hire more staff in the next 12 months, and 59% plan to invest in a new plant, equipment and property over the same period. "We are seeing a variation between the North Island economic recovery and the South Island. It's not all doom and gloom," Watson said.

While the interest rate drop will help, many businesses and households are choosing to reduce debt rather than "go out and spend", she said. "Businesses are really holding out for more stimulus before they can be more confident in their decisions."

Statistics NZ reports the number of filled jobs in Canterbury is 0.6% higher than a year ago.

Watson said high levels of migration into Canterbury means while there has been some increase in jobs, there are fewer available because they are "being filled quickly by the people coming into the region".

An economic report out yesterday from economic development agency ChristchurchNZ says Canterbury has gained about 1900 businesses in the past year. This 2.4% increase is the highest in the country.

The report says while the region's business confidence is growing and commodity returns are high, manufacturing performance has contracted and consumer confidence is "fragile", despite a small improvement.

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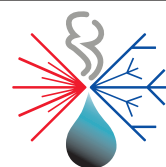


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