

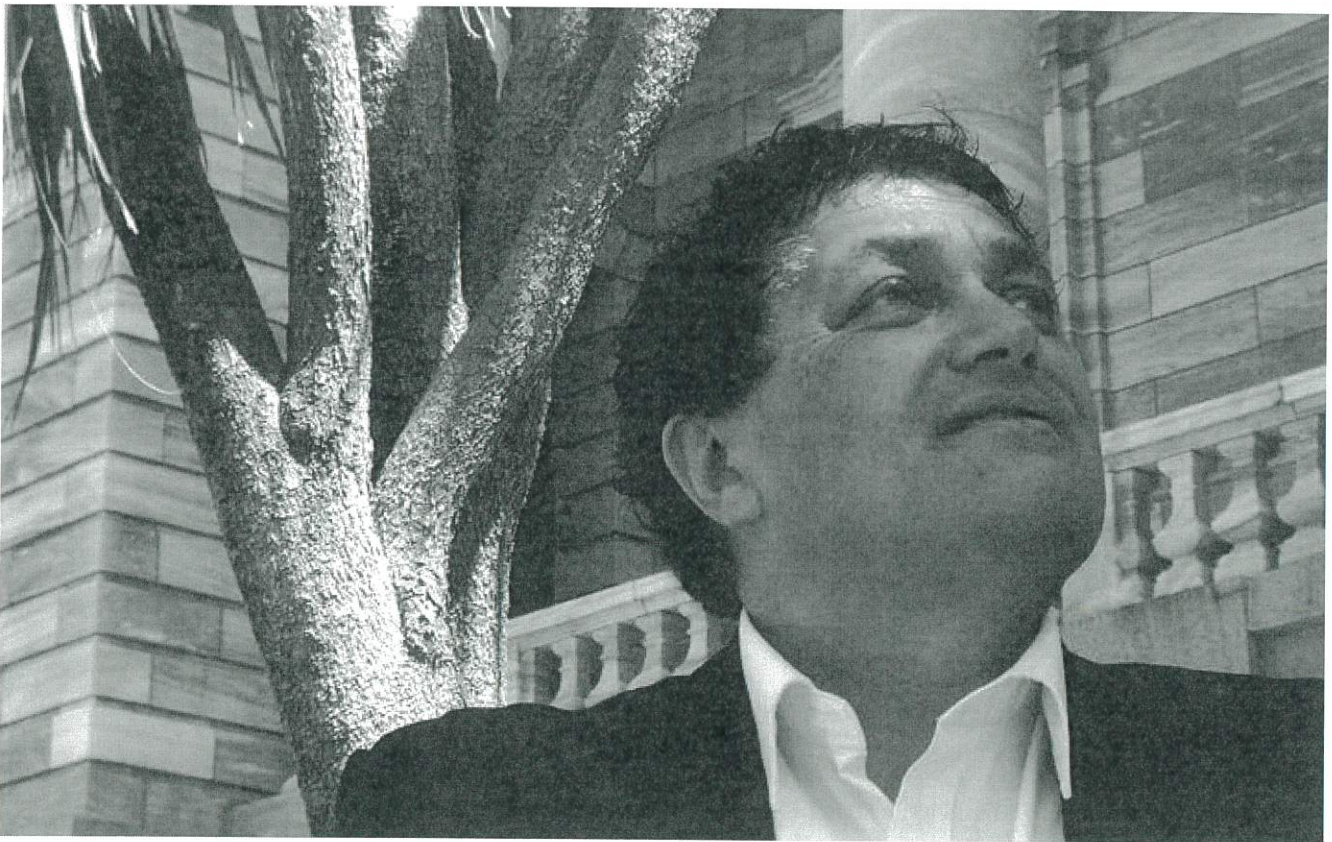
BUSINESS (/NEWS/BUSINESS) / TE AO MĀO...

Māori business models poised to help rebuild the economy

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By **John Boynton** for Mata Media (<http://matamedia.co.nz/2020/05/03/maori-business-models-can-help-rebuild-the-economy/>)

A Māori business leader says Māori business models are showing the resilience needed to help rebuild the economy following the Covid-19 pandemic.



Chris Karamaea Insley believes the current economic model isn't sustainable and is driven by creating profit for individuals. Photo: RNZ

Te Taumata chairman Chris Karamaea Insley is also the chief executive of Te Arawa Fisheries and sits on a number of businesses boards across the country.

So far, the government has spent more than \$10 billion on the wage subsidy scheme to help keep people in jobs.

Karamea Insley is seeing how well the low-debt borrowing model many Māori businesses follow is holding up during the lockdown.

"Universally across the board we haven't had to lay off staff anywhere near [the rate] Pākehā businesses have - because we've got this cushion in the balance."

Te Taumata formed six months ago and is a group focused on making sure a Māori voice is heard in trade negotiations between New Zealand and the rest of the world.

In the coming months, Karamea Insley said the government will be pressured by the business community to return the economy to what it was like before Covid-19.

But he believes the current model isn't sustainable.

"The business models promoted widely through New Zealand and the rest of the world is basically driven by short-termism and driving to create personal profit for individuals."

Karamea Insley understands economic wealth is important - but business needs to be driven by people - and looking after people.

He wants Māori business leaders at the table when it comes to helping to rebuild the economy and he's already met with government ministers.

"We're saying taihoa [wait] - we need to make haste but now we have opportunity to do something far better and far more enduring mai rāno [for a long time]."

Māori businesses have proven resilient through the Covid-19 pandemic, he said because they have less debt and use their profits to run their operations.

He predicts companies who borrow a lot of money to survive won't be able to survive.

"We're going to see a lot of them go bankrupt because they can't meet their mortgage repayments to the bank."

Karamea Insley said most Māori businesses are prepared take a long-term approach - something he doesn't see in mainstream business.

"They're lucky If they got a business plan for two years - Māori organisations right now honestly have a thousand-year plan."

The Māori economy is worth an estimated \$50 billion and Karamaea Insley said many Māori businesses are willing to diversify their portfolio across tourism, forestry, fishing and agriculture.

"This helps to spread risk.

"The risk of putting all your eggs into one basket - ie putting all your eggs in the China basket everybody's been locked into this."

However, there's no denying how big a hit Māori tourism and trade will take.

"We have very, very large Māori tourism ventures that are really doing it hard," Karamaea Insley said.

"They are going to be doing it very hard for a long time along with everyone else."

Since the Covid-19 lockdown, Karamaea Insley is noticing how different iwi groups and trust boards are coming together.

One large scale project continuing to move ahead is a multi-million-dollar aquaculture project involving a dozen Bay of Plenty iwi.

"It creates an opportunity for us to band together."



Māori tourism ventures such as Whale Watch in Kaikōura are doing it hard. Photo: RNZ

This story first appeared on the website of Mata Media

(<http://matamedia.co.nz/2020/05/03/maori-business-models-can-help-rebuild-the-economy/>).