

# MEMORANDUM

FROM:	Nigel Davenport
TO:	Timaru District Mayor and Councillors
SUBJECT:	Venture Timaru Operational Update for the three months to 31 March 2022
DATE:	26 <sup>th</sup> May 2022

# **Background**

Please find attached an update relating to our Economic Development and Visitor Promotion operations for the quarter to 31<sup>st</sup> Mar 2022.

# **General Commentary**

Having coped better than most during the initial period of COVID (evidenced by our Districts annual GDP growth figures detailed later in this report) and associated lockdowns through 2020/21, our local economy is feeling the effects like most of NZ – across cost of living, supply chain and workforce pressures.

This is best summarised by the following comments from Infometrics Chief Economist Brad Olsen:

"It's harder and more expensive to find growth in 2022, with intense difficulties finding staff and materials across New Zealand. We're struggling to resource further growth in the near-term. In effect, the New Zealand economy is red-lining and continues to operate above capacity, with higher prices overshadowing any real growth."

"Fractured supply chains, accelerating inflation, higher interest rates, and high levels of absenteeism from Omicron combined to throttle back the economic engine. Higher inflation is forcing the Reserve Bank to lift interest rates higher, faster, which will help take some of the wind out of an overheating economy, but the risk of a hard landing becomes higher with each passing day."

Locally our employers advise the staff absenteeism from Omicron was not at the expected high levels however the long tail of ongoing absenteeism is challenging to manage with obvious impacts on productivity.

Suffice to say the coming winter months present challenges on many fronts for us all.

**PRIORITY – Housing** – we continue to position the critical need for diversity in the District housing stock and are working with council to help inform the GMS refresh on this matter. In recent years district housing sales have generally fallen into two categories >\$500K and <\$900K/\$1m – both the traditional house and land packages.

We have voiced the concerns of local industry that a lack of diversity (and availability) in our local housing stock is an impediment to attracting and retaining the workforce they need – which is the biggest challenge facing our local economy pre-covid and continues today. Noting our unemployment rate which has traditionally been on of the lowest in NZ is now back to near pre-covid levels of 3.3% as at March 2022 – which is below the 3.5% which is widely recognised as "full employment".



It is pleasing to see the recent appointment of TDC's Earthquake Prone Building Liaison Officer a role which we see as pivotal in not only collaboratively addressing EPB matters with local CBD property owners, but also potentially identifying and informing all CBD and near CBD property owners on the opportunities for inner city living – apartments, townhouses etc....

We also welcome the recent announcements of:

Kainga Ora's purchase of the property adjacent to Ara on which they plan to build up to 40 homes
 <u>https://www.stuff.co.nz/timaru-herald/news/128749859/largest-public-housing-project-in-50-years-confirmed-in-south-canterbury</u>

<u>https://www.stuff.co.nz/timaru-herald/news/300597234/major-building-developments-a-great-start-for-timarus-housing-stock</u>

 Plan to develop a 150-lot residential subdivision on Conoor Road – importantly proposing lots sizes 350-500m2 and 600-700m2 which provide opportunity for product diversity i.e. apartments, townhouses etc.... https://www.stuff.co.nz/timaru-herald/news/128755753/significant-timaru-subdivision-granted-resourceconsent

We continue to engage with local professionals, agents, and developers to help inform and progress opportunities.

**PRIORITY - Logistics and freight disruptions** – whilst global logistics delays had been forecast to improve through Q2 and Q3 this year, the Shanghai lockdowns, ongoing slump in the Chinese economy and the effects of the Ukrainian war have impacted significantly, thus the supply delays being experienced by NZ and our local businesses will continue for the foreseeable future.

On a positive note, we have been engaging with Ministry of Transport and Waka Kotahi, since the latter part of last year via facilitated workshops, to help inform the development of an NZ Freight and Supply Chain Strategy. The aim of this is to develop a fully integrated and aligned road/rail and sea strategy.

The basis of our involvement has been focused on the significant opportunities associated with coastal shipping – especially for Timaru and the wider central south island catchment serviced by Primeport. Waka Kotahi have recently opened wider consultation and we are working closely with TDC as they prepare their submission to ensure consistency of messaging.

In addition, having set aside \$30m in Sept 2021 to improve domestic shipping services, reduce emissions, improve efficiency, and upgrade maritime infrastructure, the Government recently announced the selection of 4 preferred suppliers for new and enhanced coastal shipping services. Refer:

# https://www.beehive.govt.nz/release/government-investment-boosts-coastal-shipping-aotearoa

In the article you will note:

- Each of these four selected suppliers will bring at least one additional coastal shipping vessel into service, and together this will improve the resilience of the overall freight supply chain.



- The four preferred suppliers will invest over \$60 million through their proposals, resulting in combined investment in the sector of over \$90 million.
- When the new services are fully operational, it is estimated they will remove around 35 million kilometres of truck travel from New Zealand's roading network every year, reducing wear and tear and improving safety for road users, while at the same time creating new employment opportunities for mariners and supporting regional development. This will also support our commitment in the recently released Emissions Reduction Plan to reduce emissions from freight transport by 35 per cent by 2035.

We remain very hopeful that one of the confirmed preferred suppliers (whom we have been engaging with alongside Port of Tauranga) will include Timaru in a new coastal shipping service – providing much needed certainty of service to our local importers and exporters.

**PRIORITY** – **Workforce.** The attraction retention and ongoing development of our workforce will remain the most critical priority for local business and therefore VT across this year and for the foreseeable future.

These recent comments by Infometrics Chief Economist Brad Olsen are very telling:

- *"Professional services and construction jobs growth have boosted regional fortunes at the start of 2022, but finding talent remains a key limit on further growth".*
- "Workforce pressures across New Zealand are sky-high, illuminated by high levels of poaching, a net outflow of people migrating from New Zealand, and more restrained jobs growth recently".

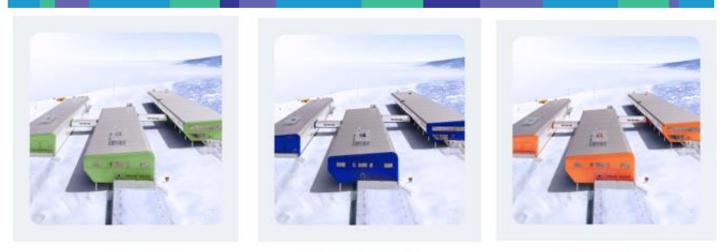
We continue to utilise the full array of workforce attraction resources at our disposal which we are continually updating to assist our local businesses with workforce attraction, but the challenge cannot be overstated.

Further, the confirmed major construction projects in front of us e.g., Theatre Royal/Civic Centre, Aorangi Stadium extension, Scott Base Redevelopment Rebuild, completion of the Showgrounds retail development and other scheduled industry expansion, will all provide additional challenge when it comes to workforce attraction and resourcing. To this end we will work closely with all parties to ensure we as a district get early visibility on project timelines to both map and then collaboratively manage resource including attraction, joint tender and staff sharing opportunities – the aim being to ensure the efficient and successful completion of these known and future planned projects.

**PRIORITY – Scott Base Redevelopment** – we continue to work closely with Antarctica NZ to progress a variety of project aligned activities and promotions:

- A **Pōwhiri** welcoming both Antarctica NZ and Leighs Construction to our community will take place at the Arowhenua Marae Thursday 4<sup>th</sup> August.
- **Story Boards** highlighting NZ history in Antarctica, Scott Base Redevelopment build and fun facts on Antarctica are in the final stage of development, and we aim for these to be located throughout our district in the next 4-5 weeks.
- The **Colour My Place Scott Base** campaign was launched mid-May, as Antarctica NZ seek feedback from NZ on what colour the new base should be. Refer <u>HERE</u> and cast your vote





green (kākāriki)

blue (kikorangi)

orange (karaka)

- Antarctica NZ have recently released an updated Education Activity Booklet called <u>Discover our Place Scott Base</u> for our tamaraki and we have assisted in distributing this to all local schools.
- Antarctica NZ and Leighs Construction recently presented to the NZ Institute of Building in CHCH on the redevelopment build and we are looking to schedule a similar event here, ideally within the next 2-3 months.

We are also progressing how local businesses and service providers can best position themselves (potentially as preferred suppliers) to be involved in the rebuild, with this aligned to getting visibility on planned project timelines and sub-contractor and supplier tender processes.

# Enhanced engagement with local industry:

- We are partnering with the **NZ Hemp Assn** to bring two workshops to Timaru mid-July to explore the local opportunities associated with this burgeoning industry.
- We are engaging with both NZTE and MPI/SFFF (Substantiable Food and Fibre Futures) on next step support for our Sustainable is Attainable initiative. Likely to involve an initial "Systems Thinking" process whereby the larger sustainable energy and waste value extraction opportunities are prioritised to provide targeted focus to then proceed into commercialisation. The collaborative foundation of our 20+ food processors and manufacturers is unprecedented in NZ and advantageously positions our district to make real progress in this space.
- As a member of the <u>Canterbury Regional Skills Leadership Group</u> (RSLG) we have, as mandated by MBIE, completed the Regional Workforce Plan for Canterbury with this to be released in coming weeks. We attach a copy of our latest March insights report FYI.
- Aligned to the above especially the supply of future workforce our RSLG has endorsed the positioning paper compiled by Careers Advisors, and their national associations CATE & CEDANZ, to the Minister of Education to address the inconsistencies in the career's resources within our secondary schools. This is the key foundation to ensuring our next generation workforce are as fully prepared and informed as possible for their important next move from secondary school. There is full alignment to our MyNextMove youth transition initiative which assists with the retention or return of locally educated students into our local workforce.



- New and enhanced electrical and painting & decorating courses have been confirmed to take place at Ara throughout this year. This is a direct result of partnering with local industry representatives to position the need for more **local training provision** with Ara and their fellow training providers. We continue this engagement with two of the newly formed Workforce Development Councils (formerly ITO's) namely Waihanga Ara Rau (Construction and Infrastructure) and Hanga-Aro-Rau (Manufacturing, Engineering and Logistics) given the importance of the industries they present to our local economy. The objective is to accelerate enhanced learning and development opportunities locally for our industries thereby assisting with the attraction, development, and retention of their workforce.
- We are progressing a variety of new business opportunities across a variety of industry sectors including tourism and visitor attractions, food processing and manufacturing, energy & waste, and education sectors. The progression of these opportunities have been impacted/slowed to varying degrees by the COVID environment, however it is noticeable in the last few weeks, re-engagement with the different parties has increased.

**Tourism and Visitor** – Unfortunately the early part 2022 was impacted via COVID traffic light settings with the Caroline Bay Carnival cancelled as was the Hospice Rock'N'Hop in March – two of our largest iconic summer events. The new Seaside Festival did however take place in February however on a much-reduced scale o/a Covid settings. The Kite day and Sand Sculptures of the Seaside festival were a huge success and provide a great base to build on for 2023.

The subsequent school holiday period, coupled with the Easter and Anzac holiday weekends made for a busy time around the region for visitors. The arrival of Australian visitors has been welcomed by the visitor sector, and expectations are positive for a good spin-off from the international visitors during the winter season.

We are joining our Canterbury RTO neighbours in a collaborative campaign organized by ChristchurchNZ to highlight activities and destinations outside of Christchurch but within the wider Canterbury area. This is underway now and will continue with digital and print content over the next few months. The final stage will be targeted focus into the Australian market, which will be a new experience for VT.

We are also pleased to have received acknowledgement by the office of Minister Nash (Tourism, Economic Development and Small Business) as being one of a very small handful of EDA/RTO's to have completed our Destination Management Plan and Economic Development Strategy.

# Central Government Funded activities:

- **Timaru Trails** New trails this month are Vintage Shopping, and the first bike trail will be a Geraldine ride.
- **ROAM.NZ App** –ROAM website is now live highlighting the South Canterbury and North Otago lakes driving loop. Check it out <u>HERE</u>
- SC Car Club Continuing to work with SC Car Club, on developing a marketing plan and improved digital presence. The club received MESF grant for the June Rally of NZ and plans underway for a Timaru CBD event featuring the 80+ drivers including Hayden Paddon. VT is working to assist SCCC with this event.
- **Destination Management Plan** Work plan under development for top priorities for the new 6 12 months. All RTOs are taking part in specialist training residentials in May and September to assist with DMP implementation and delivery of projects. VT has a team of two attending.
- Temuka, Pleasant Point and Geraldine funding Discussions continuing. Key focus likely to be bike trails.



- Hero videos 2022: Final edit due late April for 'Point of View' video. VT has funded the development of an extensive video library with footage taken from a variety of our hero videos. VT has full copyright on this content so can share as required. It is already proving a valuable asset. A special DOC concession for filming at Peel Forest DOC estate is also underway, which will give VT and contractors extensive rights to film in the area over the next 10 years.
- **C-Play** Has been the recipient of TSRR funding to support and upskill this passionate group in their fundraising efforts. The support has been hugely appreciated and feedback is that it has made a significant difference. The group are on track to secure the last funding required for the playground, with work due to start on the first stage in July.
- **ExploreCHC collaborative campaign** Always On. Content is now being shared. Our focus is Outdoor adventures, Foodie and Active Relaxers.
- **Trail Towns** Partnering with Mackenzie and Waitaki for an episode of this Australian biking enthusiasts programme, aimed at future international market. Trail Towns Season 1 has recently aired on the SBS and SBS on Demand in Australia, alongside the Tour De France. The 2nd season is going to be exclusive to New Zealand, showcasing exciting road trips over 6 x 24-minute episodes. Trail Towns champion the locals and aim to inspire their audience to replicate the trips, and with current limited global travel there has been a huge amount of interest in the show and active tourism in general. Filming took place in April and is currently being edited ready for screening.

# <u>Events</u>

**Major Events Fund** – Update on the first round of funding was provided in our Dec 21 quarterly report. A number of those events granted funding in Round 1 were affected by COVID settings through summer months with, as per established criteria, this funding returned and either tagged for their 2023 event or available for reallocation.

The second-round of 2022 funding approved the following grants:

Event Name	Approved Grant
South Island Masters Games	\$50,000
Timaru Festival of Roses	\$30,000
Christmas on the Bay	\$10,000
South Island NZ Motorhome & Caravan Assn Golf	<u>\$5,000</u>
Total	\$95,000

Planning is underway for **SCOFF 3 2022** taking place 16-30 Sept 2022 and the new Brews on the Bay on 1<sup>st</sup> Oct.

Brews on the Bay is a celebration of NZ Beer & Cider, washed down with NZ music. At date more than 20 beverage vendors, 7 food vendors and 4 bands are confirmed for this exciting new event.

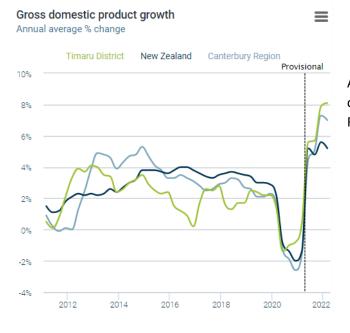
### **Tourism & Visitor General**

- Temuka signs Work is continuing and installation due very soon. Temuka Domain signs will be next to follow and a single sign at Winchester.
- Timaru wayfinding and ROAM signs also close to completion The ROAM signs will be placed outside the Timaru Information Centre.



# Monitoring Indicators (non-financials) as per 2021/22 Statement of Intent

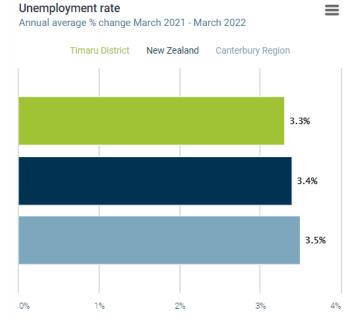
# 1. Gross Domestic Product – source Infometrics





As at Mar 22 - GDP growth in the Timaru District at 8.1% outperforming both rest of NZ 5.2% and Canterbury Region 7.0%

# 2. Unemployment Rate – source Infometrics





Timaru District at 3.3% again tracking better than NZ 3.4% and Canterbury regions 3.5%. Notably well down on 4.1% recorded March 2021 and is representative of "full employment" in the district.



				Median multiple						
	Population	House price	Income	Apr-22	Mar-22	Feb-22	Apr-21	Apr-20		
New Zealand	5,165,000	875,000	\$97,084	9.01	9.19	9.15	8.49	7.22		
Christchurch	394,700	710,000	\$95,225	7.46	7.47	7.70	6.35	4.91		
Timaru	48,400	495,000	<mark>\$88,966</mark>	5.56	5.41	5.73	5.06	3.88		
Dunedin	134,100	640,000	\$84,822	7.55	7.67	8.11	7.61	6.02		

# 3. Housing Affordability – source interest.co.nz

Based on median household incomes to median house prices, Timaru District remains one of the most affordable places in the country to purchase a house – with our median house price \$495K costing 5.56x our median household income \$89k. However as detailed earlier in this report the pressing issue remains the quality and availability of housing stock at or near this price and critical need for diversity of product.

# 4. Visitor Spend - source Infometrics & Marketview





A big tick in this indicator with the District's Tourism/Visitor spend increasing by 10.3% in the year to Mar 2022 which compares to increases of 12.1% in Canterbury and 7.1% in NZ.

Total tourism expenditure was approximately \$160 million in Timaru District during the year to March 2022, which was up from \$145 million a year ago.



### **Financials**

Venture Timaru Profit & Loss Statement

1 July 2021 - 31 March 2022

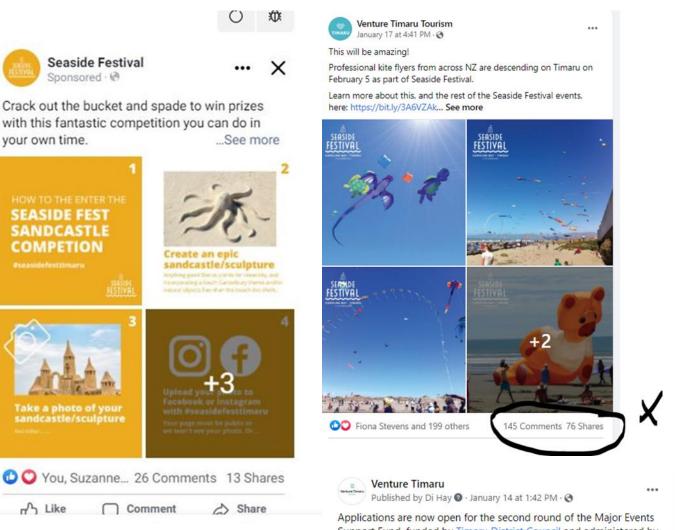
INCOME		D ACTUAL	FULL YEAR BUDGET finalised June 21		TDC SOI BUDGET submitted 1 Mar 21	
Economic Development Grant - TDC	s	480.000	Ś		subn S	640,000
Tourism Grant - TDC	s	262,500	5		s	350,000
MyNextMove Contract - ex MSD	s	72,498	s		s	145,000
Transport & Logistics Funding - ex Kanoa (Provincial Development Unit)	s	133.000	s		ŝ	145,000
Capability Funding for Special Proj Role - ex Kanoa (Provincial Development Unit)	-	135,000	s	,	s	25,000
Reg Apprenticeship Initiative - ex Kanoa (Provincial Development Unit)	Ş	770,385	-	1,510,227	s	1,250,000
Major Events Funding - Tourism ex TDC	s S	123,734	s S		ŝ	230,000
STAPP Funding - Tourism ex Central Government	s	88,456	s		\$	250,000
TSRR Funding - Tourism ex Central Government	ş S	134,437	s S			
5	s S		s S			
Regional Events Funding - Toursim ex Central Government	\$	75,000	2	120,260		
Other Income	\$	27,932	s	35,750		
TOTAL INCOME	\$	2,182,523	\$	4,001,511	\$	2,790,000
EXPENDITURE Economic Development	s	203.001	s	317.970	s	321,349
Human Resources	ŝ	228,605	s		ŝ	343,101
Tourism	ŝ	265,511	ŝ		ŝ	350,000
MyNextMove	ŝ	103,258	ŝ		ŝ	145,000
Transport & Logistics Panel	ŝ	89,461	š		š	150,000
Reg Apprenticeship Initiative	ŝ	770,385		1,510,227	ŝ	1,250,000
Major Events Funding	s	123,734	s		ŝ	230,000
STAPP	ŝ	82,753	s		<b>,</b>	250,000
TSRR	s	134,437	s			
Regional Events Funding	ŝ	75,000	ŝ			
Special Project ex Reserves	ŝ	21,170	ŝ			
operan nojectex neserves	Ŷ	21,170	5	57,000		
TOTAL EXPENSES	\$	2,097,315	\$	4,029,933	\$	2,789,450
OPERATING SURPLUS/(DEFICIT)	\$	85,208	-\$	28,422	\$	550

### Notes to financials

### Important to note:

- 1. our draft budget for the 2021/22 year was submitted as part of our SOI to Council 1 March 2021. Not unexpectantly since that time a variety of our activities and the income and expenses associated with them have firmed up more for the 2021/22 year. Key variances being in the areas of:
  - Regional Apprenticeship Initiative
  - STAPP, Regional Events Funding and MyNextMove (unspent funding from 2020/21 years approved to carry forward to current year)
  - New Central Govt TSRR Funding \$700,000 approved post 1<sup>st</sup> July 2021
- 2. Central government funding is received <u>in advance</u> and expensed over subsequent months with this largely accounting for YTD surplus at \$85,208, although a variety of scheduled activity to be expensed in Q4.





Support Fund, funded by Timaru District Council and administered by Venture Timaru. Deadline for applications is 5pm Monday 14 February 2022. For the guidelines and application forms head to https://www.vttourism.co.nz/events/major-event-support-fund



607 31 – People reached Engagements Distribution score Boost post





Venture Timaru Tourism February 18 at 7:59 AM · 🚱

Let's make a difference to our outstanding eateries by getting behind this fantastic initiative.

From now until March 6 with every purchase you make, big 👧 🥥 😁 or small 亏 , take a photo and upload it here: https://hosporedrelief.co.nz/

One eatery will win \$10k! And every purchase is truly helping - dine in, take away, buy a voucher. Do what you can.

It's time to support these business people that we know and love, and that make this district such an outstanding place to live and visit.

#### #hopsoredrelief



hosporedrelief.co.nz #hosporedrelief



...

Venture Timaru Tourism February 24 at 8:57 AM · 🚱

...

It's really tough in the hospitality sector right now, and we all need to play our part to keep these businesses going.

We're putting our money where our mouth is, literally, and we're giving away loads of eatery vouchers on our social media channels starting today!

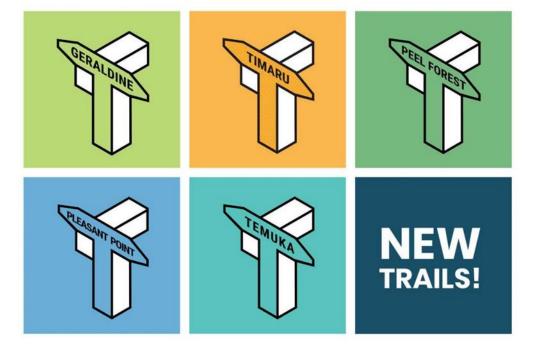
To learn more about this and other national campaigns, head here: https://bit.ly/3gThVGK

#welovetimaru #helpourhospo



CO Sue Wills and 104 others

5 Comments 18 Shares







Venture Timaru Tourism February 7 at 7:20 PM · 🚱

What a way to close out Seaside Festival 2022!



Seaside Festival February 7 at 7:04 PM · 🕄 Seaside Festival 2022! Did you make it down to see the kites today? Thanks to everyone that got involved in Timaru's inaugural Seaside Festival! ... See more O Nigel Gilkison and 76 others 2 Comments 3 Shares 12 Like Comment



Most relevant -

· • •



#### Kathlyn Williams

Write a comment...

Thankyou for a wonderful event just when we needed it. 02





Venture Timaru Tourism February 6 at 9:17 AM · 🚱

Today's (Sunday) Seaside Festy activities.

And tomorrow (Monday).....the event we're all talking about....the kite flying fiesta!

The Bay Hill eateries will be the places to settle in for good food and kite views. We recommend booking - Bay Hill Brewery Bar & Restaurant, Cactus Fire and Little India.... See more

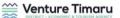


Seaside Festival February 6 at 8:40 AM · 🕄 SUNDAY FUNDAY Today is the day you can:

🌴 Watch the sand sculptors finish their creation at Caroline Bay... See more



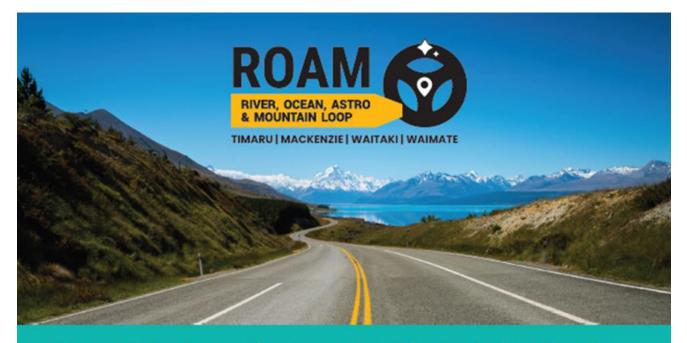
# We've taken the guesswork out of family holidays. Family holiday planning can be a little daunting. So we've put together a list of suggested itineraries to suit everyone from the urban explorers to the BMX bandits, and from paid activities to totally free.



Check out the itineraries at vttourism.co.nz, or scan







# The Central South Island is an area of stunning landscapes from the Pacific Ocean to the mountainous high country.

If you're looking to hit the road and explore the best of the region take the ROAM (river, ocean, astro, mountain) driving loop around the hydro lakes. The drive takes approximately four hours to complete from Timaru, however, you'll want to allow a bit more time to explore.

Visit fabulous locations like Aoraki/Mt Cook, Caroline Bay and the Omarama Clay Cliffs. Wine, dine and coastal walk in little seaside city Timaru. Check out the fascinating geology and wineries of the Waitaki Valley. Explore superb tracks, and spectacular silo art in Waimate.



Download the free ROAM app Scan the code to download the app to from the App Store or Google Play





#### While you're here...

Download the free Timaru Trails App and explore our heritage, street art and scenik walking tracks. Use it to find "Openload the Timaru Trails app and start exploring today!





# TEMUKA

Our town through time



Travel back in time and learn the history of where you stand right now.

A joint project by the Temuka & Districts Project Trust and the Temuka & Districts Historical Society





This junction is where some of the earliest commercial buildings in the town of Wallingford (now Temuka) were built after the township first began to be established in the early 1860x. This intersection between King St (formerly Great North Read) and Domain Avenue (formerly called High St) was the junction between town and country, linking the rural settlements of Epworth and Wallochi to the west and Milford to the east.

#### Crown Hotel

The Crown Hotel (on the northeast corner of this junction) was built for Mr J.T.M. Hayhurst in 1866 and designed by Timaru architect Daniel West. It replaced an earlier hosel on the same site, originally called The Nugget, which was the first Public House built in Temuka (1860).





Neterly north of the Crown Hord sat two early wooden buildings built around tikis, which oused W.H. Wilcox's store is asddlery) and D. Raynox' chemin & druggist. These buildings end emolished in pos's and replaced by the building which now houses the current library ad council service centre.

#### Butcher's Corner

On the corner diagonally opposite, Duncan Taylor and business partner Mr. Reid built the town's first blacksmith's shop in 1864. Various other blacksmiths also traded from this site, including Daniel Bryant who built his first velocipede (bicycle) here in September 1869. In 1877 William Ackroyd converted part of the building to a buicher shop and it traded as The Buil's Head Butchery under several different

In April 1924 a new block of five shops and offices were erected for Nicholas & Co., who operated a butchery on the corner. In February 1990 th last butchery closed its doors, and the corner shop has been since used as a saddlery, grocer, art studio and fish & chip shop.

#### emika's first dedicated post office was built on the opposite corner in 1868. It was wooden huiding which included modest accommodation for the postmaster. By set and of the 90° cornary the decision was made that a replacement post office was quited. It was decided to reduid on the same corner, resulting in the grant twoorsyst building opposite, designed by the government architect john Campbell.

Post Office Corner



...

It was opened by the acting premier, Sir Joseph Ward, in June 1902. It continued to serve as the post office until 1980 and the manual telephone exchange continued to operate unstairs until 1984.

On the footpath in front of the post office sits the William Rolleston memorial lamp, which was erected in 1904 to commemorate William Rolleston (1832-1903), an early Canterbury pioneer and statesman.



# Published by Di Hay **O** · March 22 at 8:33 AM · **O**

Thanks Multicultural Aoraki ... we're really happy to give a little help when you're doing such an amazing job supporting so many in our community 😀



Multicultural Aoraki March 21 at 5:14 PM · 🚱

Just wanted to give a big shout out to the awesome team from Venture Timaru Tourism . They've been helping us deliver food and medication to people who are having to isolate due to COVID, every day for the last few weeks.

Thanks team, you're making a big difference 🥰





# **Canterbury Local Insights Report: March 2022**



#### TOP REGIONAL INSIGHTS

The first iteration of the Canterbury Regional Skills Leadership Group's (RSLG) Regional Workforce Plan (RWP) focuses on three key sectors (Technology, Manufacturing, and Healthcare & Social Assistance) and one demographic group (Rangatahi). These groups will be analysed with consideration to the impact that they have on the whole of the region's labour market. Engagement and testing have also occurred with a number of stakeholders from the focus areas. The finalised plan will be available from July 2022.

Rangatahi are primarily reaching out to their peers for careers advice and guidance, as opposed to relying on traditional school careers advisors or their parents. At a recent RSLG hui with rangatahi from around Christchurch, rangatahi shared their experiences and journeys navigating from school to further education or training. They spoke of the ease of access and trust they had with their peers when looking at options and making decisions. Canterbury RSLG will be looking at careers support for young people through their Regional Workforce Plan.

The Canterbury manufacturing sector is experiencing labour shortages and rising businesses costs which are being exacerbated by ongoing supply chain difficulties. These have increased export and import costs and significantly disrupted business scheduling and reliability of logistics planning. During the RSLGs recent sector engagement, there were widespread stories of businesses unable to compilete or take on large scale orders as materials and skilled labour became more and more scarce. Minimising situations like this will clearly only provide positive effects for the region's economy.

Businesses are struggling to operate as staff and whānau illness, as well as isolations, increase. In some cases temporary closures have been necessary as a result of the current COVID-19 wave. In larger businesses, reduced staffing numbers have been planned for through business continuity plans, however, many smaller businesses don't have that flexibility and are needing to react as staffing situations present themselves.

# TRENDS AT A GLANCE



As at the December 2021 quarter, the Canterbury region had a lower rate of young people Not In Education Employment or Training (NEET) compared to the national average (9.4% vs 11.3% total NZ). However, this still equates to approximately 8,200 young people who could be in the workforce or training.



The health care and social assistance sector has a much higher share of female workers than the Canterbury labour market as a whole. In 2021, female workers accounted for 81% of the workforce compared to 46.5% in the total Canterbury labour market.



Canterbury has one of the largest tech environments in the country with its tech sector contributing \$2.4 billion worth of GDP and over 15,000 jobs.

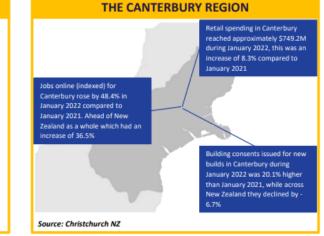
Source: Infometrics online portal

#### **TOP LABOUR MARKET OPPORTUNITIES**

- The new \$344 million Antarctica research base will be built in Timaru and is expected to create hundreds of jobs over the next six years. Construction is expected to begin once the design and planning is complete in 2022, and it's estimated there will be 170 jobs involved during peak construction, with more than 700 jobs created overall. It is expected this project will bring millions of dollars of investment into the Timaru district, benefiting everyone from trades and subcontractors, to accommodation and hospitality providers.
- 2. University of Canterbury are currently establishing a new online platform (UC Online) which will be a fully online academic unit. The phased design approach will see this platform grow in content and partners. The intent is to also engage industry leaders to help design content that will support future qualification and skill needs. This will be the only NZ education entity specifically tareted at students who choose to study online.
- 3. A cluster of Canterbury tech companies are looking to form an alliance to codesign a new approach to skills attraction. The Canterbury Tech Sector Skills Pilot will look at how to attract, embrace and support those with dyslexia into the sector. The co-design model will include a reference group made up of experts in the field of dyslexia and those struggling with the challenges of dyslexia.
- 4. A collaboration opportunity has been identified to align RSLGs RWP actions with a new Christchurch NZ initiative. The focus will be on aligning objectives to support industry to attract, recruit and retain more women into their workplaces. This has emerged as a priority through RSLG engagement with sector focus groups such as manufacturing and technology.

#### TOP LABOUR MARKET CHALLENGES

- Attracting, retaining and developing an appropriately skilled and experienced tech
  workforce is a significant issue, both within Canterbury, but also nationally and
  globally. It has become clear that there is a need to develop both a stronger domestic
  talent pipeline as well as enable immigration settings that allow specialised overseas
  talent to support the current and future needs of this sector. The Canterbury RWP will
  focus on actions that will assist the sector to address some of these challenges.
- 2. The wellbeing of employees and employers in Canterbury's rural sector is being further affected as staff absences increase. Increased COVID-19 cases are adding to an already challenging business environment where employers are struggling to get necessary farming tasks completed. These absences are coming on top of the sector having experienced negative weather events including floods, and excess rain at harvest time. They are also not easily able to move stock off the land due to meat processing plants working at reduced hours due to staff absences. All these negative effects are increasing outgoings and reducing incomes, which are expected to have a long-term effect on the health of the sector's workforce and long-term business viability.
- 3. Staff from tech firms in Canterbury are being headhunted to work in Australia and the UK. COVID-19 has increased employers need to recruit from offshore and amplified their understanding that the only barrier to talent working offshore is time zones. One of the country's largest tech exporters, who is based in Christchurch, suggests New Zealand could reverse that trend. If they were able to seize the opportunity for "New Zealand Inc" to play on the global stage, there is a large employee market overseas and New Zealand has a global brand that the tech workforce here can take advantage of.



# OUR FOCUS FOR THE NEXT TWO MONTHS:

- Continue to engage with key focus sectors/groups and partners to help shape the first iteration of the Regional Workforce Plan
- · Finalise draft content of the Regional Workforce Plan to share with key stakeholders and partners
- Explore and test potential actions with external parties to contribute to the final draft of the RWP