

TOP REGIONAL INSIGHTS



Kaikōura and the Mackenzie district are impacted by the decline in international tourism, with business closures and staff layoffs occurring. They are highly dependant on the international tourist market and are experiencing significant declines in revenue. Mackenzie district for example has seen a -20 per cent decrease in total annual tourism spend (domestic and international) from December 2019 to December 2020.

Canterbury's manufacturing sector is being significantly impacted by international supply chain and logistics issues. Manufacturing is a key sector across the Canterbury Region. It makes a large contribution to the region's economy and is a considerable employer. This is resulting in reduced production outputs and less labour requirements.

Importation of raw materials have been significantly compromised, as has access to containers to export goods. All areas of manufacturing are experiencing challenges with supply chain and logistics issues. This has especially impacted food processors, as storage facilities are at capacity meaning production needs to reduce (or stop), impacting demand for labour.

Christchurch is seeing a significant increase in housing demand, putting pressure on availability and affordability. This has been influenced by people moving to Christchurch for employment due to the high house prices in the other main centres. People searching for homes in the region went up by 32 per cent in 2020 compared to 2019, and this trend has carried on in to 2021.

TRENDS AT A GLANCE



-2.8% decline in total spend in the Region for the 12-month period December 2019 to December 2020.



The Canterbury economy has been supported by the rural sector through COVID-19. Industries like Fishing, Dairy Product Manufacturing, Dairy Cattle Farming and Veterinary Services have all performed well, as demand for their goods has remained strong.



8,700 The number of learners Canterbury has lost from the vocational sector over the past six years.

2,400 The number of learners Canterbury has gained at university over the same period.

(Source: Canterbury Skills and Advisory Report, January 2021)

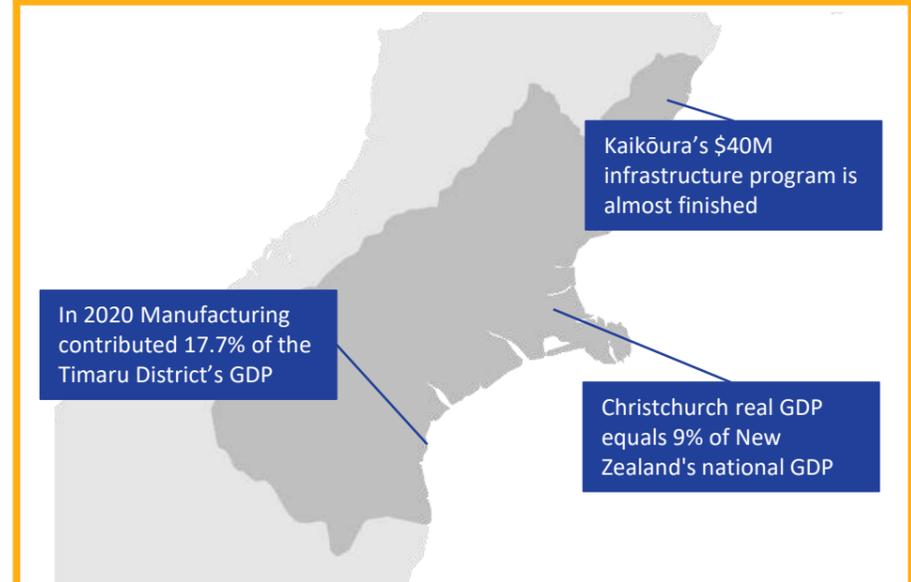
TOP LABOUR MARKET OPPORTUNITIES

- The permanent job market has increased significantly in the Civil and Horizontal Infrastructure sectors since March 2020.** Demand for permanent staff across a range of skill levels has increased significantly according to local recruiters. This is opposite to what was anticipated towards the end of last year.
- The Convention Centre Te Pae is due to open late 2021.** It will boost visitor numbers and revenue in the tourism, retail and hospitality sectors in the region. This will increase business confidence and employment opportunities.
- New service industry qualifications are being developed by Accor Group.** Accor group is working with ServiceIQ and a training institute to design and implement an 'apprenticeship' type program for new staff. It will train local talent and help reduce the reliance on skilled migrant workers.
- iRSLG Canterbury is exploring concepts on innovative ways to improve the current careers advice and support provided in secondary schools.** Capacity of in-school careers advisers is significantly lower than demand which effects the level of advice and support they can provide. The group is investigating ways to match students with meaningful career pathways.

TOP LABOUR MARKET CHALLENGES

- Supply and Distribution issues are impacting the ability to import essential materials, and export produced goods.** The wider South Canterbury area has numerous food producers that collectively feed 40M people per annum. They are experiencing ongoing issues with exporting and importing logistics, from transport (shipping) to access to containers. This will impact production rates and in turn negatively impact labour requirements.
- Skill shortages are being experienced in various industries, especially in construction.** There are shortages in multiple roles from entry level workers through to qualified tradesmen. This is resulting in long delays in work being carried out.
- Border restrictions continue to impact businesses reliant on border movement,** especially tourism, industries historically reliant on a migrant workforce, and international students.
- With the ski season coming up the iRSLG is keeping a watching brief of potential workforce challenges on the ski fields.** The ski industry has prepared a report born out of concerns resulting from restricted access to overseas labour. If the labour can not be accessed the impacts are expected to be wide ranging across a number of regional economies.

THE CANTERBURY REGION



OUR FOCUS FOR THE NEXT 2 MONTHS:

- The data collection required for the regional work plan.
- Revisiting the Regional impacts from COVID-19, now that we are 12-months on, using both a quantitative and qualitative approach. iRSLG members are canvassing their contacts and key stakeholders to ensure a wide regional perspective is included. A small outbound calling survey is being explored.
- A deep dive to better understand the Regions underemployment data and impacts. We are exploring how the events of the last 12-months may have impacted on those who are currently not engaged in full time hours but are available and seeking additional work. We are keen to understand the demographic and industry data relating to this topic. This piece of work is expected to be finalised late April/May.