

## REGIONAL INSIGHTS



**Recent flooding in Canterbury has seen considerable disruption to the Region**, particularly around Mid Canterbury. Infrastructure damage included the roading network and a number of main bridges. However, it is the shortage of rural supplies like fencing equipment that will be an ongoing challenge to the repair efforts.

**A \$60m world class aquasports park is proposed for North Canterbury.** Led by a charitable trust, they raised \$250k to complete a pre-feasibility study. However, they are still seeking an additional \$20k to complete the initial full feasibility market research study. If this shows positive results it will open the door for private investment.

**Professional Services have previously relied heavily on natural attrition for growth in skills.** Traditionally 3-4 years after graduation, lawyers and accountants do an OE for a few years, leaving an opportunity for a new graduate. When they eventually return to NZ, they return with invaluable experience. At present, no-one is going away so this natural cycle is more on hold. This change is expected to have an impact on the short to medium term.

**A New Zealand pilot of placing 'Driving VR Simulators' into 12 Mid & South Canterbury Secondary schools is progressing as planned.** The initial three units are to be placed early September, and the rest by end of 2021. The focus is on providing the next generation drivers with ready access to driver education from Year-9 to develop their spatial awareness, knowledge of the road rules, and decision making skills.

## TRENDS AT A GLANCE



April MSD job seeker data showed that Canterbury has had the highest number of people leaving the benefit to move into work since 2001.



Economic confidence saw a significant increase in Canterbury in Q1 2021. This was partially due to an acceleration in house prices, but also because of the region's current strength in both the agricultural and manufacturing sectors. (ChristchurchNZ report)



There is upward pressure on the cost of living, with both rent and house prices increasing. Christchurch, however still remains relatively affordable compared to its peer urban centres in the North Island.

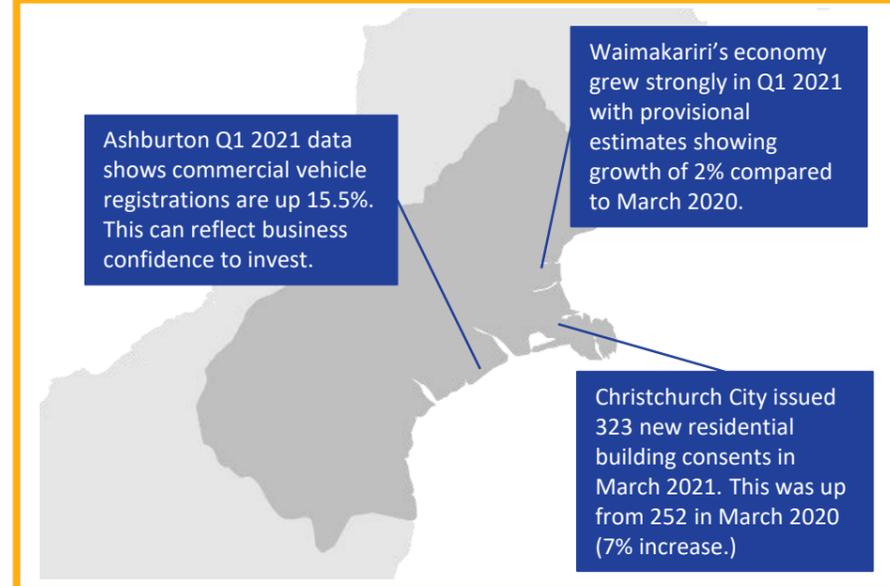
## LABOUR MARKET OPPORTUNITIES

- The number of people seeking support through Workbridge to find work has increased by 30 percent since this time last year.** This increase is due to a mix of increased awareness of Workbridge services, and more individuals seeking work post COVID-19 lockdowns. Whilst there are successful placements being made with Canterbury employers, most jobs tend to be on casual contracts as employers are not ready to commit to permanent work.
- 100 new apprentices have signed up within 5-months of applications opening through the Regional Apprenticeship Initiative** for Mid and South Canterbury, and North Otago. This makes the initiative fully subscribed, and notably 90 of 100 positions are in the Construction sector.
- MSD and ChristchurchNZ have co-funded a self-employment programme.** It is for MSD clients in Greater Christchurch, as part of the Otago Economic Recovery Plan from COVID-19. Following strong interest and validation, 25 people are being mentored to create a functional business. Successful participants may be eligible to receive the Flexi-Wage, \$10,000 in start-up costs, plus various other benefits.
- An \$85 million shopping centre to be built in Rolleston is set to further boost the rapidly growing town.** The new development will be built over five years, and it will form part of a new town centre. "Rolleston Fields" will include large and small shops, bars and eateries, offices, a covered farmers market venue, a wellness precinct, and an entertainment and cinema complex.

## LABOUR MARKET CHALLENGES

- Labour shortages remain a challenge.** Employers in the region are experiencing challenges recruiting new staff across multiple sectors. The implications of carrying vacancies is having a large impact on productivity and businesses operating models.
- South Canterbury food processors are having lost production days due to the lack of containers.** They have nowhere for finished product to be stored due to an inconsistent supply of containers. Cool stores are operating at capacity throughout the South Islands east coast. In one case in May, 12 days of production were lost. Businesses are doing their best to keep staff on with other jobs but the potential for reductions in hours is looking more and more likely for many in this sector.
- The Canterbury International Education Sector is under pressure.** Prior to COVID-19 the sector formerly employed 2,500+ workers, and provided services to 12,500 students, generating \$523m in GDP. They continue to be significantly impacted by the on-going border closures, and are preparing for the future by moving from general provision to output linked to MSD undersupply and other long term shortages. The Canterbury iRSLG will work with the sector to encourage a targeted, quality international student pipeline to support (in part) the workforce gap ChristchurchNZ estimate as reaching 50,000 by 2030.

## THE CANTERBURY REGION



## OUR FOCUS FOR THE NEXT 2 MONTHS:

- The data collection required for the regional work plan. iRSLG will be seeking to gather data and intel that will assist with mapping the region's economic and labour market profile; understanding the region's skills profile; and mapping key enablers and barriers to labour market participation. These insights will assist in the design of the regions upcoming Workforce Plan.
- Another focus over the coming months will be the transition from the interim RSLG into the full RSLG by August 2021. The appointment of the co-chairs will be finalised during June, and members will be appointed during July.