

REGIONAL INSIGHTS



Tech employers in Christchurch City are seeing increasingly high proportions of job applicants from outside the region. A local company reports that of all applicants in a recent recruitment round for two developers, 50 percent were from Auckland.

Total tourism expenditure in Waimakariri District increased by 13.5 percent in the year to June 2021, compared with an increase of 5.4 percent for all of New Zealand. Total tourism expenditure was approximately \$42 million in Waimakariri District during the year to June 2021, which was up from \$37 million a year ago.

Canterbury's population growth (in more recent years) has been heavily reliant on migration (domestic and international). Recent population estimates show that in 2019 international migration accounted for over 50 percent of the population growth across the districts. Ongoing border closures will heavily affect future growth, and exacerbate the ongoing labour and skill shortages.

Some retailers have raised concerns with First Union that Level 4 guidance provided by MBIE did not give them enough detail. However, First Union find this hard to comprehend, as NZ has been in this situation before, and they feel the intention of Level 4 lockdown is clear. In their view, the problem has appeared to stem from some employers using the excuse of "ambiguity" to take a maximalist approach to essential products/services. Given this, First Union are suggesting MBIE may have to offer stronger guidance and enforcement mechanisms now and in the future to protect against such opportunism.

TRENDS AT A GLANCE



3.0% pa is the expected average increase in employment in Canterbury over the three years to March 2025.
(Source: Infometrics)



\$234 million is Waimakariri District's approximate dairy pay out for the 2020/2021 season. Assuming that production levels from last season are maintained, this is a year-on-year increase of \$18 million.
(Source: Infometrics Quarterly Economic Monitor, Waimakariri District June 2021)



8.8% is Canterbury's current NEET rate compared to a peak of 11.8% in 2019. The most recent fall in the number of young people Not in Employment, Education or Training is primarily among those aged 20-24 years as they enter vocational training or remain in tertiary education due to COVID-19 employment uncertainty.
(Source: Stats NZ, Household Labour Force Survey June 2021)

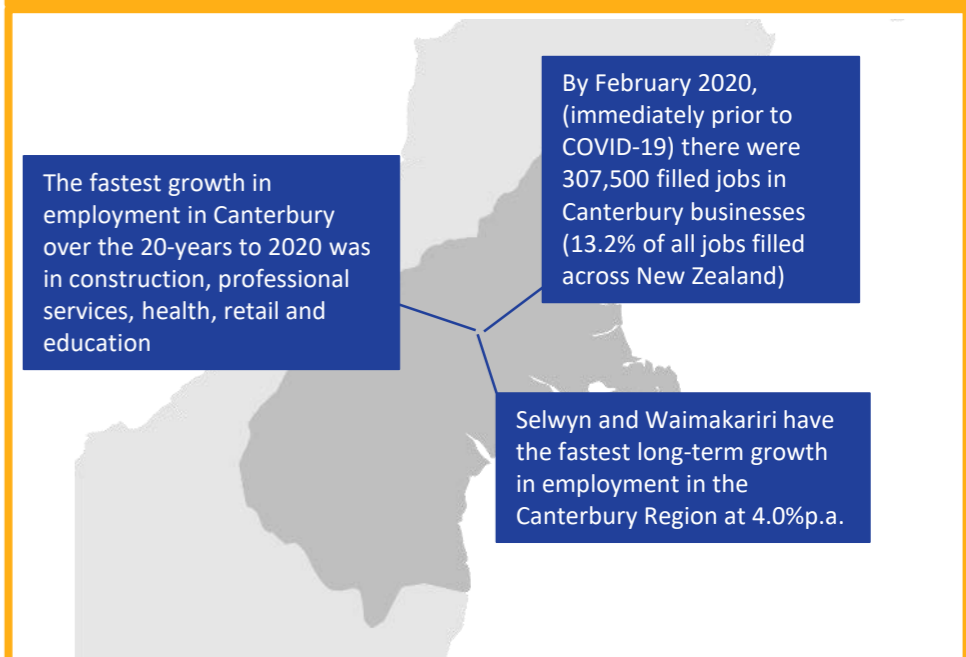
LABOUR MARKET OPPORTUNITIES

- A new Digital Skills Micro-Credential is being offered for the first time in Christchurch.** It has been designed specifically for the manufacturing sector, and training is delivered on-site. It gives workers the essential skills required to confidently use digital technology in a manufacturing workplace. Funded by TEC, this will allow more employers and employees across the region to access new skills at no cost. For more information click [here](#).
- The four Canterbury 'Direct Career Services' have been extended until March 2022.** This initiative is a key part of the Government's early response to the affects of the COVID-19 pandemic and is available at MSD Connected Sites in Hornby, Linwood, Papanui and Rangiora. The services aim to help locals get back into meaningful work or training by identifying their transferable skills and making a career plan.
- The Regional Skills Leadership Group are utilising their youth networks to strengthen the regions youth voice in the national Youth at Risk of Limited Employment mahi.** This is ensuring the views and perspectives of young people are helping to support the identification of the issues and potential solutions.

LABOUR MARKET CHALLENGES

- ANSCO Foods (meat processing firm in Ashburton) continue to struggle to recruit staff.** Although they regularly try new recruitment methods and places to source staff from, they report a decrease in the number of people applying and an increase in applicants failing the pre-employment drug test. There are concerns that this will lead to a drop in overall spend back into the local community.
- Hospitality businesses in Mackenzie District are reducing their opening hours due to not having enough staff.** Reduced numbers of staff are resulting in employers offering higher than usual wages, which is compromising business models and viability. Most businesses that were open 7-days a week are now only opening 5-6 days, as the higher than usual wages mean lower turnover days are not viable. This is not a model that will be sustainable in the long-term, and some businesses will not survive.
- FIRST Union has concerns around the breadth of activities some employers are choosing to provide during this Level 4 lockdown.** They've had numerous complaints of retail staff being called into stores to carry out work that seems outside of "essential" services. Many retail stores are also not well designed for online dispatch which makes it particularly difficult for them to enforce social distancing, and increases the risk for workers.
- Global competition for talent is heating up**, as a rising number of overseas companies are taking on Christchurch based tech employees to work remotely. There have been a number of examples of this in recent months, particularly from Australian and US employers, which is putting increasing pressure on local firms trying to retain workers.

THE CANTERBURY REGION



OUR FOCUS FOR THE NEXT 2 MONTHS:

- Identifying the Region's workforce and labour market aspirations.
- Exploring existing regional strategies, plans and key workforce documents – and understanding how these support and align with current regional aspirations.
- Planning external engagements. This a key activity for the group as they seek to gain a variety of perspectives and inputs as they start to design key elements for the Regional Workforce Plan.