

### TOP REGIONAL INSIGHTS



**Tourism (including accommodation, hospitality and retail) is a sector that continues to be vulnerable to the effects of COVID-19.** Some parts of the Bay have greater reliance on domestic and international Tourism in their local economies and have seen greater effects than others. Rotorua and Taupo, for instance, have experienced an 81% and 76% drop in international spend respectively from this time last year due to border closure versus 46% for the Western BOP (as at August 2021).

**In the past, domestic tourism has softened the blow from the effect of border closures.** This is largely due to Auckland visitors into the region, however the current lockdown is taking away this lifeline. Both Rotorua and Taupo are experiencing this Auckland effect, in particular with bookings and events being cancelled rather than deferred. This is a dire situation for subregions like Taupō where 33% of the regions workforce were employed in Tourism (pre COVID-19).

**The other sub-regions are faring better with regard to Tourism's contribution to the economy.** The Western BOP economy is less reliant on the tourism sector and is therefore much less effected by the current lockdown. In the Eastern BOP the loss of international visitors has not had a big effect, and despite the Auckland lockdown the sector is still faring comparatively well with total spend in the region up from last year by 8.9% (but not higher than pre-COVID levels).

### TRENDS AT A GLANCE



**18,000** Total number of people on job seeker support in the Bay of Plenty. -4.1% decrease from Sept 2020.

**139,800** Filled jobs for Bay of Plenty region as at September 2021. 5.2 % increase from Sept 2020



**57** Number of Māori tourism operators in the Bay of Plenty

**3.9M** GDP for Māori tourism in BOP (2020 figure)



**2000** Number of international students studying in the Bay of Plenty in 2019. Decreased to 813 in 2021.

**585** Projected number of international students studying in the Bay in 2022

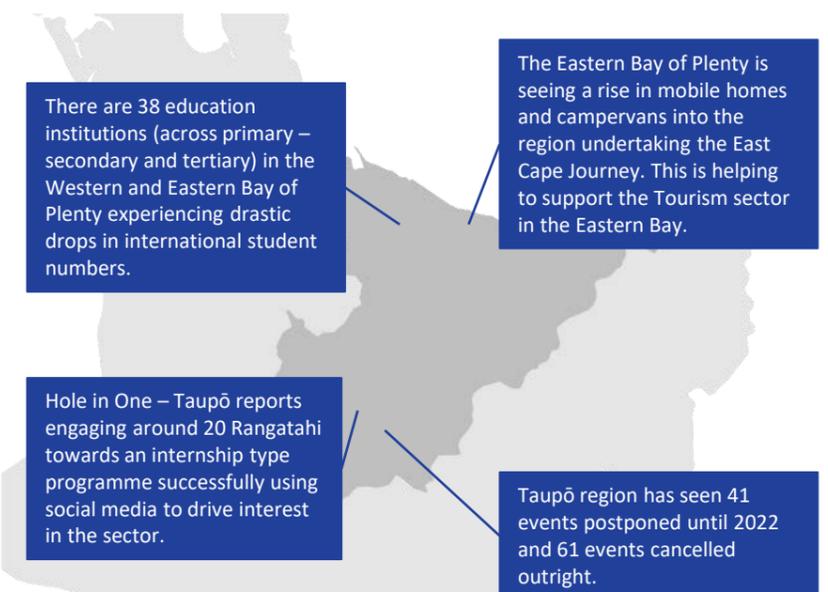
### TOP LABOUR MARKET OPPORTUNITIES

- **Better information is needed to support forward planning:** Tourism sector employers are very aware of their traditional reliance on working holiday visa holders to support them during peak demand. Because these WHV holders cannot currently enter the country – this is increasing employer willingness to better engage the local workforce.
- **New and innovative business models are adapting to COVID-19 restrictions:** There are standout examples around domestic tourism (despite the Auckland lockdown) of how New Zealanders have found new and interesting ways to do something new within the regions. One particularly positive example coming from within the Eastern Bay of Plenty is the uptake of motor home visitors undertaking the East Cape Journey. This means innovative regions and operators still have scope to grow the sector in the midst of border restrictions both domestic and international.
- **Employers are doing something different to engage Rangatahi in employment:** The lockdown conditions are driving innovative thinking in the region around workforce engagement. For example, there are employers in Tourism who are finding better ways to engage Rangatahi using platforms like Tik Tok. An employer in the Taupo region has asked applicants to submit for job applications using Tik Tok instead of a traditional CV and Cover Letter.

### TOP LABOUR MARKET CHALLENGES

- **Tourism operators struggle with planning.** The disruptive nature of COVID-19 has made it difficult for businesses to forward plan. Sector survey feedback indicates operators have become accustomed to COVID-19 moving the goalposts. For instance, while many businesses were looking forward to the school holidays and large numbers of Auckland visitors, the lockdowns dashed those hopes. This has made it not only an operational challenge but also many operators are suffering fatigue affecting not only business, but mental health for themselves and their staff.
- **Effects on Māori Tourism:** The Bay of Plenty is first equal with Auckland as having the highest number of Māori tourism operators in New Zealand (57 according to NZ Māori Tourism – based mostly in Rotorua) making it a significant employer of Māori across the Bay. Many of these operators cater to international visitors who are eager to experience Māori culture, so the border closure has had an effect on revenue and Māori employment. There is support through the Tourism Recovery fund, however the long-term sustainability of these businesses and where to from here still needs to be considered.
- **The International education sector is struggling:** In 2019 International education in the Bay was contributing \$180M to the local economy with 2,000 students studying in the region. By 2020 a drop in student numbers/revenue had increased uncertainty about the future of the industry. Losing skills from the International Education sector makes the future challenging.

### THE BAY OF PLENTY REGION



### OUR FOCUS FOR THE NEXT 2 MONTHS:

Developing regional labour market and skills aspirations for the Workforce Development Plan