

# Canterbury Regional Economic Development Strategy

Canterbury Mayoral Forum

2017-19



... a strong regional economy with resilient, connected communities and a better quality of life for all



Ko ngā maunga, ko Te Tiritiri o Te Moana  
Ko Aoraki te Kaihautū  
Ko ngā awa, ngā awa huka e rere ana ki te moana  
Ko te whenua, Ngā Pākihi Whakatekateka o Waitaha

Tihei mauri ora!

*The mountains are the Southern Alps,  
watched over by Aoraki;  
The rivers are the snow-fed rivers whose waters flow out to the ocean;  
The land of the Canterbury Plains is where people walk proudly.*

*Listen up – our life force is alive!*

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## Foreword

As a region, Canterbury's got it all!

- Epic nature, within ready access – from the majesty of Aoraki and the Southern Alps, to pounding surf and beaches that stretch from the Waitaki River in the south to the Clarence River north of Kaikōura.
- A prosperous, growing economy, with Christchurch as its vibrant city heart.
- A pioneering mindset that celebrates those who are prepared to step out and take risks.
- A generous spirit, and a strong sense of belonging and identity.

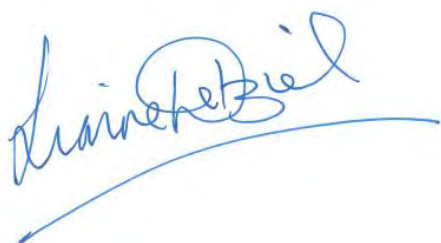
Canterbury is a place where we can get more out of life. There are rich opportunities for people who are prepared to get stuck in and work hard, and a wealth of rewards in arts, culture, sport, outdoor recreation and community participation.

Of course, we've also taken more than our fair share of hard knocks. The Canterbury earthquakes of 2010–11, the North Canterbury earthquakes of November 2016 and the Port Hills fires in February 2017. Through it all, the Mayors of Canterbury's ten local authorities and the chair of the regional council have stood together to provide leadership, facilitation and advocacy for our region and its communities.

We developed the Canterbury Regional Economic Development Strategy (CREDS) in 2015, focused on growing the underlying economy for when the earthquake rebuild of greater Christchurch is substantially complete.

The Canterbury Local Authorities' Triennial Agreement for 2017–19 has re-affirmed our commitment to *continuing to develop and implement the CREDS, and advocating on economic and social development opportunities for Canterbury*. (Further information about the Mayoral Forum and the CREDS is on our website: <http://www.canterburymayors.org.nz>.)

The Mayoral Forum is excited about what we can achieve when we work together for our city, region and the South Island. The CREDS expresses our confidence in Canterbury, and our commitment to ensure that future as well as present generations can succeed and prosper here.



Lianne Dalziel  
Chair, Canterbury Mayoral Forum  
Mayor, Christchurch City



## Introduction

### The Canterbury Mayoral Forum

The Canterbury Mayoral Forum comprises the Chair of the regional council (Environment Canterbury) and the Mayors of the 10 territorial authorities in Canterbury. The member councils are, from north to south, the Kaikōura, Hurunui and Waimakariri Districts; Christchurch City; the Selwyn, Ashburton, Timaru, Mackenzie and Waimate Districts; and the Waitaki River catchment part of Waitaki district.

The Mayoral Forum is the primary mechanism to give effect to the Canterbury Local Authorities' Triennial Agreement 2017–19.<sup>1</sup> It does this by:

- identifying and prioritising issues of mutual concern, and fostering co-operation, co-ordination and collaboration to address them
- advancing regional economic and social development through leadership, facilitation and advocacy
- speaking with a strong regional voice on issues of common interest to members
- working together, and with central government and other key sector leaders in Canterbury, to meet the needs and expectations of our communities.



#### Standing together for Canterbury

Front row (L to R): Sam Broughton (Mayor, Selwyn District), Donna Favel (Mayor, Ashburton District), Lianne Dalziel (Mayor, Christchurch City and Chair, Canterbury Mayoral Forum), Damon Odey (Mayor, Timaru District and Deputy Chair, Canterbury Mayoral Forum), David Ayers (Mayor, Waimakariri District).

Back row (L to R): Graham Smith (Mayor, Mackenzie District), Craig Rowley (Mayor, Waimate District), Winton Dalley (Mayor, Hurunui District), Gary Kircher (Mayor, Waitaki District), Winston Gray (Mayor, Kaikōura District), David Bedford (Chair, Canterbury Regional Council).

<sup>1</sup> The Triennial Agreement 2017–19, which includes the Canterbury Mayoral Forum Charter of Purpose, is available on the Mayoral Forum website at <http://canterburymayors.org.nz/canterbury-mayoral-forum/>

The Mayoral Forum meets at least quarterly. It is supported by a Chief Executives Forum (and other regional forums and working groups that report to the Chief Executives Forum), and by a secretariat hosted by Environment Canterbury and funded from the regional general rate.

## **The story of the CREDS**

Advocating on economic and social development opportunities for Canterbury was a commitment in the Canterbury Local Authorities' Triennial Agreement for 2013–16. This commitment has been re-affirmed in the Triennial Agreement for 2017–19.

Key drivers are demographic trends, particularly the region's ageing population, and a sense of urgency about positioning the region's underlying economy for when earthquake recovery and rebuild cease to inflate economic activity and employment.

Further information on Canterbury's people and Canterbury's economy is provided in the Appendices to this strategy.

## **The reference group**

The Mayoral Forum developed the Canterbury Regional Economic Development Strategy (CREDS) through two workshops, in December 2014 and February 2015, and conversations with Te Rūnanga o Ngāi Tahu, the Canterbury Development Corporation, the Canterbury Employers' Chamber of Commerce, the Committee for Canterbury and a wider group of stakeholders from the farming, manufacturing, tertiary education, business, telecommunications, transport, tourism and social sectors.

The CREDS was launched by Ministers Joyce and Brownlee in August 2015.<sup>2</sup>

The Mayoral Forum has continued to meet approximately six monthly with its partners and other stakeholders (the CREDS reference group), to review progress and identify emerging priorities and opportunities. These meetings are informed by an indicators report prepared for the Mayoral Forum by the Canterbury Development Corporation.<sup>3</sup>

## **A 20-year vision**

Through discussions with the reference group, Mayors adopted a guiding, 20-year vision: *a region making the most of its natural advantages to build a strong, innovative economy with resilient, connected communities and a better way of life for all.*

Mayors have taken a long-term view of sustainable regional development that balances economic, social, cultural and environmental outcomes.

## **Medium-term objectives, short-term actions**

Three considerations shaped the strategy as it was developed in 2015.

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<sup>2</sup> The CREDS 2015 is available on the Mayoral Forum website at <http://canterburymayors.org.nz/creds/>

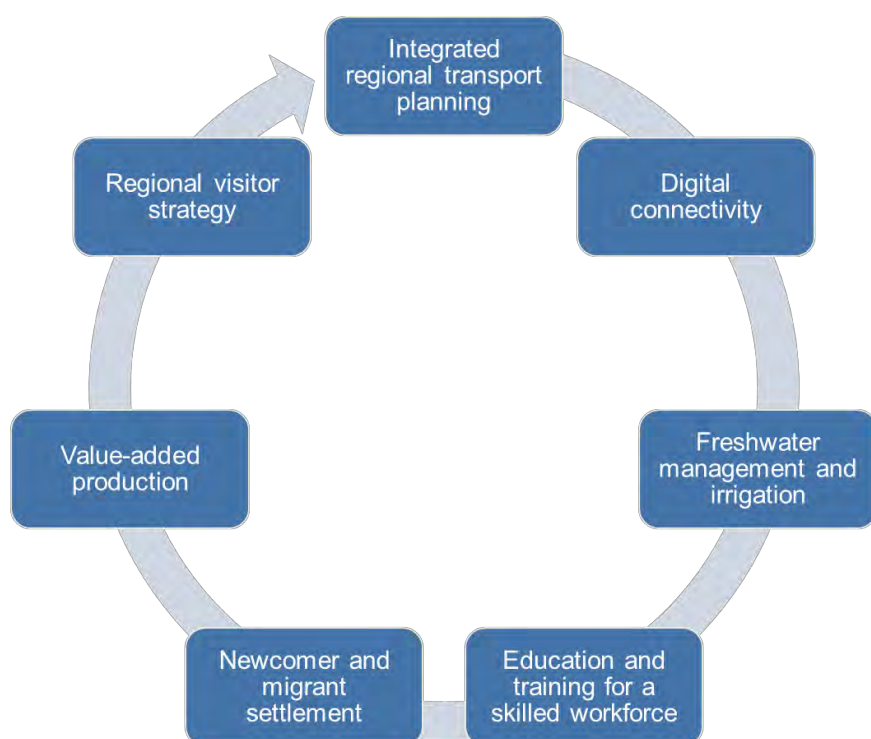
<sup>3</sup> The baseline indicators report (December 2015) and subsequent indicators reports are published at <http://canterburymayors.org.nz/creds/>

- The Mayoral Forum itself has no budget, and its decisions are not binding on member councils.
- Local government works within limits and opportunities constrained by legislation and convention concerning the roles and responsibilities of local government.
- Mayors wanted to achieve demonstrable progress in the short term.

With leadership from the then Chair of the Mayoral Forum, Dame Margaret Bazley, the CREDS was developed as a 'strategy-in-action'. Mayors provide leadership, facilitation and advocacy to initiate short-term actions to achieve medium-term objectives designed to bring the long-term vision to reality.

## Seven priority work programmes

In February 2017, the Mayoral Forum and CREDS reference group re-affirmed the relevance and strategic importance of the seven CREDS work programmes initiated in 2015.



As represented in the table below, there are three clusters of work programmes. While all three clusters and all seven work programmes involve working with industry, the value-added production and visitor strategy work programmes are particularly industry led.

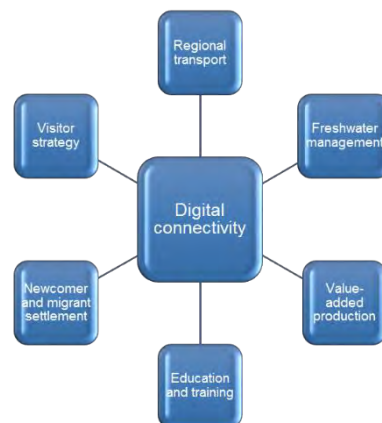
CLUSTER	WORK PROGRAMME	LED BY	
<b>Infrastructure, regulation and investment</b>	Integrated regional transport planning	Mayor Winton Dalley	Hurunui District
	Digital connectivity	Mayor Damon Odey	Timaru District
	Freshwater management and irrigation infrastructure	Councillor David Caygill	Environment Canterbury
<b>Human and social capital</b>	Education and training for a skilled workforce	Mayor David Ayers	Waimakariri District
	Newcomer and migrant	Mayor Donna Favel	Ashburton District

	settlement	Mayor Sam Broughton	Selwyn District
<b>Working with industry</b>	Value-added production	Mayor Craig Rowley	Waimate District
	Visitor strategy	Mayor Winston Gray	Kaikōura District
		Mayor Graham Smith	Mackenzie District
		Mayor Sam Broughton	Selwyn District



There is a high degree of interdependence between the seven work programmes. For example, **digital connectivity** is key infrastructure for:

- freshwater management, including precision irrigation and environmental monitoring and reporting
- value-added production and manufacturing
- transport management, logistics and road safety
- enhanced experiences and safety for tourists
- access to education, training, health and emergency services
- civil defence and emergency management
- e-commerce and online services
- skilled professionals wanting to move to our region; e.g. providing the ability to work remotely
- social connectedness – particularly important to attract and retain newcomers and their families to the agricultural workforce in our region.<sup>4</sup>



Similarly, **value-added production** critically depends on:

- a reliable water supply and wastewater treatment systems
- an integrated, multi-modal regional transport network
- digital connectivity
- education and training for a skilled workforce
- successful settlement of newcomers and their families, and
- creates new opportunities in agribusiness tourism.

And sustainable growth in tourism (**regional visitor strategy**) needs:

- regional transport planning and investment that is well co-ordinated across modes (air, sea, road, rail, cycle trails) and provides safe, efficient travel to and between visitor destinations
- digital connectivity that enables visitors to access information, share their travel experiences with friends and family (marketing our region for us), and keep themselves safe
- freshwater management that enables economic development while protecting our natural environment for the enjoyment of New Zealanders and our visitors, now and in the future
- value-added production, which can become a visitor attraction in its own right; e.g. farm visits and farm stays
- education and training brings a significant number of students to Canterbury, from the rest of New Zealand and overseas, as well as their families and friends, who come to visit them



<sup>4</sup> See further the *Canterbury Digital Strategy* published in March 2016 (<http://canterburymayors.org.nz/creds/>)

- welcoming newcomers and migrants to our region relates closely to the welcome and warmth of hospitality (manaakitanga) we extend to visitors passing through.<sup>5</sup>

## How we work together

Six ways of working together have become characteristic of CREDS implementation:

### 1. Step up and lead

- work programme lead Mayors and their Chief Executives are mandated by the Mayoral Forum to exercise leadership on behalf of the region as a whole, not only their own city or district
- experience has shown that Mayors have a strong mandate and an effective voice, particularly when we 'stand together for Canterbury'.

### 2. Build on experience and trusted relationships

- the CREDS has built on the Forum's experience and success in collaborating on the Canterbury Water Management Strategy since 2008 – relationships, trust and effective ways of working together are established over years, and provide a strong platform for subsequent success.

### 3. Turn data into information to support decision making

- a commitment to evidence-informed decision making runs across all work programmes and the strategy as a whole. The Canterbury Policy Forum has provided demographic analysis; the Canterbury Development Corporation provides a bi-annual indicators report; the transport sector steering group is collaborating on data sharing and analysis to inform planning and investment.

### 4. Keep it simple and practical

- given resource constraints, Mayors have not tried to do everything, but give priority to the few actions that have potential to make the greatest difference.

### 5. Get on with it

- Mayors have not over-consulted, confident that we don't need to establish, or re-establish the obvious
- engagement and consultation have targeted the people who care and can make a difference – 'coalitions of the willing' and people who have 'skin in the game'
- the Mayoral Forum's work is transparent and information about regional forums and the CREDS is published online at <http://canterburymayors.org.nz/>

### 6. Facilitate private sector solutions

- local government working collaboratively can facilitate private sector solutions and lower the risk for private sector investment, at little or no cost to ratepayers or taxpayers. Examples are the Forum's work with Spark New Zealand, Enable Networks Ltd and the four electricity lines companies to achieve a digitally connected Canterbury.
- significant progress can be achieved by getting the right people in the room to:
  - identify common (and divergent) interests
  - scope opportunities and challenges

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<sup>5</sup> See further the *Canterbury Visitor Strategy 2016* published in April 2016 (<http://canterburymayors.org.nz/creds/>)

- identify options to address these
- agree who will do what, how and by when.<sup>6</sup>

## Partnership with Ngāi Tahu

The Mayoral Forum works with Te Rūnanga o Ngāi Tahu (TRONT) and Papatipu Rūnanga to pursue our common social and economic goals. The Canterbury Water Management Strategy is a prime example of this working relationship. The CREDS is an opportunity to broaden and further develop this treaty-based relationship. It aligns strongly with *Ngāi Tahu 2025*, the tribal strategy for the prosperity of Ngāi Tahu Whānui, in its emphasis on:

- partnership in freshwater management
- a thriving regional economy with global prospects
- maximising opportunities and providing a unique value proposition
- investment in education and training for a skilled and successful workforce
- economic and social development and wellbeing.

Te Rūnanga o Ngāi Tahu's kaupapa (*Mō tātou, ā, mō kā uri ā muri ake nei* – for us and our children after us) is to enhance the prosperity and quality of life of Ngāi Tahu whānui. This includes achieving economic development at tribal and regional levels, managing the environment and natural resources sustainably and protecting tribal taonga. Ngāi Tahu fundamentally believes that harnessing the Māori economy is beneficial to all New Zealanders.

Investment in tourism has helped Ngāi Tahu promote areas and taonga of significant historical importance. This in turn provides a unique cultural and kaupapa-based experience to visitors in Canterbury that enhances the region's competitive positioning. Examples include Whale Watch in Kaikōura and the Te Ana Māori Rock Art Centre in Timaru.

Ngāi Tahu Holdings reinvests its substantial profits back into the regional economy. It also distributes back to Ngāi Tahu Whānui to support economic, educational, cultural and social initiatives. With a permanent and on-going commitment to the South Island and Canterbury, and as the iwi's asset base continues to grow (shareholders' equity was \$1.5bn in the 2016/17 financial year), TRONT is in a strong position to invest in the region where suitable opportunities can be identified that maintain a balanced investment portfolio, grow iwi capability and are consistent with Ngāi Tahu's long-term vision and values.

Te Rūnanga is a partner with the Mayoral Forum in the CREDS, and a member of the CREDS reference group. But of course Te Rūnanga also has interests in the (seven) individual work programmes. Mike Sang has participated in Mayor Craig Rowley's value-added production work programme; Andre Konia has represented Ngāi Tahu on Mayor David Ayers' education and training work programme, and in the very near future, we expect Eruera Prendergast-Tarena will also be connected to this work programme through collaboration with the Ministry of Social Development on youth transitions to further education, training and employment. Ngāi Tahu Tourism also has interests, of course, in the Mayoral Forum's regional visitor strategy, led by Mayor Winston Gray.

<sup>6</sup> Mayoral Forum achievements in the period 2013–16 are documented at: <http://canterburymayors.org.nz/wp-content/uploads/2017/02/Mayoral-Forum-achievements-2013-16.pdf>

## Alignment with the Christchurch Economic Development Strategy

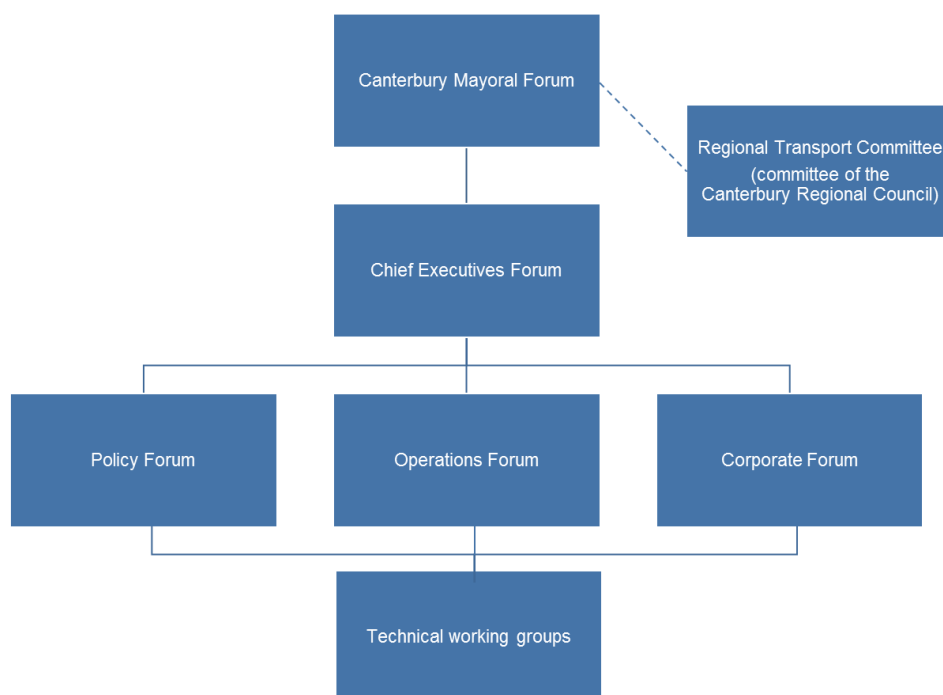
A refreshed Christchurch Economic Development Strategy (CEDS) is expected to be finalised and published following the launch on 1 July 2017 of the new tourism, events, international education and economic development entity for Christchurch and Canterbury.

The CEDS has a different audience and purpose from the CREDS, but the two strategies are strongly aligned and reflect the interdependence (economically, socially and culturally) of town and country in the Canterbury region.

### A living document

The CREDS is a 'living document'. It is 'strategy-in-action', and the Mayoral Forum values its agility in responding to challenges and opportunities as these emerge in our region and its communities.

Lead Mayors, supported by Chief Executives and the secretariat, develop and oversee a detailed work programme. The Chief Executives Forum implements this, supported by the Canterbury Policy Forum and other regional forums and technical working groups.







## North Canterbury earthquakes, November 2016

Shortly after midnight on 14 November 2016, multiple fault lines ruptured in a complex sequence with a cumulative magnitude of 7.8. Within the Canterbury region, the earthquakes have severely impacted on people, land, infrastructure, farms, tourism and other businesses in the Hurunui and Kaikōura districts.

Repairing damage to council infrastructure means that affected local authorities will carry increased long-term debt, with an impact on ability to fund 'business-as-usual' commitments into the future. Damage to local community infrastructure and loss of amenity will also have a long-term impact. Population loss is a significant threat, as below a certain critical mass, it will be difficult to recover and maintain the infrastructure and levels of service that small communities need to remain viable.

The earthquakes are projected to cause a drop in New Zealand's GDP of \$400–500m in the period November 2016 to May 2018, with Canterbury bearing a quarter of that cost (\$110–130m).<sup>7</sup> Key contributing factors are increased freight transport costs and impacts on businesses from infrastructure damage and transport disruptions. Visitor spending for the month of March 2017 fell \$27m in North Canterbury, down almost a third compared with the same period last year.



*Road damage, Hawkswood  
Photo: Lianne Dalziel (December 2016)*

Central government has worked with affected councils to address:

- emergency accommodation
- state highway, local roads, rail and harbour infrastructure
- support for council statutory functions
- business support
- tourism support and promotion
- primary sector support
- welfare and community support
- enhanced health services
- science research.

Canterbury's Mayors express heartfelt thanks to the people of New Zealand, to charitable organisations, and to central government for generously supporting our initial earthquake response, and for investing in our region's long-term recovery and capacity to make an even stronger contribution to national GDP and higher living standards for all New Zealanders.

<sup>7</sup> Market Economics Ltd (2017). *Economic impact of the 2016 Kaikōura earthquake: A report prepared for the Ministry of Transport*. Accessed 1 May 2017 from <http://www.mbie.govt.nz/publications-research/publications/economic-development/economic-impact-2016-kaikoura-earthquake.pdf>

# Canterbury Regional Economic Development Strategy 2017–19

## A 20-year vision for economic and social wellbeing

<b>A regional vision</b>	A region making the most of its natural advantages to build a strong, innovative economy with resilient, connected communities and a better quality of life for all
<b>Objectives 2017–19</b>	<ul style="list-style-type: none"> <li>• Position the Canterbury region for long-term, sustainable prosperity</li> <li>• Complete/progress earthquake recovery and rebuild in greater Christchurch and in North Canterbury</li> <li>• Attract and retain businesses, capital, skilled workers, students and visitors</li> <li>• Strengthen and capitalise on interdependencies between the Christchurch and Canterbury economies.</li> </ul>

The CREDS has never been about economic growth for its own sake. Canterbury's Mayors aspire to sustainable economic development that supports resilient, cohesive and connected communities, and enables everyone to enjoy a better quality of life.

Our aspiration is not wealth for wealth's sake, but *prosperity*, in the sense of success, security and well-being: *Mō tātou, ā, mō kā uri ā muri ake nei* – *for us and our children after us*.



## Work programmes

This section outlines the seven work programmes – the objectives for each, why Mayors think these objectives are important, key achievements during 2015–16, priorities for action in this local government term (2017–19), and indicators the Mayoral Forum is using to assess progress in achieving the objectives. Improving the evidence base that informs work programme priorities and actions is a continuing focus.

For 2017–19, the Mayoral Forum has followed the example of central government in identifying aspirational **targets** for three of the seven work programmes. These targets are all challenging, and will require sustained collaboration with the telecommunications, farming, education, welfare and business sectors.

## Infrastructure, regulation and investment

### 1 Integrated regional transport planning and infrastructure investment

Objective
<p>Integrated transport planning across modes (air, rail, shipping and road transport) that:</p> <ul style="list-style-type: none"> <li>• prioritises a resilient transport network</li> <li>• enables the efficient movement of people and freight into, out of and within the Canterbury region</li> <li>• improves social connectedness and wellbeing, supports visitor strategies and improves road safety.</li> </ul>
Why is this important?
<p>A series of natural disasters (including earthquakes, storms and fires) have highlighted the vulnerability of Canterbury's transport network. The region has significant advantages, however – a world class international airport, two sea ports (Timaru and Lyttelton) and inland ports at Rolleston.</p> <p>The region's Mayors are united in advocating for an integrated, multi-modal transport network (road, rail, air and coastal shipping) that is more resilient to natural disasters and better able to serve our growing tourism industry and export sector, and to ensure the efficient movement of freight within Canterbury and the South Island, between the North and South Islands, and to our global markets.</p> <p>The OECD has recently noted that in 2012–15, 78% of spending from the National Land Transport Fund was on roads, and recommended that infrastructure investment priorities become more consistent with the Government's long-term climate and environmental objectives.<sup>8</sup></p>
Key achievements 2015–16
<ul style="list-style-type: none"> <li>• Re-framed the Regional Land Transport Plan (RLTP) to support integrated, multi-modal transport network planning and investment (May 2016)</li> </ul>
<ul style="list-style-type: none"> <li>• Initiated a review of the structure, focus and membership of the Regional Transport Committee (RTC), and formation of a South Island RTC Chairs Group (with secretariat support from Canterbury in 2017)</li> </ul>
<ul style="list-style-type: none"> <li>• Convened a transport sector reference group (road, rail, air, logistics)</li> </ul>
<ul style="list-style-type: none"> <li>• Commissioned a report on <i>Harnessing the Potential of Data for Canterbury's Tourism and Transport Networks</i> and began working with the New Zealand Transport Agency on national freight indicators research to inform planning and investment.</li> </ul>
Priorities for action 2017–19
<ul style="list-style-type: none"> <li>• Work with sector partners to turn data into information to support transport planning and investment</li> </ul>
<ul style="list-style-type: none"> <li>• Work with the Ministry of Transport, the New Zealand Transport Agency and the sector steering group to develop resilient, multi-modal shipping solutions for Canterbury and the South Island, including secondary roads and coastal shipping</li> </ul>
<ul style="list-style-type: none"> <li>• Encourage the RTC with its expanded mandate to develop a detailed work plan for multi-modal transport planning and investment, including a statutory review (2017) of the RLTP</li> </ul>
<ul style="list-style-type: none"> <li>• With the South Island RTC Chairs Group, advocate for a stronger central government focus on multi-modal transport strategy in the 2018 and 2021 Government Policy Statements on Land Transport.</li> </ul>
Indicators
<ul style="list-style-type: none"> <li>• Heavy vehicle kilometres travelled, Canterbury</li> <li>• Regional road safety (deaths, and crashes involving a truck over 3.5 tonnes in Canterbury)</li> </ul>

<sup>8</sup> OECD, *Environmental Performance Reviews. New Zealand, 2017: Highlights*, p 10. <http://oe.cd/epr-newzealand>



- Annual rail volumes to and from Canterbury
- South Island container ports, total containers handled, and bulk exports (000 tonnes)

## 2 Digital connectivity: extension and uptake of fast broadband in rural areas

### Objective

A fully connected Canterbury – so the whole region can achieve the best possible results in health, education, social connectedness, economic growth and the environment.

### Why is this important?

Rural Canterbury generates much of the prosperity of the region, but has suffered from a 'digital divide' between town and country. Fast broadband and addressing mobile 'black spots' is critical to the economic and social development of our region. For Canterbury to be fully connected, we need:

- infrastructure – an integrated, resilient network that provides fast broadband and mobile phone coverage to every farm and community in Canterbury
- retail packages that are fit for purpose and affordable
- uptake and use of digital technologies and online services to increase economic productivity and improve social and environmental outcomes.

### Key achievements 2015–16

- Supported, co-ordinated and analysed Canterbury Registrations of Interest for Ultra-fast Broadband, the Rural Broadband Initiative and Mobile Black Spot Fund 2015
- Partnership with Spark New Zealand – 4G upgrade completed across Canterbury by December 2016
- Advocacy to central government for connectivity solutions, including submitting on the Telecommunications (Property Access and Other Matters) Amendment Bill
- Government announced in January 2017 the extension of Ultra-fast Broadband to an additional 25 communities in Canterbury by 2024
- Obtained the agreement of Enable Networks Ltd and the four electricity lines companies in Canterbury to investigate options for working together to improve the amount of accessible fibre and provide high bandwidth connectivity for other access technologies, e.g. cellular and wifi.

### Priorities for action 2017–19

- Support Enable Networks Ltd and electricity lines companies if they choose to form a Canterbury consortium to extend fibre backhaul and improve high bandwidth connectivity, whether through the Rural Broadband Initiative 2 or by other means
- Complete detailed GIS mapping of remaining gaps in mobile and broadband coverage, to inform analysis and advocacy for solutions
- Promote stories of uptake of digital access that is making a difference to economic and social development in Canterbury.

### Target

- By June 2019, 95% of farms and other businesses in rural Canterbury will have access to broadband at speeds of at least 25 Mbps peak speed.<sup>9</sup>

<sup>9</sup> The Government's targets are that by 2025, 99% of New Zealanders will have access to 50 Mbps peak speeds, and the remaining 1% will have access to 10 Mbps.

**Indicator**

- GIS mapping of mobile and broadband coverage in Canterbury

**3 Freshwater management and irrigation infrastructure****Objective**

Development of water infrastructure and environmental restoration initiatives to achieve the Canterbury Water Management Strategy (CWMS) vision: *To enable present and future generations to gain the greatest social, economic, recreational and cultural benefits from our water resources within an environmentally sustainable framework.*

**Why is this important?**

The Mayoral Forum has developed and implemented the CWMS since 2008 as a whole-of-region, collaborative solution to sustainable freshwater management.

Across the region, there is declining water quality, a loss of cultural and recreational use and less reliable water for farming. Climate change is expected to make the region more drought prone. Yet Canterbury has some extraordinary advantages – alpine-fed rivers, which will provide ample water now and in the future if we harness it responsibly, and a largely flat terrain that is suitable for irrigation.

Harnessing alpine water will enable environmental restoration and provide a reliable supply of water to future proof primary production (cropping, nuts and seeds, viticulture, beef and lamb, wool, dairy, etc.), manufacturing and value-added production.

As outlined on p 4, the CREDS work programmes are highly interdependent. Freshwater management is a critical enabler, in particular, for value-added production and tourism.

**Key achievements 2015–16**

- **Infrastructure:** identified potential components of the regional supply and distribution infrastructure
- **Planning and policy:** worked through zone committees to establish catchment loads through Resource Management Act plans, in order to achieve water quality outcomes (ongoing)
- **Implementation:** agreement across primary industries on Good Management Practice and the efforts of farmers, particularly through irrigation schemes, to complete audited Farm Environment Plans (2,500 Farm Plans were completed and 260 audited by December 2016)
- **Zone delivery:** zone committee progress with developing or implementing zone work programmes (ongoing), including \$5.3m+ on Immediate Steps projects, including fencing waterways and riparian planting.
- **Water metering:** 100% of water consent holders are fully compliant or have action plans in place to become fully compliant with National Water Measuring Regulations (September 2016)
- **Co-ordinated stormwater management** planning through a Regional Stormwater Forum.

**Priorities for action 2017–19**

- **Infrastructure:** keep working closely with existing irrigation schemes on water use efficiency projects and with emerging infrastructure operators to maximise their contribution to CWMS targets
- **Environmental infrastructure:** keep working with communities to test and develop Managed Aquifer Recharge and Targeted Stream Augmentation environmental infrastructure projects
- **Planning and policy:** continue programme to agree sub-regional plans and establish catchment load limits and water quality objectives
- **Implementation:** keep driving commitment to Good Management Practice through Farm Environment Plans and audited self management across all zones

<ul style="list-style-type: none"> <li>• <b>Zone delivery:</b> all zone committees have agreed work programmes and report progress</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Biodiversity:</b> keep working with zone committees and land owners on Immediate Steps projects and Regional Flagship projects (Whakaora Te Waihora and Wainono)</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Partnerships:</b> keep building a strong partnership and collaborative approach to delivering on CWMS targets with Ngāi Tahu, primary industries, councils and NGO partners and stakeholders.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Communicate:</b> tell the story and share information to develop and maintain a social licence to operate.</li> </ul>
<b>Targets</b>
<ul style="list-style-type: none"> <li>• By June 2020, 100% of water consent holders are fully compliant with National Water Measuring Regulations.</li> <li>• By June 2020, audited Farm Environment Plans will be in place for 5,300 intensive farms in Canterbury.</li> </ul>
<b>Indicators</b>
<ul style="list-style-type: none"> <li>• Estimated current and indicative potential irrigated land area</li> <li>• Water Quality Index, Canterbury rivers and streams</li> <li>• Progress on limits to manage land use for water quality outcomes</li> <li>• Per cent of water consent holders' compliance</li> <li>• Number of farm audit grades received.</li> </ul>



## Human and social capital

### 4 Education and training for a skilled workforce

Objectives
<ul style="list-style-type: none"> <li>Business, education and local government sectors are aligned, working together to make Canterbury a great place to study, live and work</li> <li>Canterbury has an appropriately skilled and educated workforce</li> <li>Education and training institutions deliver an integrated education programme that maximises benefits to the institutions and to Canterbury.</li> </ul>
Why is this important?
<p>Canterbury has New Zealand's lowest unemployment rate by region. Our population also has a higher median age than New Zealand's total population. Skills shortages are a significant risk to high-value production across all districts within our region. We want to keep our young people in the region and ensure they have the knowledge and skills to secure rewarding, productive work now and in the future, so they and their families can lead the lives they want to live. We want to attract international students to our schools and tertiary education organisations. And we want to retain, and retrain, older workers.</p>
Key achievements 2015–16
<ul style="list-style-type: none"> <li>A steering group of tertiary education institutions has worked to recover and increase domestic and international student enrolments</li> </ul>
<ul style="list-style-type: none"> <li>Initiated whole-of-CREDS project to develop 'the Canterbury story'</li> </ul>
<ul style="list-style-type: none"> <li>Advocated to central government about access to affordable education and training for children of migrant workers on temporary visas</li> </ul>
<ul style="list-style-type: none"> <li>Christchurch Educated has successfully developed a Canterbury Job Ready Programme for international students wanting to gain employment in New Zealand</li> </ul>
<ul style="list-style-type: none"> <li>Supported a pilot programme to train and support Filipino dairy workers</li> </ul>
<ul style="list-style-type: none"> <li>Worked with the Ministries of Education and Social Development to share data and information about youth unemployment and pathways to further education, training and employment.</li> </ul>
Priorities for action 2017–19
<ul style="list-style-type: none"> <li>Complete an 'educational blueprint' and options for new/modified joint courses in agricultural engineering and water management</li> </ul>
<ul style="list-style-type: none"> <li>Continue to advocate for and support getting the Lincoln Hub established and up and running</li> </ul>
<ul style="list-style-type: none"> <li>Increase the number of international students attending Canterbury education organisations, and broaden the focus beyond current source markets</li> </ul>
<ul style="list-style-type: none"> <li>Support youth transition to the workplace through strengthening partnerships between education organisations and business, and reduce the NEET rate across the region</li> </ul>
<ul style="list-style-type: none"> <li>Identify opportunities to support businesses with language and cultural competence to expand or enter into trade with Asia</li> </ul>
<ul style="list-style-type: none"> <li>Capitalise on opportunities presented by the Christchurch Health Precinct to drive economic development and improve community health through collaborative research, innovative models of professional learning and education, and innovation in use of IT</li> </ul>
<ul style="list-style-type: none"> <li>Work with SIGNAL (the new South Island IT graduate school) to link IT talent to opportunities for</li> </ul>



innovation and value-added production

### Target

- By June 2019, the NEET rate for Canterbury remains equal to or less than the national rate.

### Indicators

- NEET rate – per cent of youth aged 15–24 years Not in Employment, Education or Training
- Jobseeker Support recipients aged 18–24 years
- 18-year olds with NCEA Level 2<sup>10</sup>
- FTE enrolments at Canterbury and Lincoln Universities and Ara Institute
- International fee-paying student enrolments



*Photo: University of Canterbury*

<sup>10</sup> The Government's targets are that 85% of 18-year-olds will have achieved NCEA Level 2 or an equivalent qualification in 2017, and to increase the proportion of 25–34 year olds with advanced trade qualifications, diplomas and degrees (at level 4 or above).

## 5 Newcomer and migrant settlement: skilled workers, cohesive communities

### Objective

Skilled workers, cohesive communities: newcomers and migrants are attracted to Canterbury and feel welcomed and supported to settle quickly and well, contribute in the workforce and call Canterbury home.

### Why is this important?

As Canterbury's population ages, we are increasingly dependent on net migration to meet skills shortages and maintain the viability of our towns and communities. Canterbury welcomes migrants –whether Kiwis moving here from other regions or returning home from overseas, or international migrants. Mayors are mindful, however, that achieving good settlement outcomes requires adjustment on the part of host communities, as well as by migrants themselves. Consequently, this work programme has always focused both on attracting and retaining skilled workers, and on ensuring good settlement outcomes for newcomers and cohesive communities.

### Key achievements 2015–16

- Met with the Ambassador to The Philippines to discuss issues for migrant dairy workers, particularly in relation to primary healthcare and education
- Advocated to central government for access to subsidised primary health care, and to tertiary education at domestic fees rate, for migrant workers on temporary visas
- Shared resources and strategies, and commissioned population analysis ([www.ecan.govt.nz/population](http://www.ecan.govt.nz/population))
- Ashburton District (lead council) took up, further developed and has evaluated the 'Start with a Smile' campaign from CREDS partner, Canterbury Employers' Chamber of Commerce.

### Priorities for action 2017–19

- Participate as one of five pilot areas in NZ in Immigration NZ's Welcoming Communities initiative and leverage government support and resources
- Encourage councils to welcome newcomers and migrants to their districts; e.g. through Start with a Smile, Meet the Street events
- Continue to advocate to government on policies affecting migrants and the availability of skilled workers for Canterbury employers
- Share success and best practice on welcoming newcomers and achieving good settlement outcomes
- Use central government research and resources to inform local and regional settlement activities.

### Indicator

- Net international migration by territorial authority area, Canterbury region



*Citizenship ceremony, Onuku Marae  
Waitangi Day 2016*

## Working with industry

### 6 Value-added production

Objective
Planning and consenting processes, and infrastructure managed by local government enable value-added production in Canterbury.
Why is this important?
Canterbury is one of the world's great food baskets. The challenge is to do more with what we grow, and to nurture a diverse business base that builds on and adds value to our intrinsic land-based strengths with the world as our market. There are particular opportunities for our region in agri-technology, sustainable food production, value-added food processing, healthcare, medical technology, solar energy, electronics and high-value manufacturing.
Key achievements 2015–16
<ul style="list-style-type: none"> <li>Reference group established with industry and Ngāi Tahu leaders</li> <li>In response to industry concerns, advocated successfully for changes to how central government supports complex regional irrigation schemes, to ensure that schemes are built to a scale that enables long-term, sustainable water management and environmental restoration. (From 1 July 2016, responsibility for grant funding shifted from the Ministry for Primary Industries to Crown Irrigation Investments Ltd, to provide end-to-end funding and support from a single entity.)</li> </ul>
Priorities for action 2017–19
<ul style="list-style-type: none"> <li>Work with the industry reference group to review impediments, concerns and opportunities – and identify where local government can play a role to support industry to do more with what we grow and produce</li> <li>Stocktake regional innovation assets and facilitate joined-up thinking and collaboration to increase Domestic Value Add and Canterbury's participation in global value networks</li> <li>Encourage connections between SIGNAL (the new South-Island ICT graduate school) and agri-business, and link education and training to value-added production.</li> </ul>
Indicators
<ul style="list-style-type: none"> <li>Per cent share of jobs by sector, Canterbury</li> <li>Construction-related employment, greater Christchurch</li> </ul>



## 7 Regional visitor strategy

Objective
Grow sustainable tourism that focuses on the high-end market, encourages a wider seasonal 'spread', disperses visitors across the region and South Island, and keeps them here longer.
Why is this important?
<p>International tourism overtook dairying in the year to September 2015 as New Zealand's biggest export earner. Earthquakes in 2010–11 and 2016 significantly impacted on the visitor sector, and the region lost market share. Mayors want to attract visitors to Canterbury, keep them here longer, and encourage them to spend more, so our communities can prosper from tourism.</p> <p>Increased visitor flows may not be sustainable in some districts, however, due to seasonality, 'pinch points' due to less than optimal visitor dispersal, and the burden of providing and maintaining visitor infrastructure in districts with a small ratepayer base (particularly Kaikōura and Mackenzie).</p>
Key achievements 2015–16
<ul style="list-style-type: none"> <li>Worked with tourism organisations and the Chinese Consul-General to share information and ideas and encourage councils and local businesses to 'get ready for China' and capitalise on increased China Southern Airlines direct flights between Guangzhou and Christchurch</li> </ul>
<ul style="list-style-type: none"> <li>Advocated with KiwiRail for retention and further development of Scenic Journeys</li> </ul>
<ul style="list-style-type: none"> <li>Shared information on a region-wide approach to freedom camping</li> </ul>
<ul style="list-style-type: none"> <li>Canterbury received \$988,335 in the first round of the Regional Mid-sized Tourism Facilities Fund</li> </ul>
<ul style="list-style-type: none"> <li>Investigated potential hotel development sites to support growth in tourism</li> </ul>
<ul style="list-style-type: none"> <li>Partnered with Canterbury University on a student research project in Beijing on the Chinese youth tourism market (reported Feb 2017).</li> </ul>
Priorities for action 2017–19
<ul style="list-style-type: none"> <li>Support Kaikōura and Hurunui districts to recover and build visitor numbers following the November 2016 earthquakes</li> </ul>
<ul style="list-style-type: none"> <li>Advocate with government for further investment in cycle trails</li> </ul>
<ul style="list-style-type: none"> <li>Continue to advocate for government funding of essential infrastructure to support sustainable tourism, and use government initiatives, resources and research to inform and support our work</li> </ul>
<ul style="list-style-type: none"> <li>Find ways to fund, manage and use the Christchurch and Canterbury stories to attract visitors and keep them here longer</li> </ul>
<ul style="list-style-type: none"> <li>Initiate conversations about the co-ordination, development and funding of South Island tourism information and promotion, including an integrated events programme</li> </ul>
<ul style="list-style-type: none"> <li>Work with KiwiRail to advocate for Scenic Journeys and passenger rail services</li> </ul>
<ul style="list-style-type: none"> <li>Facilitate engagement between the tourism sector and the agri-business sector to identify additional opportunities for product development and diversification of farm income</li> </ul>
<ul style="list-style-type: none"> <li>Engage communities and share information to develop and maintain a social licence to operate.</li> </ul>
Indicators
<ul style="list-style-type: none"> <li>International visitor arrivals, Christchurch Airport</li> <li>Domestic guest nights</li> <li>Regional tourist spend</li> </ul>

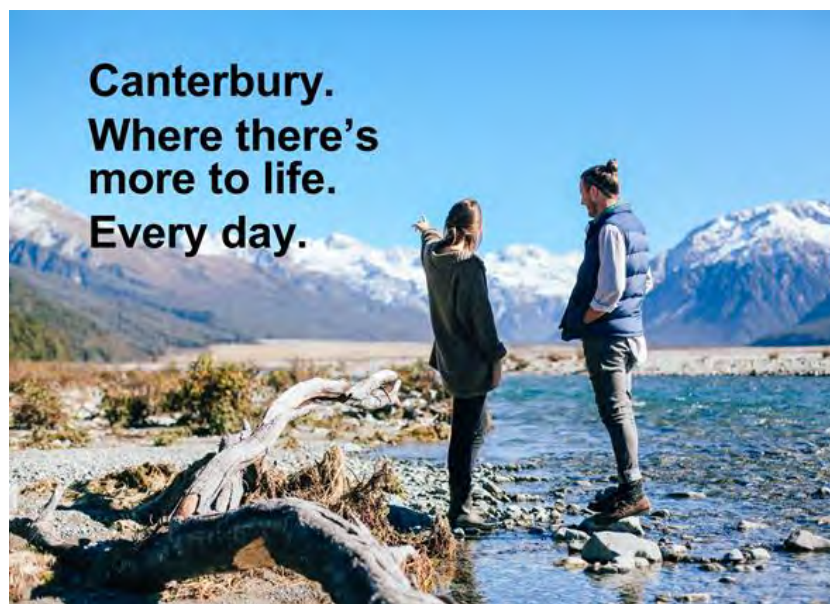


## Regional growth programme

From the outset, Government has affirmed the work of the Mayoral Forum in leading economic development in Canterbury. As New Zealand's largest region by land area and second largest by population, Canterbury generates around 13% of national GDP. Canterbury's success is New Zealand's success.

In May 2016, the CREDS became part of the Government's Regional Growth Programme, supported by a Senior Regional Official for Canterbury and a Senior Advisor in the Ministry of Business, Innovation and Employment. We are grateful for the Government's partnership with us in *regionally led, government-enabled action*.

In 2016/17, the Regional Growth Programme provided some initial funding to research and develop 'the Canterbury story', to bridge and complement the 'NZ story' and the 'Christchurch story' and provide tools to attract businesses, capital, skilled workers, students and visitors to the region.



### Energised by nature

We draw energy and inspiration from the space, variety of epic nature and abundance of outdoor activity that is within easy reach of everyone who lives and visits here.

Ka pūpuhi te hau, ka pāpaki te tai, ka mahuki te manawa.

### Pioneering mindset

We do things in new ways, champion the home grown and celebrate those prepared to step out and take risks.

Kia kotahi te kakapa manawa, kia tipu, kia ora.

### Regional powerhouse with a vibrant city heart

We're a prosperous, growing economy of many different parts where people have the opportunity to do rewarding work and live well.

Kia Tamatea te manawa.

### Generous Spirit

Cantabrians have a collective identity and togetherness like no other region. The strong sense of belonging this creates is why people put down roots and stay.

He manawa manaaki, he manawa kotahi. He manawa kotahi, he manawa manaaki.



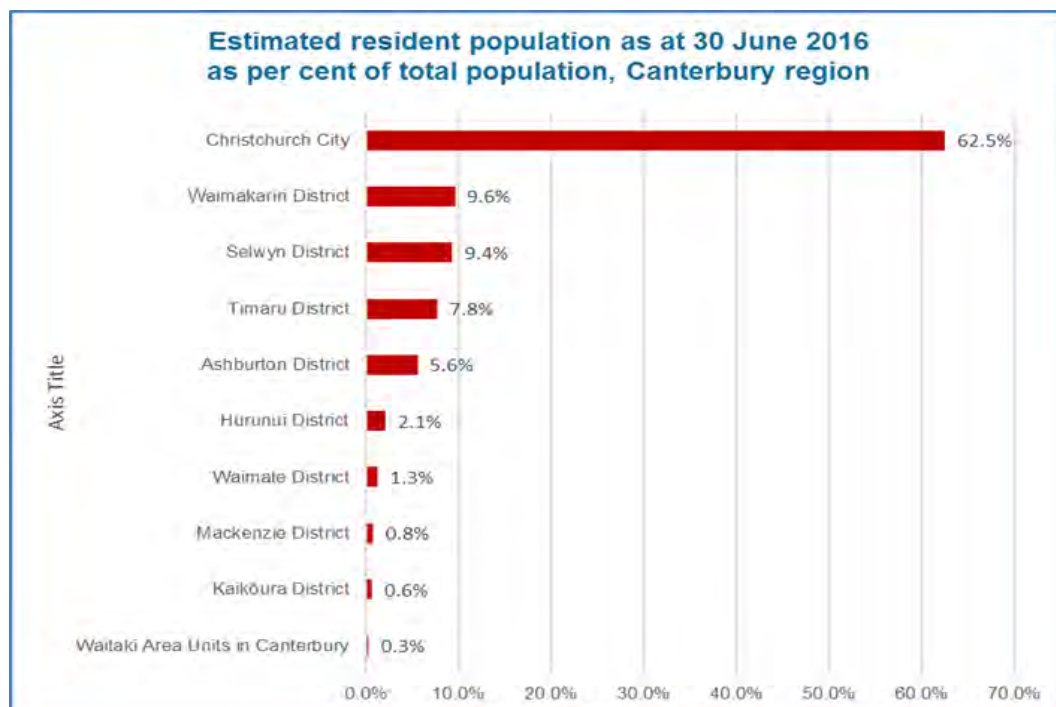
## Appendix 1: Canterbury's people

### Size and distribution of the population

Canterbury is New Zealand's largest region by land area, and second largest region by population (after Auckland). The estimated resident population of Canterbury (June 2016) was 600,100, which comprises 13% of New Zealand's population and 55% of the South Island's population.<sup>11</sup>

Canterbury's population is unevenly distributed across its ten territorial authorities.

- 63% of the population (375,000 people) lives in Christchurch City
- 82% of the population (489,000 people) lives in the three 'greater Christchurch' territorial authorities: Waimakariri District, Christchurch City and Selwyn District
- two districts have fewer than 5,000 residents: Kaikōura (3,740 people) and Mackenzie (4,520 people).



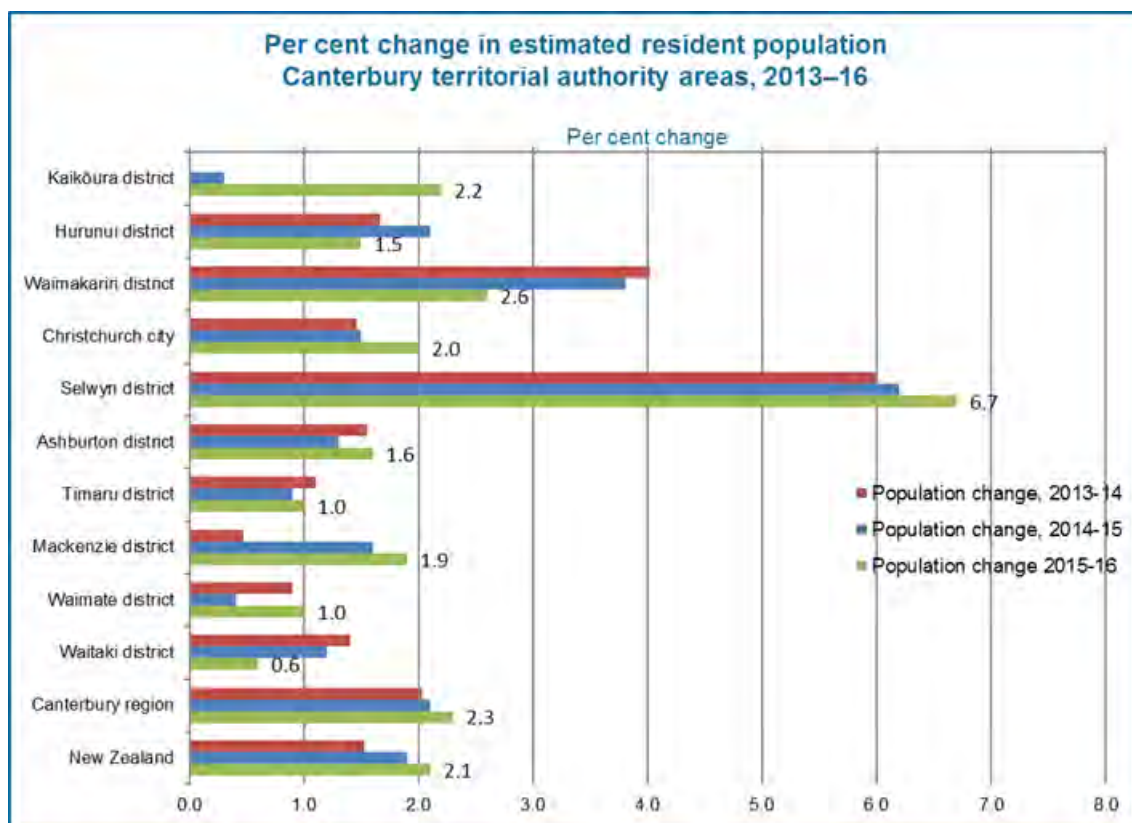
### Growth trends

In the year to June 2016, New Zealand's population grew by 2.1% (a gain of 97,300 people), compared to an annual average growth rate of 1.1% over the previous 20 years.

- Auckland region grew by 2.8% and accounted for about 46% of the country's population growth.
- The Canterbury and Waikato regions were the runners-up, at 2.3%.
- The South Island's population grew by 1.9% (an increase of 20,100 people), the North Island's population by 2.2% (an increase of 77,200 people).

<sup>11</sup> Population analysis and data workbooks for the Canterbury region and its 10 territorial authority areas are available on the regional council website at <http://www.ecan.govt.nz/population>.

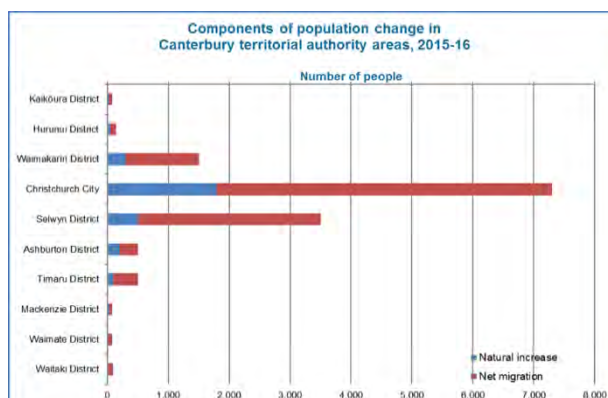
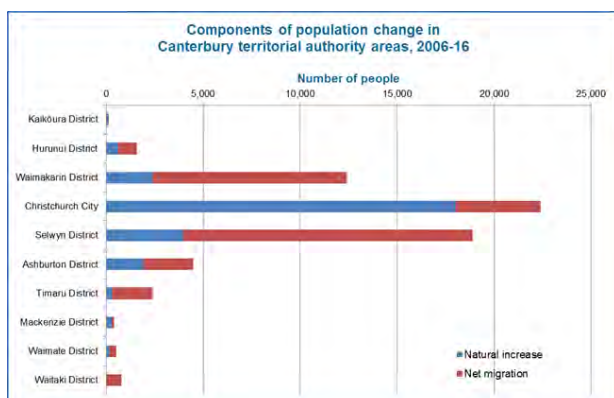
Within Canterbury, all 10 territorial authorities experienced growth, but the regional average (2.3%) was distorted by strong growth in Selwyn District (6.7%) and Waimakariri District (2.5%). Kaikōura District's growth (2.2%) was above the national rate of 2.1% but below the regional rate of 2.3%. all other districts grew at rates below both the national and regional rates of growth.



## Components of population change

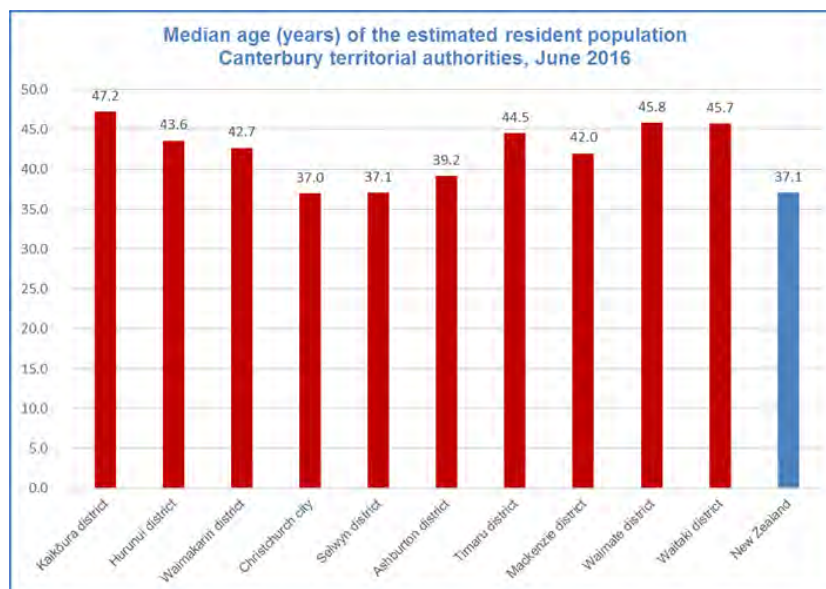
In the year to June 2016, New Zealand's annual international migration gain was the highest ever recorded, and contributed 71% of national population growth.

Canterbury's population growth comprised natural increase of 3,000 people, and net migration of 10,700 people, hence a total population gain of 13,700 people. Net migration thus contributed 78% of the region's population growth. This is an outlier, however, and is unlikely to be sustained. Over the decade 2006–16, net migration contributed 56% of population growth in the Canterbury region.



## Population age structure

The median age for New Zealand's total population as at June 2016 was 37.1 years. The median age for Canterbury is a little older, at 38.6 years, with median ages ranging between 37.0 years in Christchurch City and 47.2 years in Kaikōura District. Canterbury has an older population age structure than New Zealand as a whole, and its population is ageing faster.



## Population projections

Subnational population projections (2013(base)–2043) published by Statistics New Zealand (February 2017 update) indicate that on all projection series (high, medium and low):

- population growth is likely to slow between 2013 and 2043
- all areas will be home to more people aged 65+ years
- deaths will increase relative to births (hence a lower rate of natural increase) in all areas, as the population ages.

The medium projection indicates that:

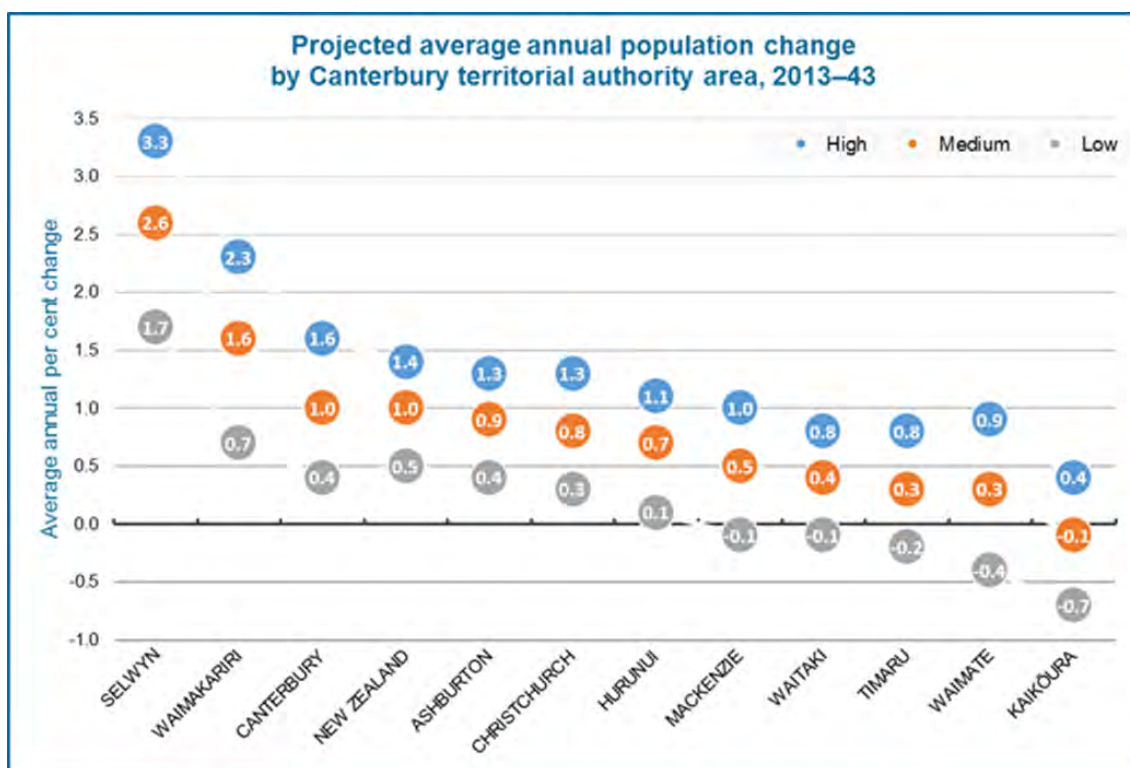
- more than half of New Zealand's population growth will be in Auckland
- the population of the North Island will increase faster than the South Island's, due to a slightly younger population age structure and higher rate of natural increase
- the population of the South Island is likely to increase by an average of 0.8% a year, from 1.0 million in 2013 to 1.3 million in 2043, but about half of this growth will occur in the first ten years of the 30-year period.

In Canterbury, on the medium projection:

- six of 10 territorial authorities will have natural decrease (more deaths than births) by 2043<sup>12</sup>

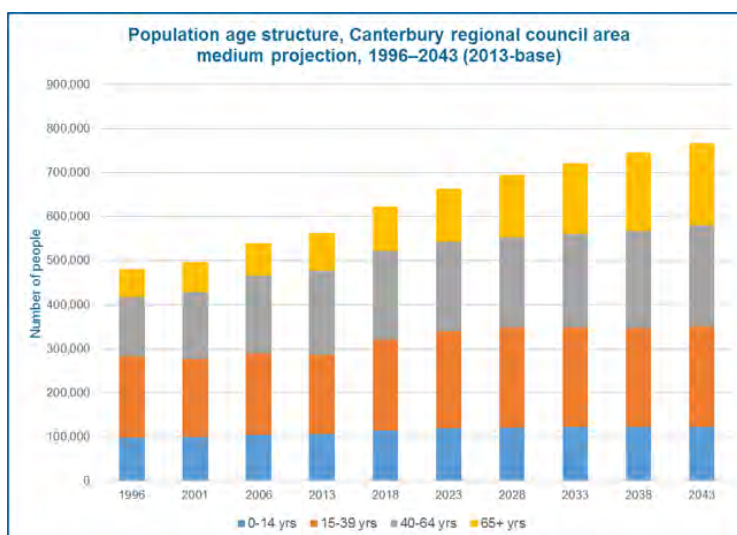
<sup>12</sup> Natural decrease will occur in Timaru District by 2028, in Kaikōura, Waimate and Waitaki Districts by 2038, and in Hurunui and Waimakariri Districts by 2043.

- but natural decrease is likely to be offset by net migration in all districts except Kaikōura, which is projected to have a small population decrease from 3,640 people in 2013 to 3,510 people in 2043
- the median age will increase to 43.5 years by 2043, but by 2043, seven of 10 territorial authorities will have median ages higher than the overall median age for Canterbury.<sup>13</sup>



There will be **more older people** in all areas.

- For New Zealand overall, 23% of the population will be aged 65+ years in 2043, up from 14% in 2013.
- In Canterbury, 24.4% of the population will be aged 65+ years by 2043, up from 15.2% in 2013.
- Within Canterbury, Christchurch City and the Selwyn and Ashburton Districts will have smaller proportions of people aged 65+ years than the region as a whole. The highest proportions of over-65s will be in Kaikōura District (34%) and Timaru District (33%).

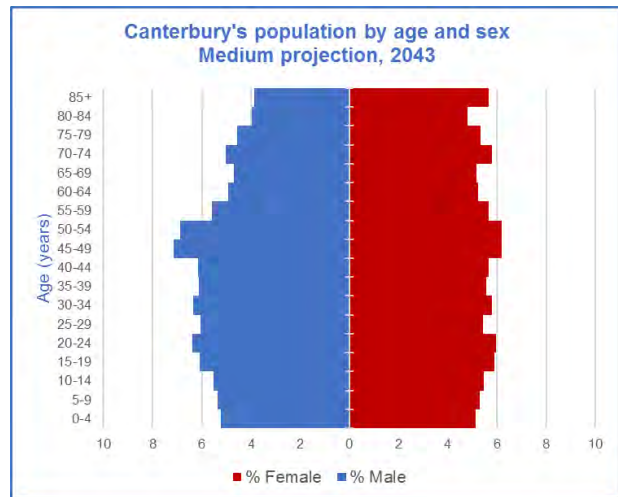
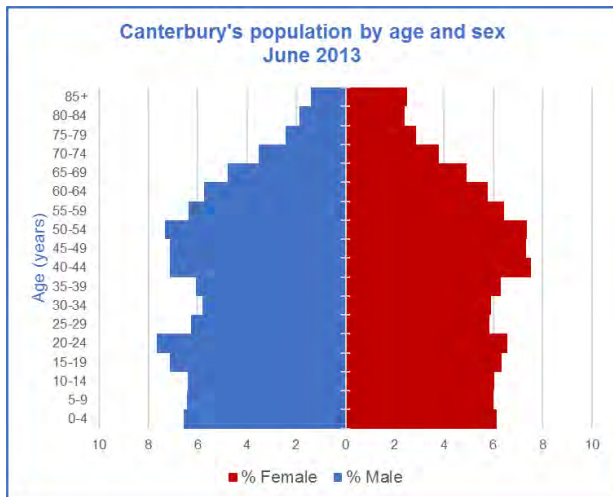


<sup>13</sup> The median age is projected (medium series) to range between 40.4 years (Ashburton District) and 50.4 years (Timaru District). The three TAs with a projected median age younger than that for the region as a whole are Christchurch City and the Selwyn and Ashburton Districts.



There will be **fewer children** in most areas:

- For New Zealand overall, the proportion of children (aged 0–14 years) will decline from 21% in 2013 to 18% in 2043.
- In Canterbury, the proportion of children will decline from 19% in 2013 to 16% in 2043.
- Within the region, Ashburton will have the highest proportion of children (20%). The lowest proportions will be in Christchurch City and Timaru District (both 15%).



The Committee for Canterbury (<http://committeeforcanterbury.co.nz/>), a partner with the Mayoral Forum in the CREDS, has initiated a project, **Canterbury @ X Million**, to inform and stimulate public debate on migration and population growth in Canterbury.



## Appendix 2: Canterbury's economy

As reported by the Canterbury Development Corporation in its March 2017 quarterly economic report,<sup>14</sup> the economies of Christchurch and Canterbury are in a transitional phase after a period of exceptionally strong performance driven by rebuild activity from the 2010–11 Canterbury earthquakes. The rebuild is no longer providing impetus for growth, but economic activity remains at a very high level and indicators for the underlying economy are positive.

The ASB / Main Report Regional Economic Scoreboard for the December 2016 quarter<sup>15</sup> reports Canterbury's economy as 'stable', but sitting at 15<sup>th</sup> of 16 regions on the Scoreboard. The report notes:

*The level of activity remains high, but the slowdown is across a broad range of indicators. Moreover, one sector that we had expected to be improving by now, tourism (in terms of growth in guest nights), has gone backwards over the year. From here, we expect the broader economy will continue to rebalance over 2017. However, the dairy income boost to rural Canterbury will provide some offset to otherwise soft growth in economic activity.*

The CREDS has always focused on positioning the underlying economy of Canterbury for when earthquake recovery and rebuild in greater Christchurch ceases to inflate regional GDP. Noting that Canterbury's economy is in slowdown mode at present, and future challenges around an ageing population and attracting new people to the region, a recent Infometrics report nevertheless concludes that 'there are reasons for optimism in most parts of the region, especially with agricultural prospects looking brighter'.<sup>16</sup>

### GDP growth

Canterbury's GDP growth has been significantly higher than New Zealand's due to rebuild activity and expansion in the construction sector. GDP *growth* is now settling at a lower rate, but the *level* of economic activity is set to stay elevated for at least another two years.

Canterbury's GDP growth in the year to March 2017 was 0.9%, with activity worth \$28.4bn.<sup>17</sup> That represents 12.3% of national GDP, down from 12.6% in the previous year. GDP growth was well below the New Zealand rate of 2.9%. New Zealand's economic growth is, however, largely being driven by population gains.

In the year to March 2017, GDP growth was positive across all districts in Canterbury except Kaikōura, Waimate and Waitaki. Strong tourism growth is supporting Mackenzie District, in particular.

### Education and training

Canterbury is slightly ahead of the national proportion of 18 year olds with NCEA Level 2.

<sup>14</sup> <http://www.cdc.org.nz/wp-content/uploads/2017/06/Quarterly-Report-March17-qtr.pdf>

<sup>15</sup> <https://www.asb.co.nz/content/dam/asb/documents/reports/asb-regional-economic-scoreboard/scoreboard-q42016.pdf>

<sup>16</sup> Infometrics (31 May 2017). Canterbury: It's busy but slowing. <http://www.infometrics.co.nz/canterbury-busy-slowing/>

<sup>17</sup> Christchurch's GDP growth was 1.0%, with activity worth \$19.3bn in the year to March 2017. Measured in 2010 prices – Infometrics estimates.

- Within the region, the proportion is higher in Hurunui, Mackenzie, Selwyn and Waitaki.
- The greatest improvements between 2014 and 2015 were recorded in Ashburton, Kaikōura, Hurunui and Waitaki.

Attracting students to the region's three tertiary education organisations has been a challenge since the 2010–11 Canterbury earthquakes.

- Following a significant post-earthquake decline in enrolments, the University of Canterbury (UC) has focused strongly on recruitment, which has had a steady, positive result, with a total of 12,492 EFTS (Equivalent Full-Time Students) enrolled in 2016. New-to-UC enrolments in 2016 were up 13% compared to the same time in 2015. 2016 also saw record numbers of postgraduate students, with an increase of 34% since 2011. In 2016, UC had more than 1,000 PhD students for the fourth year running, having first passed that milestone in 2013.
- Total enrolments at Lincoln University in 2016 increased by 5.5% to 3,097 EFTS, with growth in international student numbers stronger than for domestic students. Excluding the Lincoln-Telford Division based in Southland, there was an increase of 5.7% to 2,458 EFTS. The increase was led by strong growth in the postgraduate and research levels, with growth also achieved at the entry, sub-degree and undergraduate levels. The University is currently in discussions about transferring the Telford campus operations to another provider, which would concentrate future delivery at the Lincoln campus.
- In 2016 Ara Institute of Canterbury was established through the joining together of CPIT and Aoraki Polytechnic. Ara enrolled a total of 7,639 EFTS in 2016. The significant 13.9% increase on 2015 numbers reflects both the incorporation of Aoraki Polytechnic into CPIT, plus growth in some former CPIT areas. Overall 2016 enrolments of domestic students were slightly ahead of what the two separate organisations achieved in 2015, and enrolments of international students were significantly ahead.
- Canterbury's market share of international education in 2015 (latest available data) was 8.2%, up from a low of 6.9% in 2012, following the 2010–11 earthquakes, but still considerably lower than the 17.6% of market share achieved in 2007.

Strong demand for unskilled workers in the rebuild pushed the youth Not in Employment, Education or Training (NEET) rate below the national average (10.6% as at March 2017, cf. the national rate of 13.5%). As the rebuild eases, we expect the NEET rate to converge with the national rate.

Canterbury has a lower proportion of Jobseeker Support recipients aged 18–24 years (2.5%, June quarter 2016) than the national average (3.6%), with the highest proportions in the Waimate and Waitaki Districts (5.6% and 5.5% respectively).<sup>18</sup>

## Tourism

The 2010–11 earthquakes had a serious adverse effect on inbound tourism to the Canterbury region.

- Since 2011, growth in international visitor arrivals has been variable, but broadly consistent with the New Zealand growth rate.
- Growth in domestic guest nights eased throughout 2016.

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<sup>18</sup> Calculated as the number of Jobseeker Support recipients (both Work Ready, and Health Condition or Disability) aged 18–24 years, as a percentage of the estimated resident population aged 15–24 years.

- Total guest nights in 2016 rose by 3% compared to 2015, driven by growth in international guest nights of 12%.

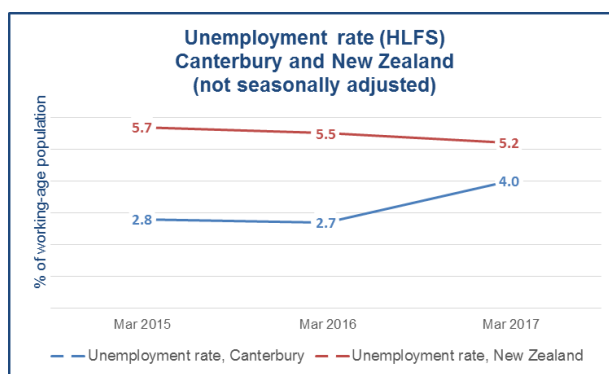
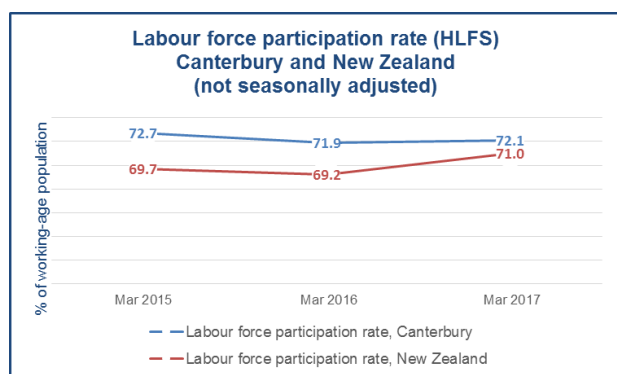
Damage to the new Christchurch Adventure Park in the Port Hills fires of February 2017 was a significant set-back for tourism in Christchurch.

It is too early to assess the overall impact of the North Canterbury earthquakes (November 2016) on inbound tourism across the Canterbury region. Visitor spending for the month of March 2017 fell \$27m in North Canterbury, down almost a third compared with the same period last year.

At the other end of the region, however, tourism bookings website Trivago recently (May 2017) ranked Lake Tekapo Village third and Timaru seventh among 11 'up-and-coming' hotspots.

## Employment and unemployment

As the rebuild eases back, unemployment and workforce participation rates are beginning to converge with the national average.

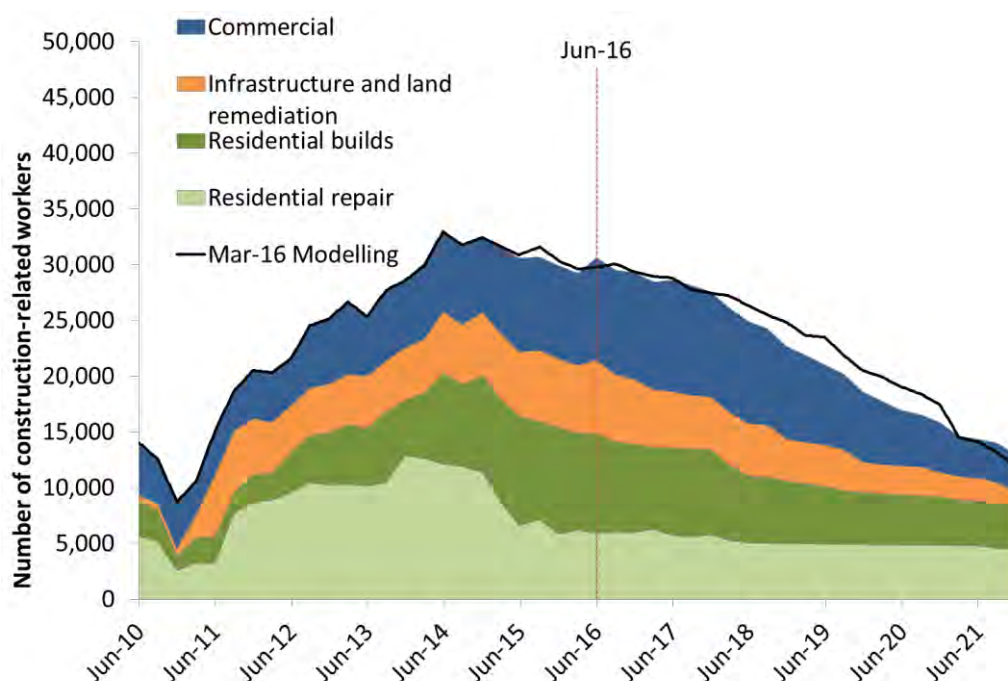


Infometrics expects employment growth of only 1.1%pa in Christchurch between 2017 and 2019, half the national average of 2.2%pa and well below the city's 4.7%pa average growth between March 2012 and March 2015.<sup>19</sup>

Canterbury has a higher proportion of its workforce involved in manufacturing and construction than New Zealand overall, and a lower proportion of its workforce participating in information, media and telecommunications and professional, scientific and technical services. Over the next few years, we expect this sector mix to change. Some workers will transition into other sectors, and the new supply of office and commercial space in Christchurch will allow for growth in service industries.

<sup>19</sup> <http://www.infometrics.co.nz/85000-new-jobs-auckland/>, 15 March 2017.





Source: Ministry of Business, Innovation and Employment

## Canterbury needs sustained net migration to prosper

Christchurch, Canterbury and the South Island do not face the infrastructure and housing market challenges currently experienced by Auckland, and we are 'open for business' to both domestic and international newcomers to our region.

While ethno-cultural diversity is increasing rapidly in Canterbury, this is off a very low base. The region is less ethno-culturally diverse than New Zealand as a whole, and migrants who have settled here long term have predominantly been from the United Kingdom, Ireland and Australia. This suggests Canterbury has 'head room' to welcome and integrate a greater number of migrants without compromising social cohesion or good settlement outcomes for newcomers.

While most newcomers settle in greater Christchurch, there are significant opportunities across the wider region. Canterbury's unemployment rate is 4.0% (March quarter 2017), compared to New Zealand's overall unemployment rate of 5.2%. Within the region, however, Christchurch's unemployment rate is 4.9% and the rest of the region (other than Christchurch) just 2.7%.

Combined with an ageing population, our low unemployment rate creates a very tight labour market that will constrain regional economic development unless eased by continued net migration. Modelling by the Canterbury Development Corporation indicates that for Canterbury to maintain even modest economic growth we need, at a minimum, 105,989 migrants (from New Zealand and overseas) over the next 15 years – equivalent to 6,600 new people moving to the region each year. This is similar to post-quake migration levels and well above historic levels of around 3,500 new people each year. By occupation, the need for new workers to replace those retiring is in both high-skilled and low-skilled occupations.

The Canterbury Mayoral Forum advocates with central government for immigration policy settings that respond to present and future challenges and opportunities in Canterbury and the South Island. The seven CREDS work programmes are designed to support a strong regional economy and thriving communities, and to contribute to higher living standards for all New Zealanders.



If you want to play a part in growing Canterbury's economy, please contact your local Mayor's office.  
For further information, go to:  
<http://www.canterburymayors.org.nz>

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