



# Christchurch Economic Ambition: Evidence base and how we got here



# Introduction and Purpose

ChristchurchNZ is the economic development agency for Ōtautahi Christchurch. We work on behalf of Christchurch City Council to expand the economic capacity of Christchurch to improve its economic future and enhance quality of life for all. This evidence base provides a high-level summary of the key findings of research undertaken to support the development of our economic ambition. It includes an overview of the key strengths and challenges facing the Ōtautahi Christchurch economy and specific issues impacting economic development in the city under the headings: people, business, place, and leadership.

## About the Christchurch Economic Ambition

In 2022 ChristchurchNZ was asked to produce a replacement for the 2017 Economic Development Strategy for Christchurch. In response, the Christchurch Economic Ambition has been prepared. The Ambition articulates a long-term ambition and goals for Ōtautahi Christchurch, supplemented by ten year objectives and priorities for action. The ambition aims to help city leaders to take a planned and coordinated approach to moving Christchurch from an extractive to a regenerative economy that is prosperous, resilient, and fit for the future.

**The Christchurch Economic Ambition has been led by ChristchurchNZ. It is an evidence-based strategy, and the preparation process has included:**

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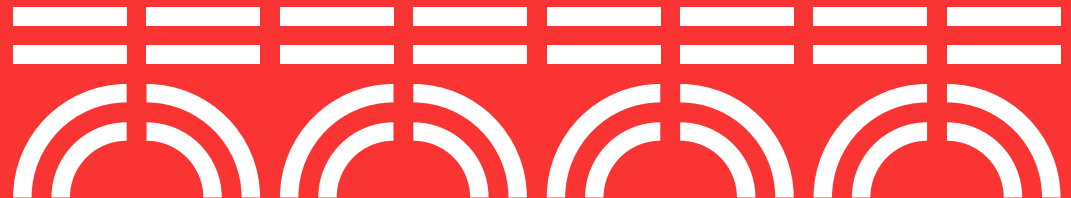
A detailed SWOT analysis which incorporated a review of existing economic analysis, local and national strategies, research documents for Ōtautahi Christchurch and Greater Christchurch as well as related national and international literature and trends analysis.

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An analysis of the key issues identified as key weaknesses, strengths, opportunities, or threats to the Ōtautahi Christchurch economy. This included lagging productivity, the economic role of the city centre, the role and success of geographic innovation hubs, climate change and a circular economy, commercialisation of innovation and R&D, future of work, and skill development.

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Research undertaken and collected as part of the ChristchurchNZ led 'Our City Identity' project, including resident, visitor, and stakeholder surveys.





# Ōtautahi Christchurch Economy & Global Context

The economy of Ōtautahi Christchurch exhibits considerable strength. The city recovered quickly from the shock of COVID-19 and over the past year contributed 70% of regional economic output (MBIE, 2022). Employment is high and unemployment is low, yet there are current and looming challenges associated with complex and inter-related national and global economic conditions.

Notably, in 2022 the national economy was overheating. Inflation was high, the labour market was tight and housing prices were rising sharply (Chadwick M, 2022). In response, the Reserve Bank of New Zealand has been tightening monetary policies to achieve price and financial stability (OECD, 2022). This has raised concerns that the national economy will enter recession. New Zealand is not unique in facing economic challenges.

The global economy is under pressure from multiple shocks, transformations, and challenges. The Ukraine War has heightened inflationary pressure, exacerbated supply chain disruptions, and dimmed prospects of COVID-19 recovery for many economies (The World Bank, 2022). Worker shortages and global competition for talent, generated by ageing populations, and intensified via the pandemic, have also deepened (OECD, 2022a). Despite high employment, inequality remains a significant challenge and the gap between 'haves' and 'have-nots' has not been bridged (Stats NZ, 2022).

This is occurring against the backdrop of the fourth industrial revolution, which is delivering advanced technologies, new ways of working, and alternative business models that are disrupting existing industries and providing opportunities for innovation and productivity growth that are unprecedented (World Economic Forum, 2016). Overlying and surpassing all these transformations and challenges is climate change. Described as 'the mother of all externalities', climate change is a larger, more complex, and uncertain economic challenge that any the world has ever faced (Tol, 2009).

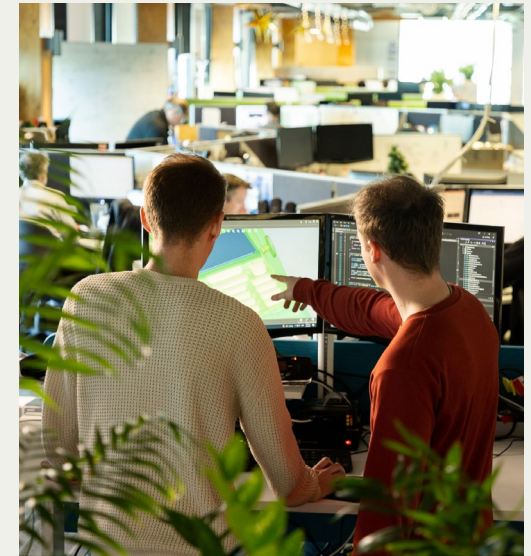
While often thought of as an environmental issue, climate change is ultimately an economic problem. Caused by market consumption of fossil fuel products, climate change is starting to have real and severe economic, social, and environmental consequences.

Climate change related floods and droughts cost the national economy \$840 million in the decade between 2007 and 2017, and the price tag is rising (Ministry for the Environment, 2022).

Over the past two years, Aotearoa has experienced its hottest summers on record, along with record-breaking extreme rainfall, flooding and storm damage (CCC, 2023).

In 2021 new national records were set for weather damage claims – only to be surpassed in 2022 and 2023 (CCC, 2023; Hubbard, 2022; Stevenson, 2023).

Taking decisive action to decarbonise the economy and adapt our land use and infrastructure is critical if the country is to avoid economic retraction associated with extreme weather, shifting global community, market and investor expectations and reduced community and workforce wellbeing (Deloitte, 2023).



#### **Costs of climate inaction will be higher than the costs of action**

Decisive climate action could add \$64 billion to New Zealand's economy by 2050. Climate inaction could cost the national economy \$4.4 billion by 2050 (Deloitte, 2023).

#### **Cost of extreme weather events is rising**

Prior to 2013, the annual cost of such events rarely passed \$100 million, on an inflation-adjusted basis. In 2021, \$324 million was paid out. In 2022 claims exceeded \$335 million (ICNZ, 2022). In 2023 the cost of Cyclone Gabrielle alone is predicted to exceed \$13 billion (Stevenson, 2023).

#### **Progress is needed now to meet NZ's net zero targets**

New Zealand has a target to achieve net zero long-lived gases by 2050 and a 24% to 47% reduction in biogenic methane by 2050 (MfE, 2022).

# Climate Challenge as an Opportunity

The need for climate change solutions has never been more urgent, and this presents unprecedented opportunities and challenges for business. Ōtautahi Christchurch is not known as a leader in climate adaption or mitigation.

Yet our city, region and nation exhibit authentic characteristics and strengths that, if built upon, could position our economy for positive future growth, and establish our city as climate resilient and liveable.

The climate challenge can be substantially solved through economic transformation, and there are opportunities for economies and enterprises who lead the transition and get ahead of the curve (IPCC, 2022). Businesses have potential to grow by developing exportable clean and green technology and new low-emissions and low-waste products and services. There is also potential for businesses to enhance their reputations, attract investment and talent, and expand into high value markets (McKinsey, 2022).

Around the world, new businesses and business models are emerging in response to the climate emergency. Climate diagnostic businesses are assisting organisations to predict climate impacts and improve decision making. Resilience companies are helping government and enterprise manage climate risks, and response companies are developing new business models and solutions to help sectors mitigate their emissions and reduce their environmental impacts (Sobue, 2022).

Businesses are also increasingly aware of growing market benefits of delivering positive environmental and social outcomes and are investing in developing and promoting their 'net positive' credentials. This is evidenced by an uptick in businesses obtaining B Corp, sustainability, and carbon zero certification in Aotearoa New Zealand (Morrison, 2022; SBN, 2023).

Building on this trend, Ōtautahi Christchurch has an opportunity to develop new businesses, business models and innovative climate solutions that align with our unique industry strengths and emissions profile.

In Aotearoa New Zealand emissions are mostly generated by primary industries rather than electricity generation. This reflects the nation's leadership in developing a renewable electricity sector (Deloitte, 2023). Over 50% of New Zealand's total GHG emissions come from its primary industries, the majority of which is biogenic methane emitted by the agriculture sector (Stats NZ, 2022a). In Canterbury this figure is higher, with 70% of GHG emissions generated by primary industry, more than 50% of which is methane (Stats NZ, 2022a).



In Ōtautahi Christchurch, transport is our biggest emissions source, reflecting our role as an urban centre and transport and logistics hub (CCC, 2023). As a service sector and export hub for Canterbury, the city is also exposed to risks associated with decarbonising agriculture and the inherent threats of being a small, distant economy. Yet, these threats also pose opportunities. As one of the most efficient dairy and meat producers in the world, NZ has potential to lead the global transition to low carbon agriculture (Deloitte, 2023).

What's more, Ōtautahi Christchurch has the capacity to play a role in developing low carbon transport, building, and manufacturing solutions and business models that align with our expertise and the strengths of our people and enterprise.



#### **Ambitious carbon zero targets (CCC, 2023)**

Christchurch City Council has set a target to halve Christchurch's emissions by 2030 and become carbon zero by 2045.

**53.5%** of GHG emissions in Christchurch City are from transport.

**15.4%** of GHG emissions in Christchurch City are from agriculture; and **8.6%** are from waste.

#### **B Corp Leader**

Ōtautahi Christchurch is home to New Zealand's first three companies in NZ to be certified as B Corps. New Zealand has 1.6 B Corps per 100,000 people and Christchurch has 2.3 B Corps per 100,000 people (B Corporation, 2022).

#### **Agriculture**

While agriculture is NZ's biggest GHG emitter, its carbon footprint is nearly half that of other international producers (Deloitte, 2023).

# People Strengths

People are the economy. The needs and aspirations of people define the products and services businesses provide. People are customers, workers, and leaders. People are the spark of bright ideas. They start and grow businesses and keep the wheels of industry turning.

The capacity, choices and opportunities provided to our people today therefore underly not only our success, but the success of our children, grandchildren, and great-grandchildren.

People are the strength of the economy. Our community love Ōtautahi Christchurch, and most people feel strongly connected to the city. People are also highly engaged in the workforce. Notably a bigger share of the community participates in the workforce than in wider Aotearoa. Workforce engagement is also growing (Stats NZ, 2022).

Like Aotearoa more widely, people in Ōtautahi Christchurch are entrepreneurial and ambitious. We are a city of small and medium sized enterprises that are owned and operated locally yet seek to serve people from around world. Our people also care about the future and have the energy and drive to act. In the past, our community demonstrated leadership on global issues from women's suffrage to the anti-nuclear movement (Resonance, 2022).

Today, our people are acting to reduce their environmental and carbon footprints. More people in Ōtautahi Christchurch think about what they buy, are reducing their waste to landfill, or choose to walk, bike, or drive an electric vehicle than in Aotearoa's other major urban centres (Christchurch City Council, 2022).

Ōtautahi Christchurch has a proud Māori heritage. Despite disenfranchisement and disadvantage since European settlement, local iwi, hapū and rūnanga remain engaged, knowledgeable, and purposeful in their contribution to the city.

There is potential for effective relationships to be developed and for these connections to foster a future in which the city is guided by the cultural wisdom of mana whenua and Te Ao Māori.

Diversity is an emerging part of our story. Today, people who are Māori, Pacific and Asian are the fastest growing groups in our community and are expected to make up a much bigger proportion of our workforce over coming decades (Stats NZ, 2021).



## We love Christchurch (ChristchurchNZ, Resonance, 2022)

67% of Christchurch residents feel a strong sense of belonging to the city.

## Involved, entrepreneurial people (Stats NZ, 2022b; Stats NZ, 2022c)

73% of residents are participating in the labour force.

## Growing population of Māori, Pacific and ethnically diverse people (Stats NZ, 2021)

By 2040 one in five people of working-age Aotearoa are projected to be Māori.



## People who care (Christchurch City Council, 2022)

Three in five residents make sustainable purchasing choices.

42% of Christchurch residents make sustainable transport choices.

71% of people are worried about the quality of local waterways;

45% are concerned about air pollution; and 65% are actively reducing their waste to landfill.

## Work-life balance is good (Christchurch City Council, 2022)

Two-thirds of employed workers are satisfied with their work-life balance.

# People Challenges

People love Ōtautahi Christchurch yet do not strongly advocate for or champion the city. This lack of promotion could reflect everyday problems that are impacting on businesses and quality of life.

People in Ōtautahi Christchurch care about long-term issues yet face many day-to-day problems which can make it hard to focus on them.

Businesspeople are worried about the national economic outlook, worker shortages, supply chain problems and the impacts of technology (EECA, 2022). Individuals and families are concerned about rising living costs (Christchurch City Council, 2022).

Most troubling for business today is a shortage of workers to fill available jobs. This skills shortage is linked to fewer people travelling to NZ for work since the start of the COVID-19 pandemic. It is also connected to heightened global competition for young, skilled workers as the population of the developed world gets older (EECA, 2022).

In Ōtautahi Christchurch, worker shortages are exacerbated by fewer highly educated people than in Auckland or Wellington (Statistics NZ, 2020). This means that there is limited home-grown talent to fill highly skilled roles, and less

potential for people to adapt to technology or develop creative solutions to industry problems. The upside of technology-rich, more productive industries is higher wages.

Today, people in Ōtautahi Christchurch earn less on average than people living in Auckland or Wellington (ChristchurchNZ, 2022). For many, slightly lower wages are balanced by cheaper housing costs. Yet, for those on the lowest incomes, a small pay packet means reduced wellbeing, including economic, health and education outcomes (Community & Public Health, 2019).

Some people are more likely to be disadvantaged than others. People who are Māori, Pacifica, or disabled are most likely to be unemployed in Ōtautahi Christchurch and Canterbury. These groups are also more likely to have fewer qualifications, be low-income earners, report lower life satisfaction and find it harder to 'be themselves'. This highlights systemic economic inequalities in Ōtautahi Christchurch and the Canterbury region (Community & Public Health, 2019).

## We are not strong city advocates

While we love Ōtautahi Christchurch, we feel apologetic and shy about our features (Resonance, 2022).

## Ageing population

Christchurch population has a median age of 37.1 years, compared to a median age of 34.1 years in Wellington and 34.7 years in Auckland (Statistics NZ, 2020)

## Education qualifications

People in Christchurch are less likely to have a bachelor's degree or higher than people who live in Auckland and Wellington (Statistics NZ, 2020).

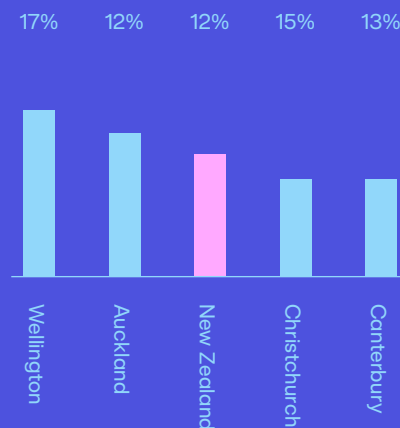
## Increasing cost of living

One in three Christchurch residents reported a quality of life decrease over the past 12 months, with many citing cost of living challenges as the reason (Christchurch City Council, 2022)

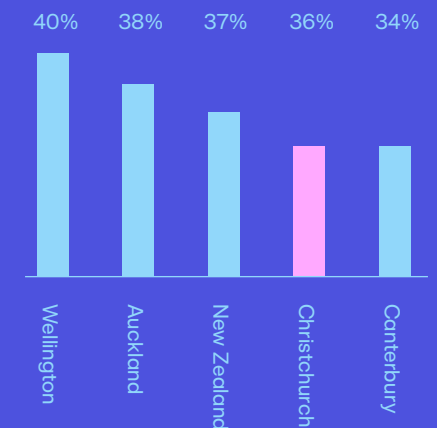
## Lower incomes

People in Christchurch earn less (on average) than their counterparts in Auckland and Wellington — yet also contribute a smaller portion of their incomes to housing costs (ChristchurchNZ, 2021)

## Share of Māori population with Bachelor's degree or higher (2018)



## Share of managerial roles held by women (2018)





# Business Strengths

Business is the practice of people making a living. In Ōtautahi Christchurch, businesses are diverse, and the economy has demonstrated remarkable resilience.

The city is a service centre for Canterbury and the South Island, a knowledge and value adding hub, and a transport and logistics centre for our export and import industry. Global connectivity and entrepreneurialism are core strengths, and the city is utilising these advantages to orchestrate an economy that is higher-value, higher-tech, and more innovative and to become a significant hub for business events.

Ōtautahi Christchurch has a more diverse economy than Auckland and Wellington (Statistics NZ, 2022d). Output is driven by businesses in the making and service sectors, and employment is most concentrated in caring, moving, and trading sectors. Manufacturing, construction, professional, scientific, and technical services, and health care and social assistance are important drivers of economic output and employment (Ministry for Business Innovation and Employment, 2022). There is evidence that making sectors are becoming more advanced, and that structural change is occurring in the economy substantiated by rapid growth in high productivity service industries (Stats NZ, 2022d).

As a service centre for regional Canterbury and the South Island, Ōtautahi Christchurch plays a critical value add role in primary sectors through processing and manufacturing, transport and logistics and retail and wholesale trade.

While Ōtautahi Christchurch and Canterbury primarily export commodities like food, fibre, and forestry, rather than high tech or ‘weightless’ exports, the city and region are also developing small yet significant knowledge intensive industry clusters and is home to leading companies who have a demonstrated an ability to add value by shifting towards higher-value markets and developing an efficient, environmentally friendly value chain.

## We are a city for business

Ōtautahi Christchurch punches above its weight as a host of conferences, trade shows and workshops (Resonance, 2022).

## Growth in high productivity service sectors

Financial and insurance services; electricity, gas, water and waste; and professional, scientific & technical services (led by architectural, engineering, and technical services) are the fastest growing industries (by employee numbers) in Christchurch City (Stats NZ, 2022d).

## Strong innovation and start-up signals

In last year’s Global Startup Ecosystem Index, Christchurch ranked 396th. This year it went up the rankings 168 points, the fastest growth on record, achieving a top 250 global city status (StartUp Blink, 2022).

## Good portfolio of innovation assets

Four tertiary institutions; six of New Zealand’s seven Crown Research Institutes; Canterbury District Health Board (Fieger & Dyason, 2019; Fieger & Dyason, 2019a).

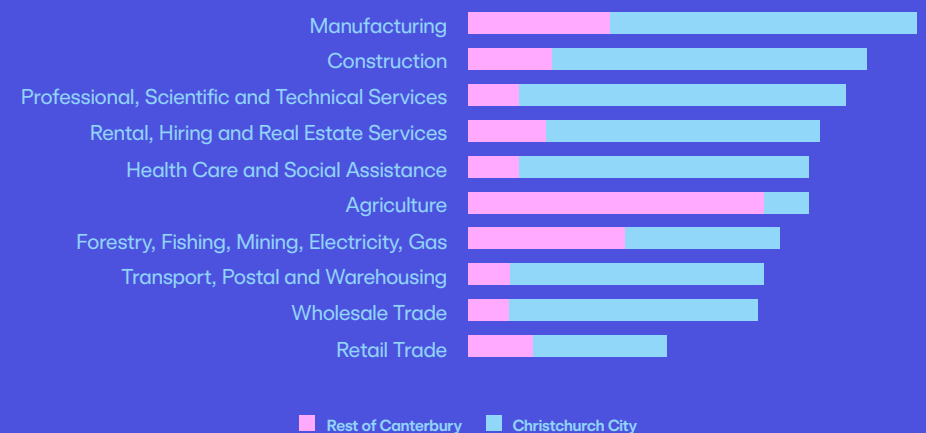
## Emerging tech

Advanced manufacturing, architectural, engineering, and technical services, and technology and services businesses clustered around health, construction and future transport have potential to drive future growth (Fieger & Dyason, 2019; Fieger & Dyason, 2019a).

Aerospace sector is small but rapidly growing and has capacity to help future proof the local economy (Deloitte, 2019).

## Regional GDP: Canterbury, 10 largest industries (2019)

Source: MBIE



# Business Challenges

The biggest challenge for businesses in Ōtautahi Christchurch is addressing low productivity. Raising productivity is about delivering more and higher quality goods and services for the same amount or fewer labour and resource inputs and costs.

This enables efficient use of resources, raising living standards, and putting economic growth on a more sustainable footing (Pells, 2018). Innovation, research & development, and the adoption of proven technology are all important for productivity growth and while there are positive signs and a strong portfolio of assets supporting innovation growth in Ōtautahi Christchurch, these are not broadly recognised by the resident or business community.

New Zealand's productivity performance lags other developed nations, and productivity in Ōtautahi Christchurch trails Auckland and Wellington (Chang Urrea, 2021; NZPC, 2021). This decades-old problem has persisted through large structural changes in the economy and is influenced by a combination of distance from international partners, small domestic markets, industry structure, low tech industries and relatively low levels of technology diffusion within firms, and lagging innovation on a global scale (NZPC, 2021).

Businesses in Ōtautahi are relatively small and diverse, which aids economic resilience. However, it hinders development of economies of scale, limits capacity to establish deep talent pools of workers keep up with industry trends and technology advances or create a strong brand and value proposition in the global market.

Aotearoa and Ōtautahi Christchurch also have few 'frontier' firms. Frontier firms contribute to productivity growth within a place directly by increasing their own output and indirectly by acting as anchors, investors, and exemplars which catalyse innovative new technologies and practices (NZPC, 2021a). They are also credited with driving ambition in the shift to low emission, net positive economic practices, with expectations flowing down to other firms in the value chain (NZPC2021a).

With few of these private sector anchors there is a clear challenge for government, existing leading-edge businesses, and networks of businesspeople to work together to connect to drive ambition, de-risk opportunities for innovation, help each other to stay up to date with industry best practice and new technology, make connections across sectors and value chains, and set high standards for net zero or net positive practices (NZPC2021a).

This is notably important for industries that have limited productivity, are low tech and have potential for disruption from technology and climate change.

## We don't recognise our emerging business strengths

Only 17% of our community associate Christchurch with "innovative", while just 14% of our community associate Christchurch with "open-minded" (ChristchurchNZ, Resonance, 2022). 35% of businesses consider that Christchurch supports innovators and entrepreneurs (Research First, 2022).



## What's holding back technology and innovation in Aotearoa? (OECD, 2022)

- Small information, communication, and technology (ICT) sector.
- ICT businesses suffer from shortage of skills and STEM graduates.
- Businesses and consumers are strong adopters of e-commerce but low adopters of other technology.
- NZ is underperforming in patents in ICT technology and in business R&D expenditure on new technology.
- NZ's regulations lack flexibility to accommodate new technology and innovation.
- Few NZ firms are achieving transformational technology outcomes.
- Research is too focused on science excellence rather than solving industry problems.



# Place Strengths

Ōtautahi Christchurch knows how to face a crisis and build back better. The city is beautiful, with diverse urban and natural spaces to play.

It is globally connected by air and sea and has new and renewed built form, infrastructure, and community assets. Ōtautahi Christchurch is already a great place to live and ‘the best place to be a Kiwi’ (Christchurch Airport, 2016; Resonance, 2022). Yet we are only just starting to realise our biggest opportunities... meaning that the best is yet to come.

Today, Ōtautahi Christchurch is new city characterised by its natural and urban beauty, fresh places and spaces and parks, and ‘pockets of surprise’ (Resonance, 2022). It is connected to history yet embodies a new vision for the future. Success is evidenced by resident love for and connection to the city centre and by positive visitor experiences.

Well-designed urban spaces and built form, along with new infrastructure underpin these strengths and provide unique economic opportunities by helping the city to attract and connect people and enable Ōtautahi Christchurch to build a strong value proposition on the global stage. They also reflect a sophisticated design and construction sector. The central city is a big asset. The centre boasts the dining, shopping, community services and parks that the community want and is

emerging as a space with vibrant, distinctive neighbourhoods, and activity hubs. It is also a hub of active transport and knowledge-intensive jobs, provides inner city living at cheaper prices than Auckland or Wellington and is the number one destination for people visiting Ōtautahi Christchurch (Christchurch City Council, 2021; Statistics NZ, 2020; ChristchurchNZ & Resonance, 2022).

New and soon-to-be-completed infrastructure assets including Te Pae – Christchurch Convention Centre, Te Kaha – Christchurch Stadium, Parakiore Recreation and Sport Centre, Margaret Mahy Playground also position Ōtautahi Christchurch as a city that punches above its weight in community, entertainment, and convention resources (Resonance, 2022). Our experience in crisis adaptation is also a strength. While not always smooth sailing, the earthquake recovery delivered new buildings, roads, bridges, and cycleways and demonstrated an ultimately successful ‘managed retreat’. Strong and resilient foundations for the future were created and the city discovered that exciting innovations are not always costly. Critically it gave Ōtautahi Christchurch people and leaders experience with crisis adaptation that few cities have.



## Perceptions of Ōtautahi Christchurch are positive

**75%** of our community have a positive or very positive perception of our Central City

**87%** of our community rank the Central City’s parks or open spaces good or excellent

**86%** of our community rank the Central City’s community facilities good or excellent

**84%** of our community rank the Central City’s dining good or excellent

The Central City is the **number 1 destination** for visitors.

**76%** of visitors have a positive perception of Christchurch.

## There are big opportunities for the future

“With a big investment in the red zone, we could have this playground of native bush that could also employ people. It’s a no brainer to me.”

“Earthquakes were an opportunity. We had the opportunity to rebuild from the ground up. There are still some final pieces of the jigsaw to come and that is a huge opportunity.”  
(ChristchurchNZ & Resonance, 2022)



# Place Challenges

The urban fabric of Ōtautahi Christchurch has emerged from a decade of disruption and rebuilding stronger than before, yet the city still faces short and long-term challenges.

Today, vibrancy is a key weakness, influenced by an incomplete city centre and limited offering for young adults (Resonance, 2022). Longer term, our biggest challenge is adapting to the climate crisis — yet, unlike previous crises, this time we have an opportunity to prepare. While we love Ōtautahi Christchurch, the city has never regained its pre-earthquake vibrancy, particularly at night. Reasons for this include a small and dispersed night-time economy, post-quake diffusion of residents and businesses, regulatory challenges, and an incomplete city centre, which limits the intensity of people living and working. City centres play an important role in regional economies as hubs of productivity, knowledge, creativity, entertainment, innovation, and high density lifestyles and the city centre is not yet delivering these opportunities to its full potential (Kelly & Mares, 2013; McDonald & Swinney, 2019).

Entertainment also remains a weakness. Despite quality renewed cultural infrastructure, Ōtautahi Christchurch attracts fewer cultural and entertainment events than its urban competitors and counterparts — a consequence of earthquake disruptions, COVID-19, and the small size and comparatively isolated geographic location of the city. There is a perception that this weakness reflects a city that has not been rebuilt for young people (Resonance, 2022).

Longer term, one of the city’s biggest urban challenges is to reduce fossil fuel reliance and waste generation. This will require private and public investment in low emissions transport and renewables to enable the community industry reduce emissions and transition towards low net zero and zero waste business models (NZPC, 2018).

Pro-active climate adaptation is essential. In Ōtautahi Christchurch, climate-fuelled extreme weather and sea level rise is expected to result in more frequent coastal and floodplain flooding. Without action, this will cause damage to buildings, generate stranded personal and public assets, disrupt trade and supply chains, and interrupt and increase vulnerability of critical infrastructure such as ports and the South Island’s hydro-electric dams (IPCC, 2022a).

All predictions indicate that delaying adaptation to climate change will add to cost and disruption, limit viable and cost-effective mitigation options for businesses and risks causing the city to miss future opportunities (IPCC, 2022a; NZPC, 2018). Whilst this will be difficult, Ōtautahi Christchurch has advantages of having experience shifting residents from highly vulnerable areas and having adequate physical space available to accommodate land use change.

## Christchurch is not an entertainment centre

“Our nightlife is bad. After the earthquake, people moved to the suburbs. There’s not concentration in town”.

“Nightlife doesn’t have the cohesion it used to have. A few bars are scattered here and there.”

“The city hasn’t been rebuilt for young people... they are still active, but not in the CBD.”

Only 21% of our community describes our region as “fun”, 19% as “cultural” or “vibrant”.

(Resonance, 2022)

## Ōtautahi Christchurch economy is vulnerable to climate change

Climate change is predicated to wipe 18% off global GDP by 2050 if global temperatures rise by 3.2°C (IPCC, 2022)

Climate events will impact on residential property, NZ’s biggest asset class, risking financial stability (IPCCa, 2022)

Coastal flooding is projected to become more frequent. A 0.3m sea level rise (projected by 2050) means a 1-in-100 year flood would occur at Lyttelton port every year (IPCCa, 2022).

Renewable energy makes up 33% of all energy consumed in Christchurch (Greater Christchurch Partnership, 2022).



# Leadership Strengths & Challenges

Stable governance, effective regulation and co-operation are all essential ingredients for economic and business growth.

Aotearoa has been recognised as ‘business friendly’ on a global scale, yet this is not always reflected in industry perceptions of Ōtautahi Christchurch. Cities that are ‘business friendly’ are easy places to do business, with business credentials maximised by effective leadership, intervention in economic development, effective planning and partnerships, infrastructure investment, and progressive regulatory settings. Cities for business are also have a strong national profile. Developing these credentials has been identified as a key challenge for leaders in Ōtautahi Christchurch.

Lack of profile is an important issue for Ōtautahi Christchurch. Cities with a strong national profile have heightened potential to attract investment, influence national policy, and maximise local benefits of national investment in economic development. While Ōtautahi Christchurch is Aotearoa New Zealand’s true second city based on quality of place, the city lacks profile at a national level, and there is concern that the city is at risk of reduced national relevance as the nation’s population and economic ‘centre of gravity’ moves north (ChristchurchNZ, DNP; Resonance, 2022a).

Being ‘business-friendly’ requires genuine partnerships with organisations at a local, regional, and national level to capitalise on

opportunities, reduce barriers to business establishment, growth, and innovation, and effectively facilitate economic development. Partnering is also essential for government organisations to anchor an economy’s net zero and net positive transition (LGNZ, 2022; LGNZ, 2014)

Collaboration and partnerships are also important for the city. Ōtautahi Christchurch is a small city, and this small size delivers benefits, including the ease of doing business and building and maintaining connections (Deloitte, 2019). Despite these strengths, the city has not always been known for effective partnerships and collaboration. Government, industry, and non-government organisations have a limited history of working together to champion and advocate for the city, or to anchor business development (ChristchurchNZ, DNP).

Similar problems are apparent at a regional and national level. Beyond Ōtautahi Christchurch, the ‘benefits of small’ also apply to the Canterbury region and to Aotearoa New Zealand, where relatively small populations, economies, governance, and business networks heighten capacity for partnerships for mutual benefit.

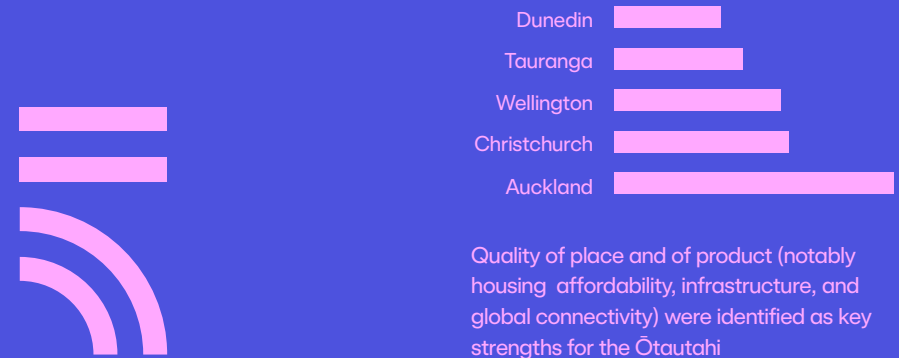
Yet, rather than facilitating co-operation, this can result in heightened regional and local competition for resources (LGNZ, 2022).

## Christchurch is not an entertainment centre

Quality of place benchmarking identified Ōtautahi Christchurch as Aotearoa New Zealand’s true second city.

## Quality of life benchmarking results (Resonance, 2022a)

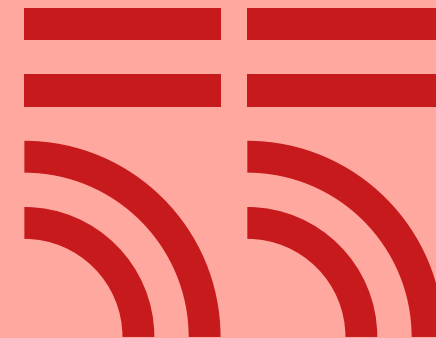
The ‘quality of place’ benchmarking compared the performance of Ōtautahi Christchurch to other cities in Aotearoa New Zealand and around the world based on factors associated with place, people, programming, product, prosperity, and promotion.



Quality of place and of product (notably housing affordability, infrastructure, and global connectivity) were identified as key strengths for the Ōtautahi



# Opportunities for the Economy




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Establish Ōtautahi Christchurch as a smart and business-friendly city.

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Focus on the development of the city centre as a central social district for all people as a hub for knowledge-intensive industry.

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Draw on our experience to proactively adapt to the climate crisis, enable the transition to net zero, particularly through transport investment, and capture economic opportunities associated with the global transition to zero carbon and zero waste.

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Help major industries and businesses adapt to climate change.

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Activate and invest in our new Central City.

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Capitalise on our new and renewed infrastructure and built form assets to attract net positive events of national and global significance.

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Connect industry with the education and training sector with an aim to raise education levels and develop a workforce with the skills that they need.

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Inspire people who love Christchurch to become city advocates.

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Capitalise on the 'power of small' by developing strong local, regional, and national partnerships and networks and working together to build the profile of Ōtautahi Christchurch.

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Maximise our role as a value-add centre by investing in and attracting R&D, innovators, investors, and net positive enterprise in advanced manufacturing, construction, agritech, health, future transport and associated professional and technical services.

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Increase productivity by capturing the benefits of technology and encouraging R&D and innovation investment.

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Maximise the benefits of outstanding development opportunities within and outside the city centre, including the Red Zone.

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Positive visitor perceptions and potential to develop Ōtautahi Christchurch as a visitor destination in its own right.

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Capitalise on 'people who care' by developing 'businesses that care' and utilise community concern about climate change and the environment to drive consumer, resident, and business adaptation.

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Work with leading organisations to anchor the economy, drive ambition, de-risk innovation, accelerate adoption of industry best practice and new technology, make connections across sectors and value chains, and set high standards net zero or net positive practices.

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Take affirmative action to build the skills of Māori, Pacifica, and ethnic minorities to build a strong and equitable workforce for the future.

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Nurture a positive relationship with mana whenua to help guide future growth and development that is founded on the values and principles of Te Tiriti o Waitangi and is inspired by the knowledge and wisdom of Te Ao Māori.

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# Developing the Christchurch Ambition

The Christchurch Economic Ambition was developed by ChristchurchNZ through research, collaboration, and consultation with our partners and stakeholders. The key steps in the process are outlined below.

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Research was undertaken to identify the unique strengths, weaknesses, opportunities, and threats facing the Christchurch economy.

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Strategic planning, vision, and goal setting workshops were undertaken by ChristchurchNZ.

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ChristchurchNZ engaged with mana whenua to ensure that the strategy process and outcomes align with Treaty obligations, achieves mana whenua support, and helps to establish a positive framework for our future relationship.

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Initial stakeholder engagement including senior leaders from Christchurch City Council, Greater Christchurch Partnership, the University of Canterbury, ECAN, Christchurch Airport, Canterbury Employers Chamber of Commerce, NZ Trade and Enterprise, Lyttleton Port of Christchurch, Selwyn District Council, and Waimakariri District Council. Christchurch City Council elected members were also consulted with at this stage.

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Consultation on a Draft Christchurch Economic Ambition was undertaken during March and April 2023. The Draft was released publicly on the ChristchurchNZ website, sent directly to 150 external contacts representing approximately 125 partner and stakeholder organisations, and communicated more broadly to the business community through electronic newsletters. Ten organisations provided written submissions. Verbal feedback and suggestions were also obtained via a business workshop and meetings with Christchurch City Council Executive Leadership Team, the Greater Christchurch Partnership, Ngai Tahu, mana whenua, and Christchurch City Holdings Ltd (and the companies it holds). The Draft was also presented to Christchurch City Council elected members.

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A final Christchurch Economic Ambition was prepared in response to feedback from consultation. The final document was approved by ChristchurchNZ Board on the 13th of October 2023 and endorsed by the Christchurch City Council on the 18th of October 2023.

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