



YOUR GATEWAY TO GROWTH

**ŌTAUTAHU
CHRISTCHURCH**

**Mauri ora ki te Whaiao
Mauri ora ki te Ao Mārama
Mauri ora ki a tātou katoa
Tihei Mauri Ora**

Energy of life to the dawn light
Energy of life to the world of light
Energy of life to all mankind
Combining all energies

**Whakapuakina te Tatou, Te tatou o te Mātauran-
ga o ngā whakaaro
Here ai te tangi a te Pīpīwharauoa nei. Kui, kui,
whiti, whitiora,
Kui, kui ki a Raki e tū nei. Kui, kui ki a Papatūānu-
ku e takoto mai nei,
Tūmai ihi, tūmai wana, rere ki te puna o te
Pīpīwharauoa, kia rongō mai ai koe ki te tangi o
te manu nei, kui, kui, whiti, whitiora ki te Whaiao,
ki te Ao Mārama.
“Awhinatia, kia atawhai ki te iwi”**

Open the doors, the doors of knowledge
And let us hear the call of the Pīpīwharauoa (Shining Cuckoo.)
It calls to the heavens above; it calls to the earthmother that lay beneath
Through its calls it binds us together and brings with it a vision for the
short- and long-term future
‘To be supportive, offering good will to all’

**Karakia (prayer) and mihi (greeting)
from Ngāi Tūāhuriri , mana whenua
of Ōtautahi Christchurch.**

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01 INTRODUCTION

Welcome to Ōtautahi Christchurch. Named one of Time Magazine's top 100 places to visit in 2021, this is New Zealand's second-largest city – and the newest. Our vibrant CBD, rebuilt following the 2011 earthquake, has been designed with resilient infrastructure, business, innovation and creativity in mind.

More and more organisations are relocating or setting up in this thriving city, drawn by the opportunity for better financial wellbeing, a welcoming and supportive business environment, and a quality of life that can attract the best and brightest.

This whitepaper is our invitation to start thinking about why Christchurch may be a good move for your business.

Christchurch enjoys many of the benefits of a large city with few of the inconveniences. Our status as an Antarctic gateway alongside our open spaces and open skies are unique opportunities that can only be found here.

Our strong manufacturing and engineering base, our close connection with our rural economy and our innovative, connected health system all provide opportunities to develop sectors of value and scale.

We have a diverse, resilient economy, emboldened by established industries supporting fast-growing, future-focused clusters known as Supernodes, which will provide socio-economic prosperity over the long-term.

We know these Supernode clusters – aerospace and future transport, health tech, food, fibre and agritech, and hi-tech services – will be in demand over the coming years as the globe adapts to limited resources and rapid technological change, making this city a strong bet to ride the waves to come.

Four tertiaries and five Crown Research Institutes call Greater Christchurch home, providing talent, research and vibrancy.

Home of the Student Volunteer Army, Christchurch is a world-leader in disaster recovery, community engagement, and urban resilience – making it second nature for Christchurch's people to reach out and make connections. Modern air and seaports and 5G-enabled infrastructure take our ideas and people to the world; while highly active and welcoming industry networks make it easy to establish and test new ideas.

Big ideas and big events are being drawn here – including the Aotearoa New Zealand Sustainable Development Goals Summit in 2021 and the ICC Women's Cricket World Cup in 2022. With a climate strategy to be emission-free by 2045, this is a city focused on smart, green digital and transport infrastructure.

Our bi-cultural heritage is extremely important and mana whenua inform every decision that the city makes in consultation with Ngāi Tahu, our local iwi. The lands and waters that now comprise Greater Christchurch have been occupied and accessed by southern Māori for approximately 1,000 years. We operate under the

guiding principles of the Treaty of Waitangi; partnership, participation and protection.

Together we are striving for a world our children can be proud of:

"Mō tātou, ā, mō kā uri ā muri ake nei" For us, and our children after us.

Together, we operate under the values of:

Rangitiratanga – we will lead with integrity and commitment through collective action to improve the intergenerational wellbeing for our communities

Kaitiakitanga – we will value, protect and restore our natural resources for future generations

Whanaungatanga – we will create an environment which fosters and enables community and whānau togetherness

Manaakitanga – we will create a safe, inclusive and welcoming environment

Christchurch is a city with bold ambition. We want to attract people and businesses who want to live and work in a city focused on creating a more sustainable and prosperous future for all.

We welcome you to our exciting city – and we are on hand to make your move as seamless and successful as possible.

02 EXECUTIVE SUMMARY

A city you should have your eyes on

Ōtautahi Christchurch, considered New Zealand's next 'Start-up Boomtown' by NZ Entrepreneur Magazine and listed in Time's top 100 places to visit in 2021, Christchurch is on people's radar. And so it should be – this is now New Zealand's second biggest city, and its newest with fresh infrastructure and plenty of room to grow.

This report explores why Christchurch should be at the top of any list when considering a business location or investment decision.

Christchurch is a city where there is room to think big

Christchurch's diverse and resilient economy is boosted by fast-growing, internationally relevant clusters and a coordinated innovation ecosystem. Start-ups are gravitating here as are high-tech businesses that value risk-taking and collaboration.

With the second-largest tech sector in New Zealand, producing 17% of the country's tech exports, the city is also home to a large proportion of the country's hi-tech and specialist manufacturing firms.

The city has the right conditions for businesses to take off - a lower-cost but high-quality operating environment with upgraded infrastructure. Christchurch offers high connectivity with an international airport and seaport, and a growing and talented workforce. Research and development is made easier with six Crown Research Institute

offices, four tertiaries, an open-minded regulatory environment, and plenty of air and ground space to test prototypes in. Four hundred hectares of land is already committed to build New Zealand's largest renewable energy platform, Kōwhai Park, supporting the city's goal of becoming carbon neutral by 2045. With an unwavering focus on a smart, green, and sustainable future, this is a place for people and businesses with great ideas – who want to get things done. A compact city without congestion offers better productivity, quality of life and easier connections.

Christchurch is a city people want to live in

Christchurch offers the best of both worlds – a vibrant, new city with nature on the doorstep and affordable property for both businesses and residents. Houses are still affordable compared to other major centres, and the cost of living is relatively low. Unemployment sits at 4.3%.

More and more young professionals are leaving Auckland and Wellington, choosing Christchurch for a better life. This is a city people want to bring their kids up in, a city people are calling home.

An ongoing survey tracking peoples' perception of Christchurch, commissioned by ChristchurchNZ, shows an increasing number of New Zealanders are seeing New Zealand's second largest city as a tempting place to relocate to – and a much more attractive destination than Auckland and Wellington.

Affordability of living compared to Christchurch:

7%

MORE AFFORDABLE THAN WELLINGTON

13%

MORE AFFORDABLE THAN AUCKLAND

9%

MORE AFFORDABLE THAN MELBOURNE

24%

MORE AFFORDABLE THAN SYDNEY

34%

MORE AFFORDABLE THAN SEATTLE

02 EXECUTIVE SUMMARY

20% of respondents in December 2020 said they were open to a relocation to Christchurch within the next five years – up from 15% in May/July 2020. Driving factors included cost of living, housing affordability, housing quality and ease of getting around – all areas in which Christchurch outperformed both Auckland and Wellington. In a post-COVID world, these factors are becoming even more important. This is supported by high disposable incomes in the region. Canterbury had the highest average annual household disposable income in the South Island (\$80,773 vs \$73,559 in Otago and \$74,119 in Southland) in the year ended June 2020.

The establishment of remote working as a norm means employees have, and demand, more choice in where they want to live. They want to work from locations offering better quality of life and space for them and their families. This means Christchurch is an easy city to hire in.

The new normal

The COVID-19 pandemic has changed the way businesses operate. Many have had to adapt processes, methods of sale, marketing, customer support – even what their core products or services are. The upside of this is that many businesses are continuing to think much more creatively and strategically than they have before.

Christchurch transitioned to remote working during the earthquake, which was an unexpected benefit during COVID-19. Businesses and employees already had the appropriate infrastructure and behaviours to transition to digital ways of working.

As uncertainty persists – whether over the virus, or the future shape of global economies – so too does risk. Businesses are having to make strategic decisions now to change the way they operate and continue to adapt to a ‘new normal’ that hasn’t even properly been defined or evolved.

The emergence of COVID-19 has shown location is one of these key business decisions, and that contingency planning is more important than ever.

Is your business in the right place?

One way of mitigating risk is spreading, changing, or increasing the number of locations in which the business does or can operate. An additional warehouse or call centre in Christchurch, or a relocation of head office or key department, may prove crucial to the survival of a business or business unit should interruptions occur in another major centre, for example. A city with lower operating costs also makes it easier to ride out further economic shocks.

Cost is undeniably a key driver when deciding on where to locate – as are connectivity, growth opportunities, other businesses, and networks.

Put simply, now is not the time to be complacent. Business is not going to get easier. Now is the time to think strategically about where best suits your business – and how a move to Christchurch might help it to grow even faster.

“ —

Because we’re such a big contact centre it was really important for us to go somewhere that would have a lot of talent – Christchurch had that. Establishing a call centre in Christchurch allowed us to draw on a skill set and market that hasn’t really been tapped as much as it has in other big cities.

This allowed us to get on our feet very quickly because the quality and quantity of applicants was huge.

Simon Fox, ANZ

“ —

When COVID hit ... Canterbury District Health Board came to us ... we threw three software developers on it and a designer - within a day we had prototyped [Āwhina – an app pulling together the most up to date information on COVID-19 for healthcare workers], within a few weeks we’d pitched it [to the Ministry of Health], and then we had a contract within a week.

Brett O’Donnell, Webtools

03 ECONOMIC INSIGHTS

Christchurch knows all about resilience – and creating a new, better future. Since the earthquake more than a decade ago, this city has transformed itself – and remains one of the most economically resilient, fast-growing areas in the country.

COVID-19 poses one of the biggest challenges to the global economy yet, and businesses will need to remain resilient and adaptable. Businesses that can locate all or part of their operations in centres with economic and cultural resilience will benefit, particularly where there are opportunities to drive growth at lower cost or in more innovative ways.

Christchurch and its supporting Canterbury economy are one such area. Established economic

diversity and nurtured adaptability in response to previous events have created a strong level of resilience compared to other centres and a need to focus on future economic growth. Historically known as an agriculture region with strong manufacturing ties, this remains true but the products and services being created now are being built with our future in mind.

For example, existing Christchurch manufacturing business Fabrum, has co-created a spin-out, AF Cryo, progressing patented technology into commercially available large-scale cryocooler and liquefier units. Their technology was chosen by NASA for use on the MARS lander project.

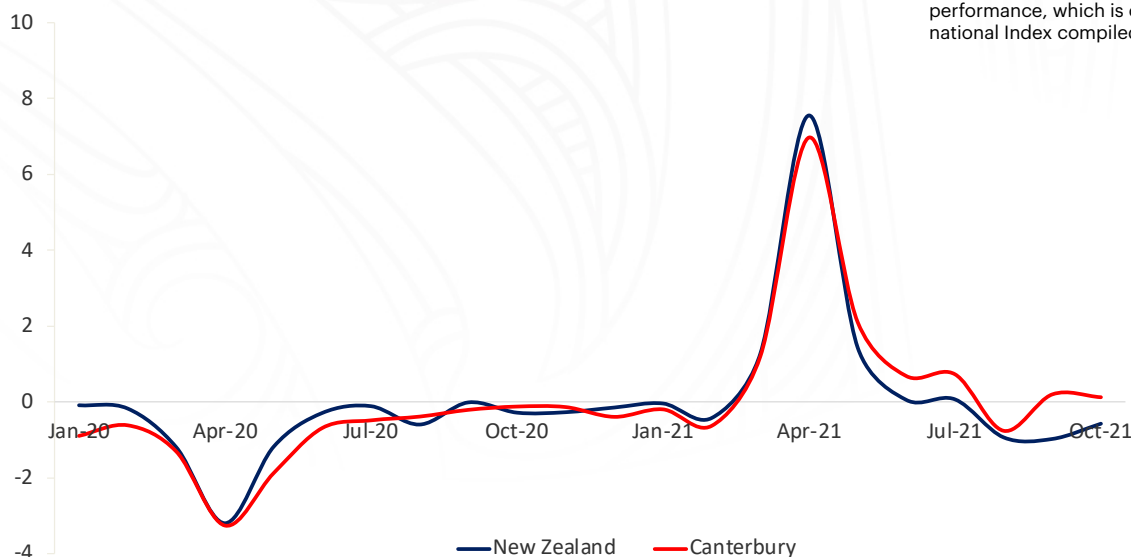
During the post-earthquake years between 2013 and 2020

Christchurch grew at an annual average growth rate of 3%, and Canterbury at 2.9%, both higher than the New Zealand rate of 2.8%.

According to the Canterbury and New Zealand Activity Index, during most of 2021 the Canterbury economy has been outperforming New Zealand's economy as a whole. The region's economy has shown resilience and strength, despite the shocks the economy has received due to the ongoing Covid-19 pandemic.

Economic Activity Index – New Zealand and Canterbury, January 2020-October 2021 (in%)

Source: ChristchurchNZ



The Canterbury Economic Activity Index shows how the regional economy is tracking compared to New Zealand. It brings together a range of economic indicators, including retail spend, manufacturing, transport, exports and jobs online to provide an overall view of economic performance, which is comparable with the national Index compiled by Treasury.

03 ECONOMIC INSIGHTS

The Canterbury region boasts strong, robust economic sectors such as agriculture, manufacturing, and construction, which have grown at an annual average rate of 8.5%, 3.7% and 10.6% per year respectively during the period 2011-2019.

While these sectors remain relatively steady during shocks, providing a strong base to cushion these impacts for other or newer sectors, they are also continuing to evolve and innovate.

The Canterbury agricultural sector for example, which is forging the way for cleaner, greener tech based agricultural offerings, has been benefiting from more diversification and from high international commodity prices, strengthening even more its position within the local regional economy.

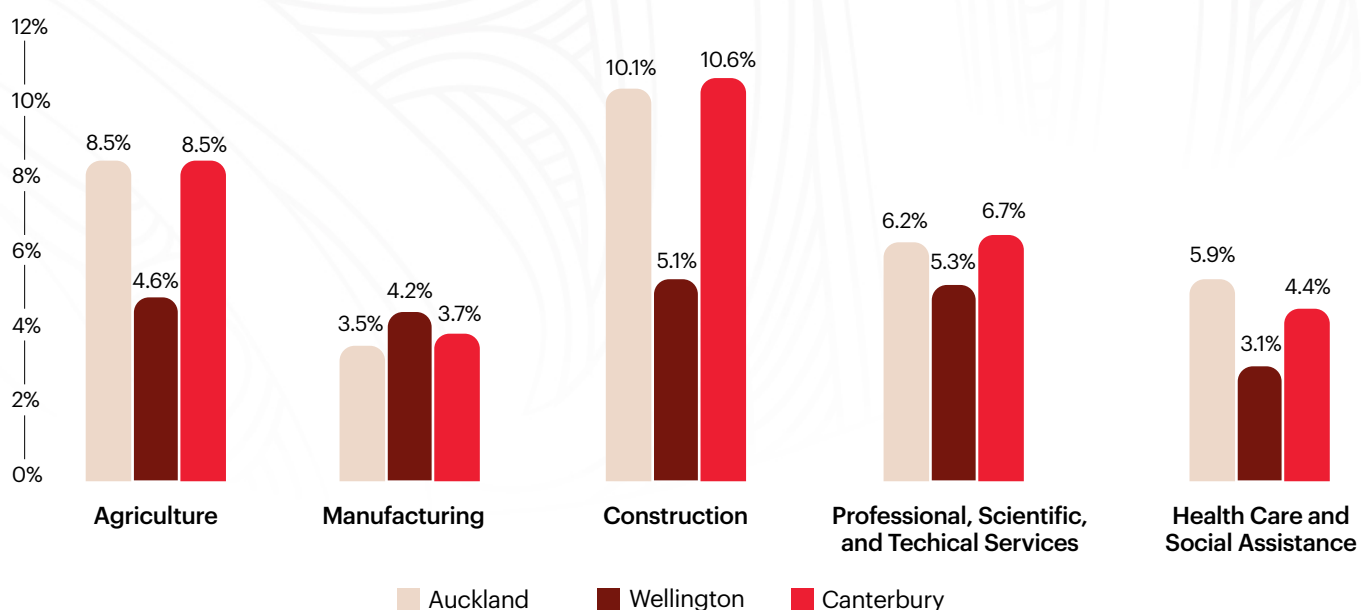
Ngārie Scartozzi, founder and Chief Scientific Officer of EClean, is developing a device that uses microbes to remove nitrates and phosphates from water. It has

the potential, she believes, to restore polluted waterways and help make industries like dairying more sustainable by helping dairy farmers comply with nutrient limits. This technology allows farmers to maintain herd numbers and farm more sustainably.

Gross domestic product (GDP) growth rate by region and by industry

Average growth rate in period 2011-2019
(in nominal values)

Source: Statistics New Zealand



03 ECONOMIC INSIGHTS

Christchurch's manufacturing and professional, scientific, and technical services have seen outstanding productivity growth, not only in the local context but also in comparison to urban peers in New Zealand. These existing strengths, and others such as health and agriculture, are adapting quickly to new contexts, led by the city's Supernodes cluster

development programme. Service opportunities for established sectors and their emerging clusters are large.

A strong exports sector via Lyttelton and Timaru seaports and Christchurch Airport has remained resilient in the face of international shocks, with an average annual value of NZ\$8.74 billion during the

period 2012-2020 (15.87% of national exports).

In 2020, despite COVID, Timaru seaport reported an increase of 57.3% in its exports of overseas cargo compared to the previous year. This was thanks to their new grain store and the region's leadership in global seed production.



03 ECONOMIC INSIGHTS

Domestic spending continues to grow

In pre-COVID times, on average, 71% of visitor spending was from domestic visitors and 29% from international visitors. Following the emergence of COVID, this shifted to 85% of domestic visitor spending and 15% international visitor spending (mainly from Australia).

Interestingly, the amount of domestic visitor spending in Christchurch during 2021 has surpassed the amount of pre-COVID times. The amount of domestic visitor spending was up 22% in the year ending November 2021 compared to the same period of 2020.

High labour productivity

City affordability further enables business resilience, development, and innovation and efficiency is boosted by labour productivity in the region.

Christchurch has the highest labour productivity in the South Island. For every hour worked, Christchurch produces \$59 of GDP, whereas Dunedin produces \$58 and Nelson produces \$53. Christchurch is residence to approximately three quarters (around 70%) of the total number of employees in the Canterbury region.

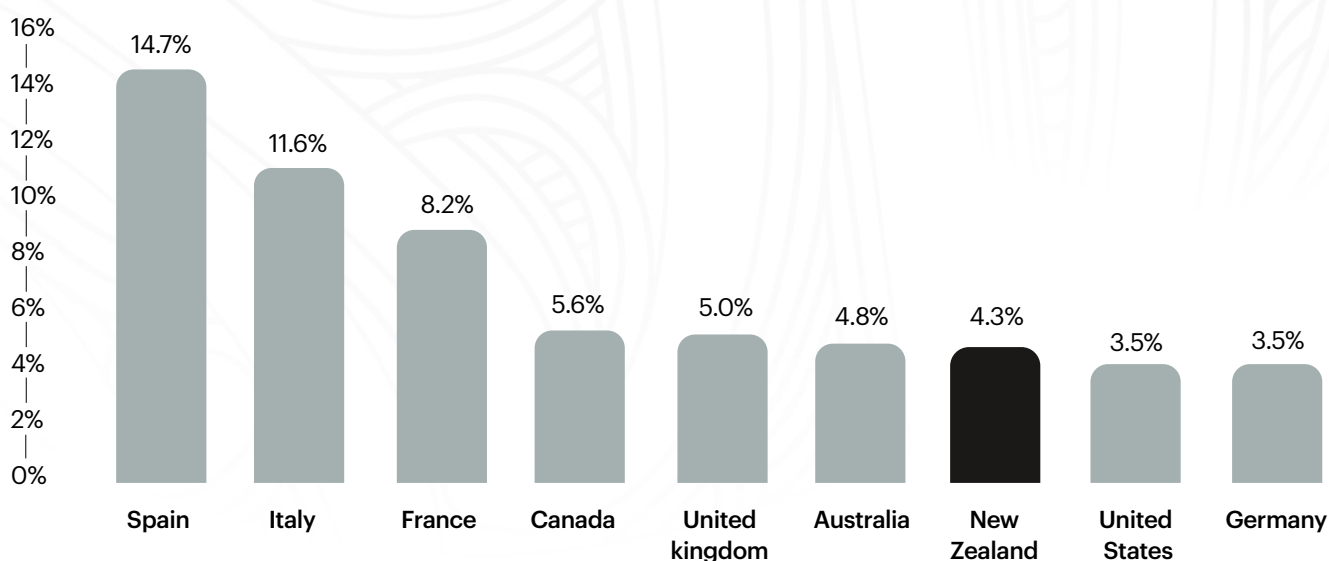
Healthy employment levels

According to the latest figures (Sept 2021), Canterbury's unemployment rate is 3.4%. Our forecasted unemployment rate for both Canterbury and New Zealand in 2022 is lower than the estimated unemployment rates for most advanced countries.

“**Our success in Christchurch comes down to lifestyle. A lot of people love living in Christchurch. This means we have been able to attract world-class talent to live and work in a city with a world-class lifestyle.**

Nathan Taylor, Co-founder, Partly

Unemployment Rate Forecasts for 2022 Advanced Countries



03 ECONOMIC INSIGHTS

For the year ending in March 2020, Canterbury net job creation (jobs created minus jobs dis-established) per 100,000 residents was 4,304 compared to 4,390 net jobs per 100,000 residents for Auckland, 13,358 net jobs per 100,000 residents for Wellington and 6,457 net jobs per 100,000 residents for New Zealand on average.

Growing population

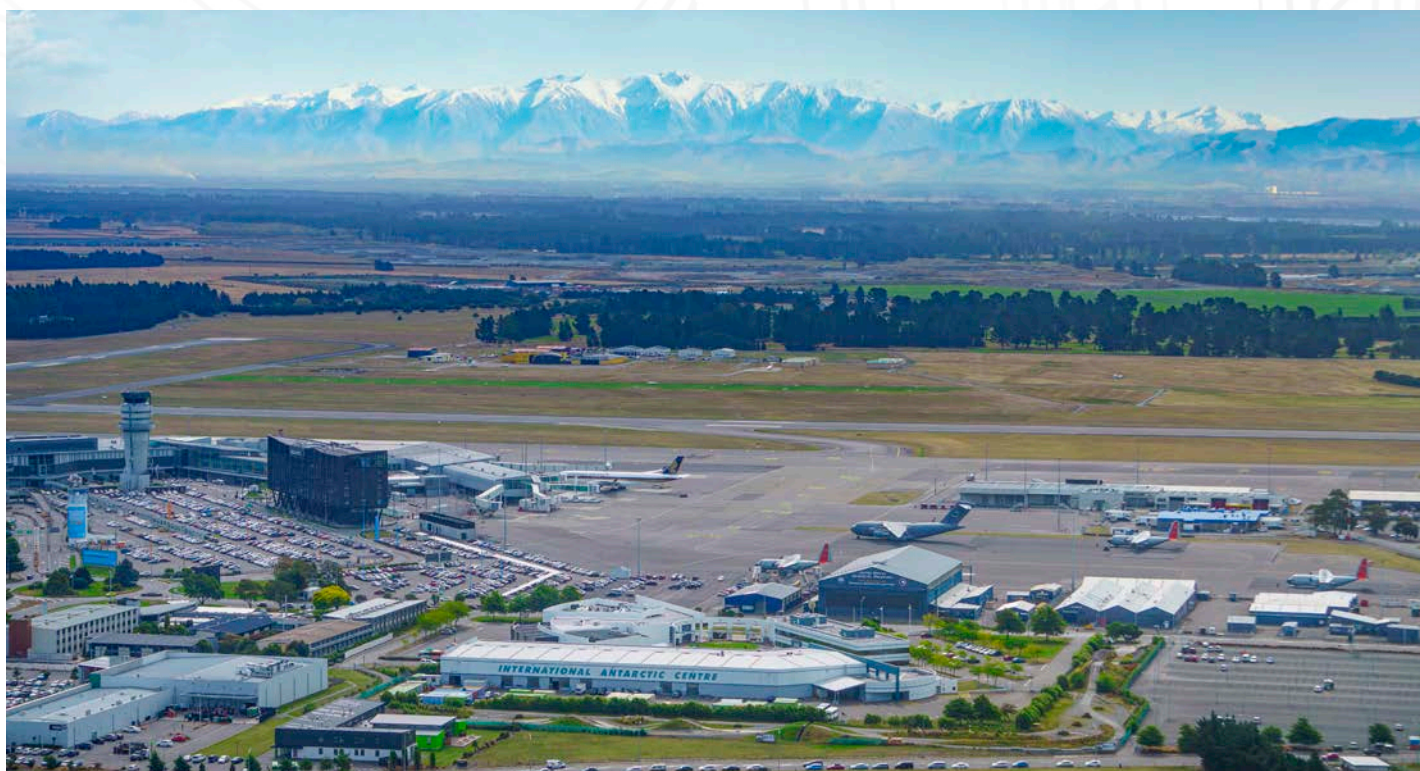
Projections from Statistics NZ (2018) show the Canterbury population is expected to increase by 25% between 2018 and 2048, offering the potential for a larger customer base and workforce pool for future businesses.

Why Canterbury's top industries matter

Canterbury's top three industries are manufacturing, construction, and professional services, closely followed by healthcare and social assistance. The city also boasts unique industries such as the Antarctic industry, screen including game development, and aerospace.

Ōtautahi Christchurch is proud to be an Antarctic Gateway City, one of only five in the world. Alongside related research, heritage, and international programmes, the city has a strong network of businesses supplying goods and services to those based in Antarctica.

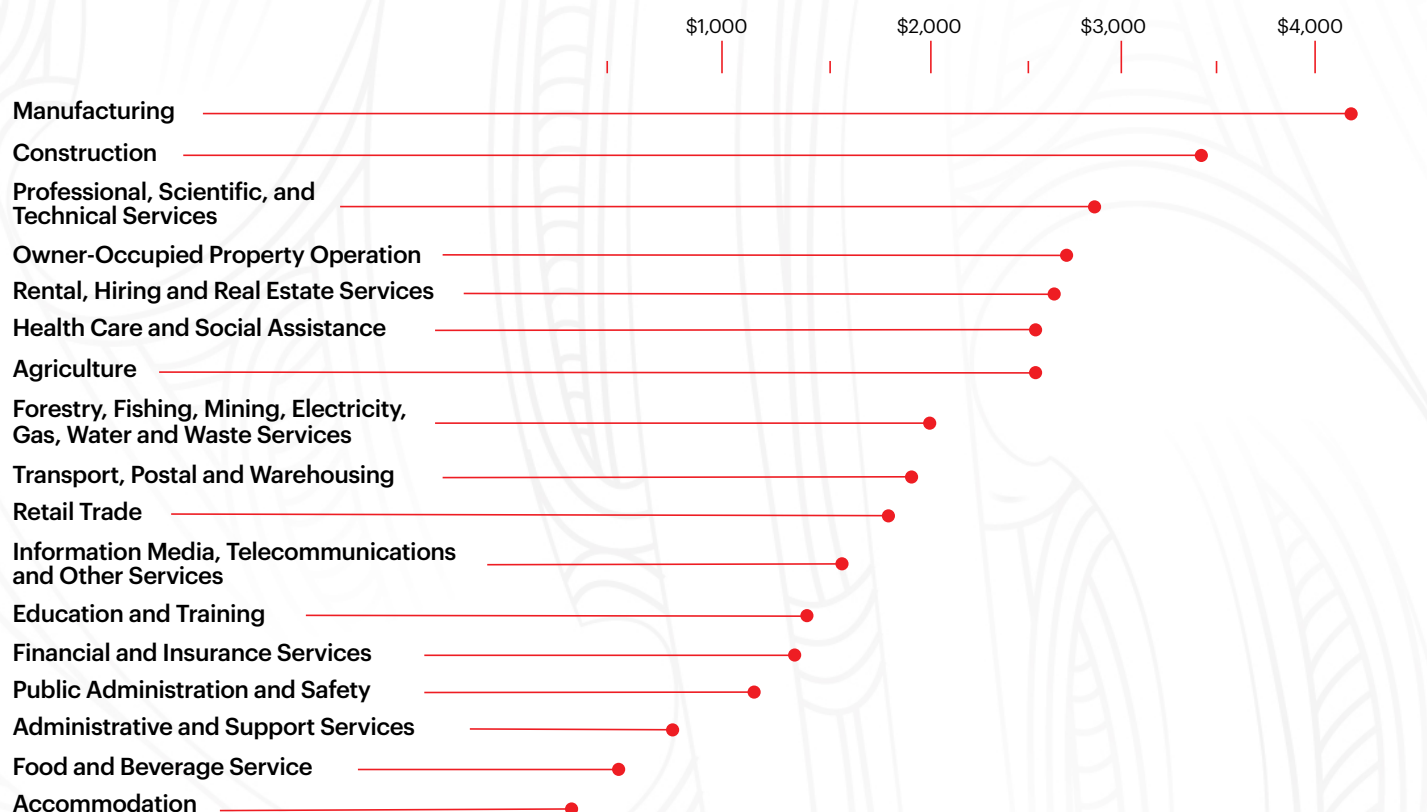
The screen industry is also taking off, set to become part of the backbone of this city's creative economy - Canterbury has been the backdrop to numerous productions, most recently Netflix's *Letter for the King*, *Only Cloud Knows*, Disney's *Wrinkle in Time* and *Mulan*.



03 ECONOMIC INSIGHTS

Canterbury's top GDP-contributing industries, 2019 (\$m)

Source: Statistics NZ, ChristchurchNZ



Advanced Manufacturing

A healthy economy

Manufacturing has always been a Christchurch strength and our companies have continued to adapt and evolve. Our hi-tech and specialist manufacturers are ahead of the game, offering prototype and short-run opportunities that cannot be found elsewhere, particularly for specialist industries such as aerospace and future transport. We have a history of exporting to high-profile organisations like NASA and our manufacturing industry is pivoting to meet future needs.

A sector primarily associated with the transformation of goods, this strength adds value to the economy and improves the overall productivity of the region through the optimisation of its resources.

With important links to primary industries (agriculture, fishing, logging and mining) and international trade through imports and exports, it also provides important inputs for other local industry activity to take place.

Jobs – in growing markets

Jobs enable spending. Canterbury's manufacturing industry alone supported 36,000 jobs – nearly 12% of all jobs in the region in 2021. The bulk, 38%, were in food processing which points to the value in regional linkages between agriculture and manufacturing. Food exports will continue to grow with increasing global demand, further fueled by value-added products such as processed food.

03 ECONOMIC INSIGHTS

Advanced Manufacturing

Business opportunity

The opportunity to support, grow and invest in this sector is high, especially as the Supernodes clusters continue to grow and attract new businesses.

Deloitte lists the food-processing industry global growth rate at 3.69% and states New Zealand is well-placed to take advantage of opportunities in this sector, particularly given its ability to produce or create a diverse range of healthy products. This offers our agriculture sector the chance to future-proof and create diverse revenue streams whilst enabling the supporting agri-tech and clean-tech businesses.

Opportunities for further growth remains in processed foods. Local organisations such as ChristchurchNZ, Ministry of Awesome and Food South, who partner to deliver events such as the FoodStarter challenge, are helping drive a wave of innovation and start-ups in this area, including new companies such as vegan-sausage producers Ananda Vegan Goodness.

Professional services

Knowledge-intensive industries underpin a healthy economy and sustainable future growth. Christchurch is home to major accounting and professional services firms including The Big 4, providing continuity of audit and tax services for businesses headquartered outside of the region. These firms play a critical role for our financial services industry and help business grow and scale. We have specialist firms focused on IP law, which benefits our start-up and scale-up businesses.

This industry will continue to grow and sustain the economy, with the rise of hi-tech services and R&D heavy industries such as aerospace and health in the city.

“ —

One of the things that struck me on my return to New Zealand from working overseas as a corporate lawyer was the ability we have in Christchurch as legal professionals to make a real difference to the multitude of innovative companies, ranging from aerospace, agritech to fintech, that are now a well-recognised feature of the Christchurch business landscape. My international experience in corporate law along with the desire to know the people behind the businesses has created a great foundation to accelerate growth and scale in companies of all ages and stages. I am proud that Lane Neave is just one of many professional services firms that offers support and advice to Canterbury businesses, in a way that adds depth to our thriving city in an environment that is characterised by opportunity, innovation and resilience.

**Claire Evans, Corporate Partner,
Lane Neave**

03 ECONOMIC INSIGHTS

Healthcare and social assistance

Healthcare is a booming area and one of the largest employers in Canterbury in 2021, supporting 36,000 jobs (11.8% of all jobs in the region) and contributing \$2.4 billion to the region's GDP (6.9% in 2019). Te Papa Hauora, the Christchurch health precinct, has been created as a hub for the creative and inspiring network that integrates world-class healthcare, research and innovation, education and industry with a strong emphasis on population health. The aim is to accelerate economic growth, act as a magnet for talent and promote community well-being.

Supported by Te Papa Hauora, this industry created thousands of jobs in 2019, making it the industry with the most net new jobs in Christchurch and Canterbury. The precinct will also add value to the healthcare and social assistance industry in the whole Canterbury region, further boosting job creation.

Productivity growth (up 15% between 2019 and 2015), along with international demand and the ability to create jobs, make this industry a key driver of the Christchurch economy.

It is likely to remain this way for at least the short to medium term as the globe faces growing aging populations with an increasing burden of disease alongside employment growth and constrained resources.

The University of Otago is expanding its Christchurch campus with a new six-storey building in the heart of the city's health precinct and is now home to more than 1000 researchers and students.

Construction

Given systemic housing shortages in New Zealand, this industry continues to offer growth potential. Christchurch has already seen what stimulus this area can provide, with the industry gaining momentum and injecting a strong boost into the economy following the Christchurch earthquakes in 2011. There's still room to grow in the short to medium term – especially in the residential segment and in the CBD building projects segment, where a list of projects and space remains and a growing population (up 12% between 2020 and 2021) demands more living and community spaces.

Many of New Zealand's construction firms are headquartered in the city, including Southbase, Leighs Construction and Fulton Hogan due to the opportunity and access to a highly skilled workforce.

Exports

Exports are an important component of the Christchurch and Canterbury economies. Canterbury airport and seaport exported \$10.3 billion worth of goods in the year ending November 2021 – 15% of all New Zealand exports.

Canterbury and Christchurch's economy are dominated by agriculture and manufacturing, industries traditionally associated with strong export capabilities which will continue to thrive as products adapt and evolve. These industries provide a significant share of local and regional employment, and further contribute to economic growth via flow-on effects from employment, such as spending and the creation of additional employment outside of the export industry itself.

Major exports commodities include dairy and other edible animal products, machinery and mechanical appliances including boilers and parts, and other food products including cereals, meat and fish. The main markets for exports include China, United States, Australia, Japan and Vietnam.

Major export markets:

YEAR ENDING NOVEMBER 2021	VALUE OF CANTERBURY EXPORTS BY DESTINATION (\$M)
China	3,908
Australia	1,128
United States of America	766
Japan	526
Vietnam	228

04 COST OF DOING BUSINESS

Christchurch's major advantage over other urban areas in New Zealand is that the cost of conducting business is lower, in part due to lower-cost office space and lower wages, making the city an economically viable location.

Being able to adjust these two major cost levers without loss of output or quality provides significant advantage to any business looking to relocate. It also lowers the cost of entry for any new business wanting to establish, especially during the initial start-up phase.

“ —

The calibre of people here is great. We have a team of about 16 in Melbourne – we pay a lot more (in Melbourne) for someone of the same calibre here. Rents are more expensive there too.

Brett O'Donnell, CEO Webtools



04 COST OF DOING BUSINESS

Commercial office space

With more reasonable commercial property prices and rents, Christchurch offers an opportunity to significantly reduce one of the major operating expenses in any business – while not reducing quality of space. This also provides a much lower set-up cost and overhead for new businesses.

In Q4 2021, commercial office rents for prime or new CBD office space in Christchurch were considerably cheaper than comparative space in Auckland and Wellington – and still cheaper than secondary-grade office space in these cities.

Employee cost and turnover

The cost of labour has always been historically lower for Christchurch than other major cities, allowing prospective or start-up firms to be more cost/price competitive.

In 2021, hourly rates were lower in Canterbury compared to Auckland and Wellington.

Average hourly earnings in 2021 were cheaper in the Canterbury region (\$33) when compared to Auckland region (\$38) and Wellington region (\$37).

Despite this, the ability for businesses to attract and retain talent to the city remains – the affordable cost of living compared to other centres increases disposable household income, thus mitigating the effect of lower wages for employees.

This is reflected in an historically lower employee turnover rate in Canterbury compared to the rest of the country (similar to the rate in Auckland). Lower employee turnover creates more predictability for businesses new to the city and reduces resource and time-spend required to find new employees.

“ —

The city is now widely recognised nationally for its excellent investment fundamentals. The majority of interest in the higher-end of the market now comes from outside of Christchurch but not necessarily just from the syndicators who have been dominating this higher-value market for the past five plus years. Auckland industrial prime rental rates can be more than 50 per cent higher than those in Christchurch. The demand for quality stock is insatiable.

Sam Staite, Director of Industrial at Colliers in Christchurch

“ —

In our experience, many people are happier to take a job that pays a little less than elsewhere in New Zealand because the city is that much more affordable. So many of our team are buying that house and getting on the ladder, building that long term life five years ahead of their Auckland peers.

George Wills, Media Suite

Monthly commercial office rent price in prime CBD office space (per sqm)

\$370-400

CHRISTCHURCH

\$660-870

WELLINGTON

\$575-795

AUCKLAND

04 COST OF DOING BUSINESS

Attracting the best in talent

Alongside quality of life, a major drawcard for attracting and retaining employees is affordable housing, which is a growing concern for most people globally. Residential rents and house prices remain lower than other centres. The Christchurch property median price is on average just 2.4% higher than the Canterbury median price.

In October 2021, the average rental rate in Canterbury was \$420 – lower than the national rate of \$520, and rates for the Auckland region (\$595) and the Wellington region (\$560).

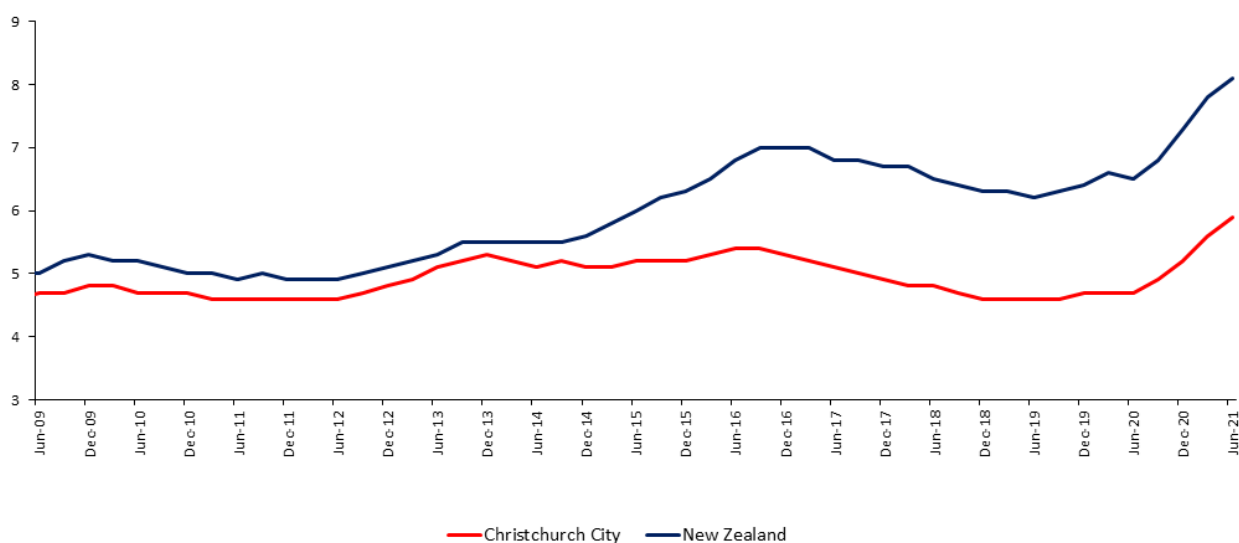
In November 2021, the Canterbury median house price (\$690,000) was also lower than the national median house price (\$925,000), and median house prices in the Auckland region (\$1,300,000) and Wellington region (\$962,500).

The housing affordability index – the ratio of the average current house value to average annual household earnings – shows Canterbury has a greater affordability profile relative to the Auckland and Wellington regions, and even in relation to the national average.

Relatively lower house price growth increases household affordability and reduces the cost of living. Canterbury median house prices grew 23% over the year 2021 (YE November) compared to 23% nationwide, 22% for the Auckland region, and 23% for the Wellington region. This creates a strong incentive for people to move to Canterbury and Christchurch from other urban areas.

Housing Affordability: Ratio of average house value to average annual earnings

Source: Statistics NZ, ChristchurchNZ



05 WORK FORCE

Christchurch's world-class universities work hand in hand with industry to grow future-focused, work-ready graduates. The city's superior lifestyle, natural playground, and affordability attracts a strong talent pool of professionals and business leaders, many with a particular focus on sustainability, technology, and the outdoors.

Attracting talent and business leaders

A vibrant city with plenty of green space and an affordable lifestyle makes Christchurch a top contender when professionals are selecting where to live, particularly in the wake of COVID.

Christchurch offers the highest disposable income of any major city in Australasia, and remains the most affordable New Zealand city to buy a house in. Residential rents in Christchurch have remained stable

over the last five years while rents in Auckland and Wellington have continued to rise.

Christchurch's brand-new bustling inner city offers a vibrant indoor farmers' market, Riverside, and precincts for innovation, business, health and the arts. The street art capital of New Zealand, listed alongside New York and Berlin by Lonely Planet, the city is home to the country's newest convention centre and will soon have a world-class stadium able to host 30,000 people.

Residents often cite the "20-minute lifestyle" where anything can be accessed quickly.

These factors all contribute to a higher quality of life – a major drawcard that attracts people from other urban areas to the city.



14

ski fields



2,143

annual sunshine hours



80^{km}

of city walking tracks



700

parks and gardens



19^{min}

average commute time

"Christchurch is becoming a magnet for outdoor loving tech types."

Five reasons to live in Christchurch, New Zealand
Financial Times, January 2020

05 WORK FORCE

Quality of life survey

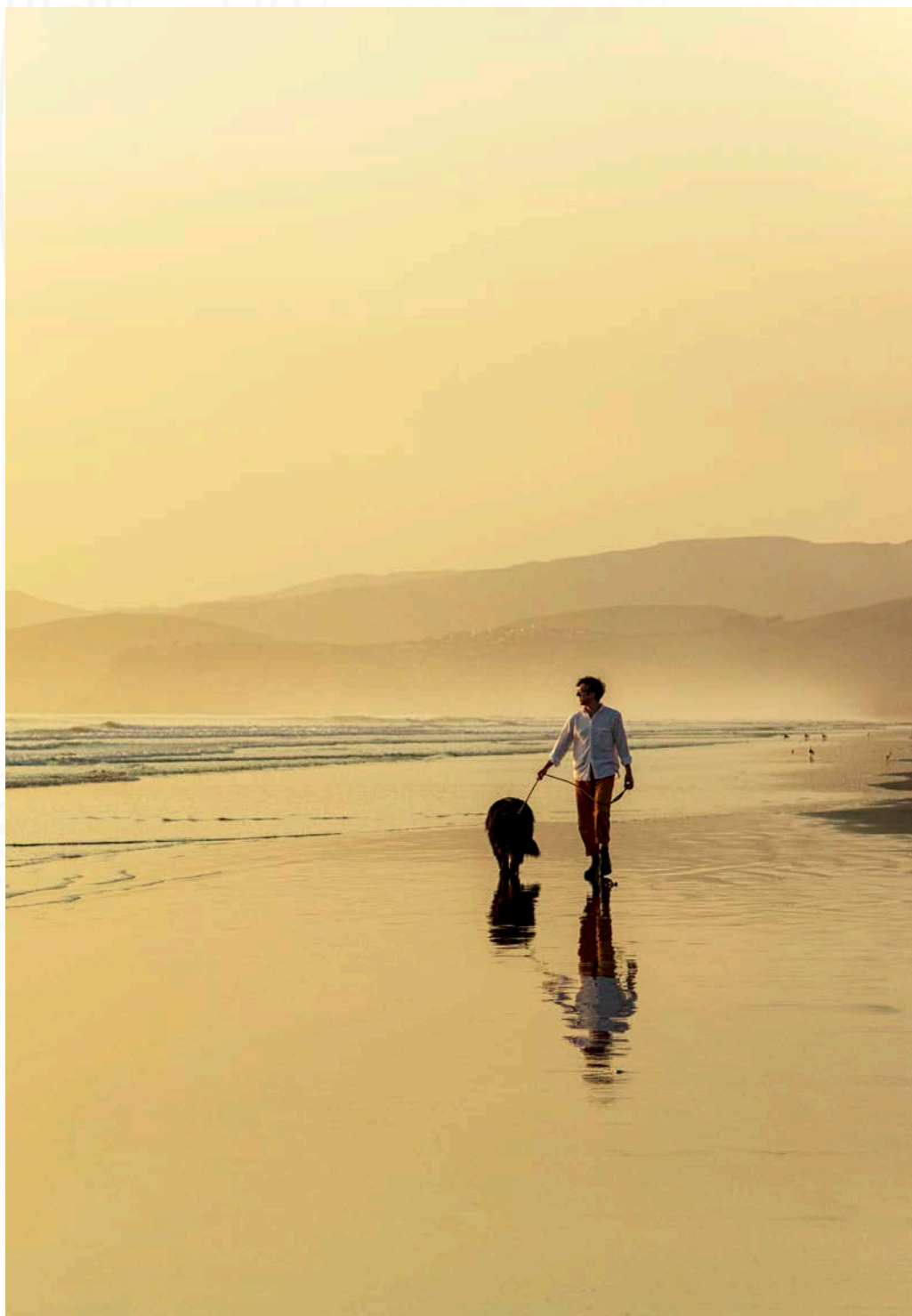
In 2020, the Quality of Life project surveyed major New Zealand centres and 87% of Christchurch respondents reported to have experienced a good quality of life – on par with the New Zealand average.

24% of respondents said they never or rarely were stressed – a higher rating than Auckland and Wellington residents and on par with the national average.

62% of Christchurch residents reported they were satisfied with their work/leisure balance, higher than the national average of 58%, while more than half (50%) thought they had enough money to cover every-day costs, compared to 48% nationwide.

87%

of Christchurch respondents reported to have experienced a good quality of life



05 WORK FORCE

Employment opportunities

Overall, the region offers good opportunities for employment, and the employment offer is well diversified throughout different industries.

Low unemployment and a 45% increase in online job listings in October 2021 compared with October 2020 suggests the region has a good offering of available jobs.

World-class professional and technical services are large employers in the region, including Deloitte, EY, KPMG and PWC, all four major Australasian banks, telcos, insurers and creative agencies, creating plenty of opportunity for employees and their families.

Future talent pipeline

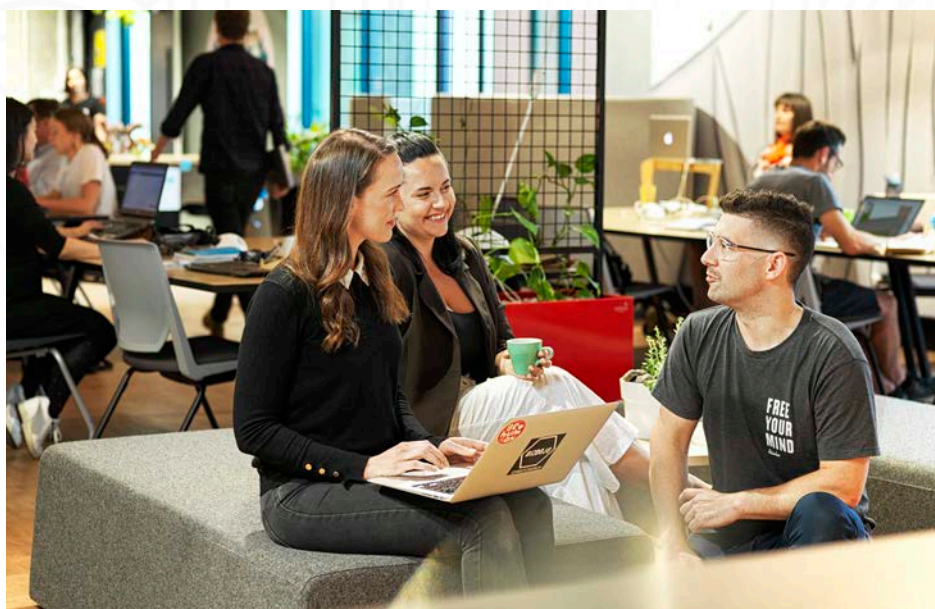
The region hosts four world-class tertiary institutions with more than 30,000 students (Ara, University of Canterbury, Lincoln University and Otago University), including two universities in the top 2% worldwide. Tertiary institutions work closely with industry to produce the right kind of graduates and align curriculums with the needs of the growing clusters.

- Canterbury produces 29% of New Zealand's agriculture, environmental and related studies graduates, 19% of engineering and related technologies graduates, and 14% of education graduates.
- Internships such as the Job Ready Programme placed 160 international students into businesses each year prior to COVID.

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"We could find the skill set we needed for our developers here. Out of the 17 developers, only one of them has come from out of the region. We hire a lot of graduates from Canterbury and do internships as well ... We're basing our technical centre of excellence here primarily because we have the people here, the base expertise."

James Robertson, Invert Robotics Founder



06 OPERATING ENVIRONMENT

A historic testbed for innovation and home of Kate Sheppard, who pioneered the women's vote, Richard Pearse, New Zealand's father of aviation, William Hamilton's jet boat and Glenn Martin's jet pack, Christchurch is now known as the home of future-focused businesses who want to do things differently.

The city and its surrounds offer the perfect place to prototype and test new ideas – an accessible and diverse natural landscape with clear airways, four true seasons, and both alpine and coastal environments.

A favourable regulatory environment and access to laboratories, Crown Research Institutes and four world-leading tertiaries make this city a growing favourite with those pushing at the edges of innovation.

Making prototyping even easier is the fact Christchurch is also home to a large number of hi-tech manufacturing firms. This sector now supports clusters in aerospace and future transport, hi-tech services, agritech and health tech.

Being on the other side of the world also has advantages in being able to work and test in different time-zones or seasons. Being open for 24 hours offers businesses with multiple locations the ability to competitively improve outputs, or to more efficiently service organisations in other time-zones.

Unique testing environments

Christchurch offers diverse and challenging conditions to test new products or services in.

- **Christchurch is New Zealand's gateway to the Antarctic – an extreme testing environment.**
- **Lincoln Energy Demonstration Farm – testing sustainable energy production solutions for agriculture.**
- **Aerospace workshop and testing facilities at two tertiary institutes. Engine ground testing site and access to a unmanned aerial vehicle altitude testing site facility with Civil Aviation Authority (CAA) permission to test are currently in development.**
- **Project Tāwhaki will see the purchase of a 1000ha property on the Kaitōrete Spit to develop aerospace infrastructure and R&D facilities.**

NZ's first large-scale renewable energy park

Four hundred hectares of land has been committed by Christchurch Airport to build New Zealand's largest renewable energy platform, Kōwhai Park. Phase one alone will deliver a 220 hectare solar array, capable of generating 150 megawatts of electricity – around 20% of Christchurch's current residential electricity use – supporting Christchurch's goal of becoming carbon neutral by 2045.

Further opportunities are available at Kōwhai Park and ChristchurchNZ welcomes enquiries from businesses and investors who wish to decarbonise their portfolio through expansion into the region, and secure a supply of green energy from this world class facility.



06 OPERATING ENVIRONMENT

R&D, expertise, and fast-growing industry clusters

With the perfect testing environment, and a business culture known for giving anything a go, Christchurch is gaining international recognition as a hub for start-ups, with NZ Entrepreneur Magazine suggesting the city may be New Zealand's new "Start-up Boomtown" in 2020.

Tertiary incubators and accelerator programmes such as ThincLab and Te Ōhaka support entrepreneurs and start-ups at different stages, providing pathways through the city's innovation ecosystem. Supernode challenges and hackathons delivered by partners including Aerospace Christchurch, Te Papa Hauora Health Precinct, Canterbury Tech, and KiwiNet feed the start-up pipeline.

Comparatively high patent and trademark filings from Christchurch as compared to the rest of the country speak to the increasing numbers of entrepreneurs and larger organisations undertaking research and development in the city. Many of these companies, such as game development companies CerebralFix and Digital Confectioners or remote beehive monitoring pioneer Hivemind, service large overseas markets and can be found in innovation hubs such as Enterprise Precinct and Innovation Campus (EPIC), Vodafone xone, Saltworks, and the MYOB Office of Innovation.

The tech sector is linking to established industry strengths such as manufacturing, healthcare, and agriculture, giving rise to

clusters of innovative businesses in areas such as health tech and aerospace, which continue to expand this focus on research and development. These clusters of like-minded businesses are attracting and absorbing highly-skilled professionals from other urban areas in New Zealand – a trend likely to expand to professionals from abroad.

Local universities are focused on commercialising research to provide solutions for industry and sectors such as education.

Local talent pathways into these clusters begin at primary school and are nurtured right through to tertiary programmes that reflect the needs of these industries and supporting professional businesses. These pathways are supported by iwi, education providers, research bodies and government.

Patents filed per 10,000:

2.7 Christchurch	1.9 National average
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Trademark filings per 10,000:

26 Christchurch	18.7 National average
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Canterbury's Supernodes

Canterbury has four fast-growing areas of regional strength and global opportunity.

These have been identified following economic analysis of sub-industry strengths within the region which focused on those with a high concentration of industry compared to the rest of New Zealand, and which had the potential to continue to create new jobs and meet an international need.

Hi-Tech Services: Christchurch has the second-largest tech sector in New Zealand, producing 17% of the country's tech exports. Fast-growing superstars include Seequent (recently acquired for USD\$1.05 billion by US firm Bentley), Orbica, Tait, CCL and Datacom. The presence of Canterbury Tech, the local networking cluster, contributes to a thriving and well-connected sector. Specific sub-clusters include advanced manufacturing, software as a service, niche software solutions and game development.

Aerospace and Future Transport:

New Zealand's space economy was valued at \$1.75 billion in the 2018/9 financial year, employing 12,000 people, Christchurch was the first region to develop an aerospace sector plan. The city has significant strengths in electrical component manufacturing, small run manufacturing and accessibility of testing along with well-established organisations such as the Pratt and Whitney Christchurch Engine Centre.

Workshop and testing facilities at two tertiary institutes are enabling new entrants and technologies in this cluster, alongside mentoring programmes providing access to rising stars such as Dawn Aerospace and Kea Aerospace.

06 OPERATING ENVIRONMENT

An engine testing site and access to an unmanned aerial vehicle altitude testing site facility with Civil Aviation Authority permission to test are currently in development.

Health Tech and Resilient

Communities: A central city health precinct enables close connection between research, testing and commercialisation; existing organisations such as TASKA Prosthetics are already leading innovation and selling IP in orthopaedics, software and R&D. With strengths in both the medical device and digital space, along with a strong health tech start-up ecosystem, the sector is bolstered by the innovative work taking place within the Canterbury District Health Board.

Food, Fibre and AgriTech:

Canterbury, New Zealand's largest region, contains 21% of the country's highest quality soils and 70% of its groundwater. Strong manufacturing and tech sectors are supporting this cluster to create significant value-add IP and products in subclusters such as hemp, while tech companies such as Invert Robotics are rapidly expanding their agriTech offerings worldwide.

Supportive business environment

Christchurch businesses are supported by decision makers, investors, and business groups to take risks and respond quickly to events.

In response to COVID-19, the city offered businesses funding and reduced residential and commercial

property rates, supporting more than 4000 businesses to successfully navigate challenging economic times. Local businesses also responded quickly and creatively with solutions to the crisis with knowledge and behaviours garnered from past experiences.

Local businesses attest to a city culture of more open-minded and collaborative attitudes, and accessible and friendly business networks which help businesses move faster.

This has been accelerated by the earthquakes, which gave rise to successful innovation hubs such as EPIC. More than 260 business mentors support local enterprises, and access to growth and capability financing is facilitated by organisations such as KiwiNet, Callaghan Innovation and New Zealand Trade and Enterprise.

Infrastructure

A vibrant CBD

A stock of smart, 5G-enabled buildings catering for a modern workforce and evolving technology make the Christchurch CBD the country's newest and most vibrant – and the most earthquake-resilient. Plenty of new, affordable commercial space created by the city rebuild, including prime and warehouse, factory, or industrial, available, offers room to grow. We have focused precincts for health, innovation and justice providing home to like-minded businesses and co-working spaces that make collaboration faster and easier.

This commercial space is affordable – high-end CBD rents reached \$400 per sqm in 2021, while low-end CBD office space rents reached \$320 per sqm in the same year, considerably lower than the rents in other New Zealand and Australian urban peers.

With more businesses being attracted to the city, CBD vacancies continue to drop, from 23.9% in 2016 to 14.9% in 2020.

“Christchurch's biggest strength is the collaborative approach ... Other cities are a lot more cut-throat; you'd never be having a beer with your competitor and telling them how to improve something but in Christchurch that's normal. You see that collaborative approach in all the sectors. The health sector for example is massively supportive of the tech sector; there's a real sense of working together. There's enough work for everybody; the challenge is getting through it all.”

George Wills, Managing Director
Media Suite

“Christchurch's advanced infrastructure is a significant advantage, and has been completed with a view to inclusion for all of its residents, including those with disabilities.”

Katia Addison, Managing Partner,
Canterbury and West Coast BNZ

06 OPERATING ENVIRONMENT

Connected city

Christchurch is a globally-connected yet compact city with an international airport and seaport each within 20 - 30 minutes of the CBD. In 2019, nearly seven million airline passengers travelled to 25 global destinations and filled more than 1300 domestic return flights weekly.

This included 1820 direct flights between Christchurch and the Asia/Pacific region, offering easy access to this important market. A new roading network, low traffic congestion and easy

access to the rest of the South Island enable efficiencies and further connectivity.

Traffic congestion reduces efficiency and productivity. Christchurch residents experienced the least amount of time spent in traffic compared to Wellington and Auckland, in 2019 according to indicators such as extra minutes travelled a day in peak hour traffic.

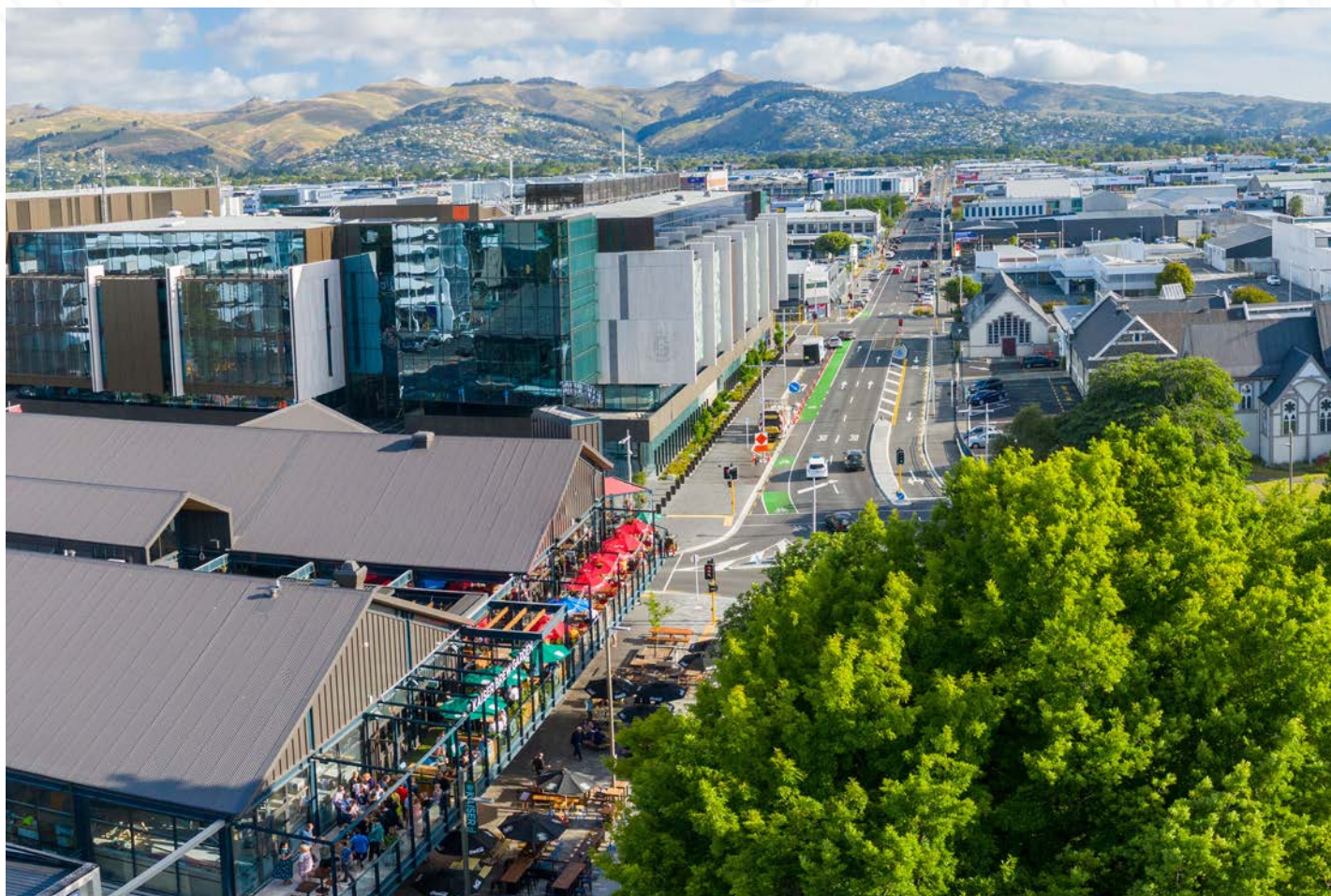
The lower level of traffic congestion is part of the high-quality of life that Christchurch offers, especially when compared to other major cities in New Zealand and overseas.

Residents average extra time spent in rush hour traffic:

12.5^{mins}
Christchurch

18.5^{mins}
Wellington

21.5^{mins}
Auckland



07 CONCLUSION

Act now to secure your spot in New Zealand's vibrant, innovative city of Ōtautahi Christchurch. We are a city focused on a smart future, and we're executing a plan to get there.

Considered by Time Magazine as one of the top places in the world to visit, this city is humming with start-ups and big businesses doing exciting new things.

Our economy is resilient and has shown strength despite the economic shocks of the COVID-19 pandemic. We are a city firmly focused on innovation, attraction,

and transformation. Our diverse, growing economy underpinned by evolving strength industries provides an excellent starting point. An operating and regulatory environment conducive to innovation and connection is paired with the low cost of doing business in Christchurch – making it the perfect place for businesses to start, grow and test new ideas.

Supported by a flourishing tech and specialist manufacturing sector, a number of Crown Research Institutes, and four top tertiary institutions, research and

development is easy – and our sea and air ports are ready to take your ideas to the world.

The best in talent are flocking here, leaving behind traditional centres such as Wellington and Auckland, for a greener city with a much better lifestyle – and affordable housing.

Any business looking for affordable opportunities for sustainable growth should be considering Christchurch for its next location.

Don't miss out on your place. Now is the time to make the move.



08 CONTACT

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