

Christchurch City Council
EXTRAORDINARY MINUTES ATTACHMENTS

Date: Thursday 9 April 2020
Time: 10.03am
Venue: Held by Audio/Video Link

TABLE OF CONTENTS	PAGE
4 Economic Recovery Update	
A. Christchurch NZ Economic Recovery - Presentation	3

Christchurch Economic Recovery COVID-19

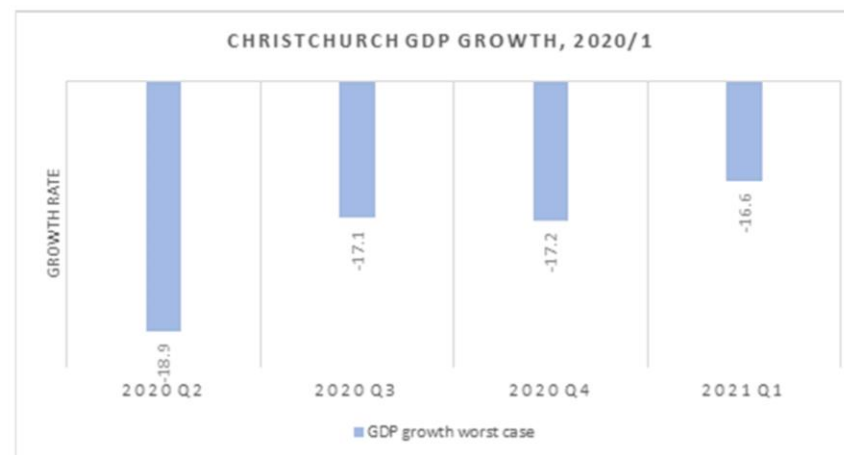
Briefing on progress
April 9, 2020

Christchurch
City Council

ChristchurchNZ

Scenarios

- COVID-19 is a significant economic shock with the consequential wellbeing impacts on the Greater Christchurch community.



- Estimated impact on Christchurch's annual GDP for 2020/21 will be a contraction in GDP of between -4% and -17.5%.
- Additional Christchurch job losses of 9,000 to 36,500 over next 12 months, depending on the duration and nature of crisis and government response. Pre-COVID Christchurch unemployment = 8,600 (Dec-19)



Economic impact

- The impact on the Christchurch economy and community is fundamentally different from (1) the global financial crisis; and (2) the Christchurch earthquakes.
- While COVID-19 is a health crisis its longer-term economic impact will be on **jobs, businesses and investment**
- COVID-19 impact is characterised by:
 - A very rapid shut down of economic activity. While 35.5% of Christchurch employees are in “essential services”, 64.5% are not.
 - First impact is on some of the lowest paid workers in Christchurch – people working in retail and hospitality, and related services. This will likely increase inequality.

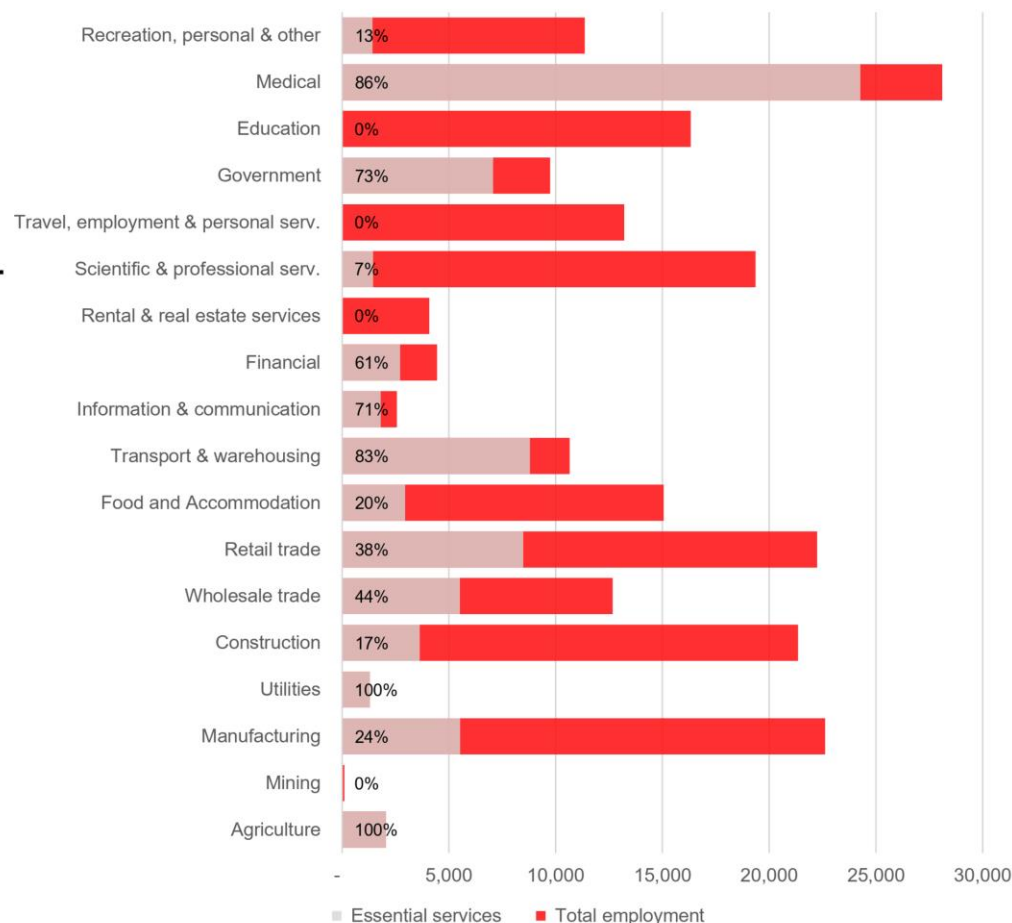


The shock on the economy

All industries are affected by the lockdown.

- Health government & education are predominantly supported by fiscal spending – lower risk.
- The essential services employment is aligned with government's list of approved services.
- Still significant level of uncertainty – picture is evolving.

Magnitude of lockdown on employment activity



Recovery - building off competitive strengths

Christchurch has strengths to build from:

- Construction
- Manufacturing
- Wholesale retail
- Professional services
- Health
- Agriculture (Canterbury)

The recovery of the economy needs to acknowledge the (sub)industry strengths within Christchurch.

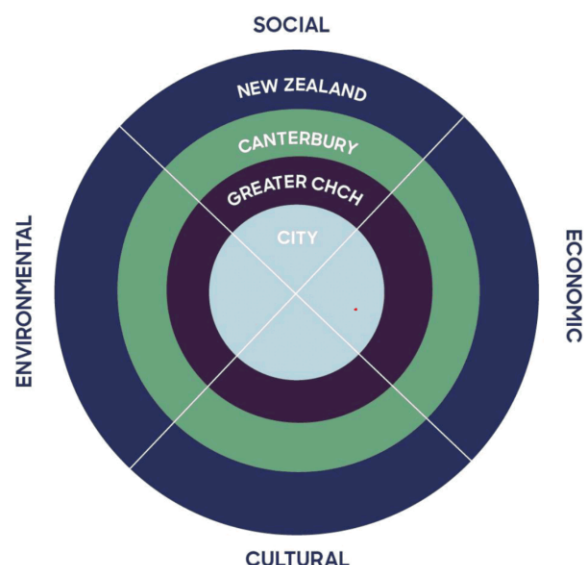
Average annual employment creation/loss (2014-2019)



-200 -100 - 500 600 700 800

A 'wellbeing' approach to recovery

Core assumptions, aligned to EQ learnings:



- Christchurch's Economic Recovery Response will only be successful if within a broader recovery plan covering all **four wellbeings** and with the community central
- Christchurch's response needs to be in **partnership** with Central Govt, iwi and the private sector
- Christchurch's response will be effective if **coordinated** at a Greater Christchurch level and **connected** to Canterbury recovery planning
- Decisions should be **evidence-based**
- Public sector needs to **lead and invest with confidence** to build private sector confidence
- Greater Christchurch 2050 provides framework for long-range well-being approach



Phases of Economic Recovery

Phase 1: Tactical Response – immediate

- Urgent and immediate work underway to keep parts of the economy functioning during Pandemic Level 4, and the period immediately following. Led by local and central government and *supports* businesses and community.

Phase 2: Tactical response – short to medium-term

- Action that will begin as soon as New Zealand returns to Pandemic Level 3 and/or Level 2. Includes local and central government and *engages* businesses and community. Preparation underway now.

Phase 3: Strategic Planning for recovery aligned to long-term vision

- This is work that ensures all recovery activity is aligned to an agreed long-term vision, and positions Greater Christchurch to enter recovery phase with confidence and in partnership with central government.



Economic Recovery Streams

Current Recovery activity can be organised into four programmes:

1. **Business Support Package:** Short-term to support businesses suffering from the immediate economic fallout.
2. **Infrastructure-led Recovery Programme:** Identifying and prioritising infrastructure projects to support the economic recovery.
3. **Strategic Economic Development Programme:** This work will ensure all recovery activity is aligned to an agreed long-term vision, and positions Christchurch to enter recovery phase with confidence and in partnership with the private sector and Central Government.
4. **Community and Visitor Economy Activation Programme:** This work will focus on stimulating economic growth when it is safe to do so.



Phase 1: Examples of cross-agency tactical immediate activity

Activity / brief description	Status / Next Steps	Programme
Urgent recovery support for Business –Business Advisers, Mentors (with CECC, NZTE and Callaghan)	Underway	Business Support Package
<ul style="list-style-type: none"> Information for business re Govt and Local Govt support 	Underway	Business Support Package
<ul style="list-style-type: none"> Grants for Impacted Businesses - \$1k - \$5k for urgent professional services assistance 	Underway	Business Support Package
Rates relief - business	Underway	Business Support Package
Rates relief - residential	Underway	Community Activation/Visitor Economy Package
Rent relief to tenants in council family properties	Underway	Business Support Package
Marketing support for local businesses while unable to trade #exploreyourplace	Underway	Business Support Package



Phase 2: Examples of cross-agency reactivation activity

Activity / Brief Description	Status / Next Steps	Programme
Stimulate and re-activate visitor demand: Phased market re-entry: <ul style="list-style-type: none"> Local Domestic Trans-Tasman International (long-haul) 	Developing	Community Activation/Visitor Economy Package
Business Events and Major Events Attraction and investment	Underway	Community Activation/Visitor Economy Package
Economic Development Forum – Advisory Forum	Developing	Strategic economic development
Community Action - Enliven Places reactivation focus	Developing	Community Activation/Visitor Economy Package
Community grants – with a recovery lens	Developing	Community Activation/Visitor Economy Package
Central City brand marketing collaboration with CBD retailers	Developing	Business Support Package



Phase 3: Examples of cross-agency phase 3 activity

Activity / Brief Description	Status / Next Steps	Programme
Infrastructure and capital works prioritisation	Underway	Infrastructure Led Recovery Programme
Reactivation and refocus of CNZ work programme focused on rebounding the economy, jobs creation and innovation stimulus, plus attraction and positioning in external markets	Underway	Strategic Economic Development Programme
Building strong evidence base: Economic and social data and analysis to support decision making	Underway	Strategic Economic Development Programme
Labour Market Monitoring with MBIE, MSD and Tertiaries. Shift unemployed to training and growth industries.	Developing	Strategic Economic Development Programme
Land Development/Utilisation Strategy - use of public lands/assets	Underway	Infrastructure Led Recovery Programme
Investment and capital assessments	Ongoing	Strategic Economic Development Programme
Sector and industry cluster growth with tertiaries and private sector	Underway	Strategic Economic Development Programme



Economic Recovery Advisory Forum

Economic Recovery Advisory Forum:

- Connect key partners and experts able to support economic recovery, in a post-shock environment.
- Provide input into the development of the **Christchurch Economic Recovery Plan**.
- Forum members will be drawn from their own expertise, as well as from the organisations, or private sector groups and business communities they represent.
- Members will also play a role in communicating progress and key messages back into the stakeholder groups they represent.
- Members will have access to key messages to distribute to stakeholders, as appropriate.
- Will cast net wide to ensure wide range of viewpoints – aiming to get invites out next week



Next steps – knowns and unknowns

- Monitor progress of health response including lock-down timeframes, and next steps
- Continue to build evidence base and data to inform next steps
- Stand up Recovery Advisory Forum
- Continue engagement with partners including city, regional, national, CECC and private sector - gather broad range of expert input
- Continue short-term tactical activity (phase 1 and 2)

