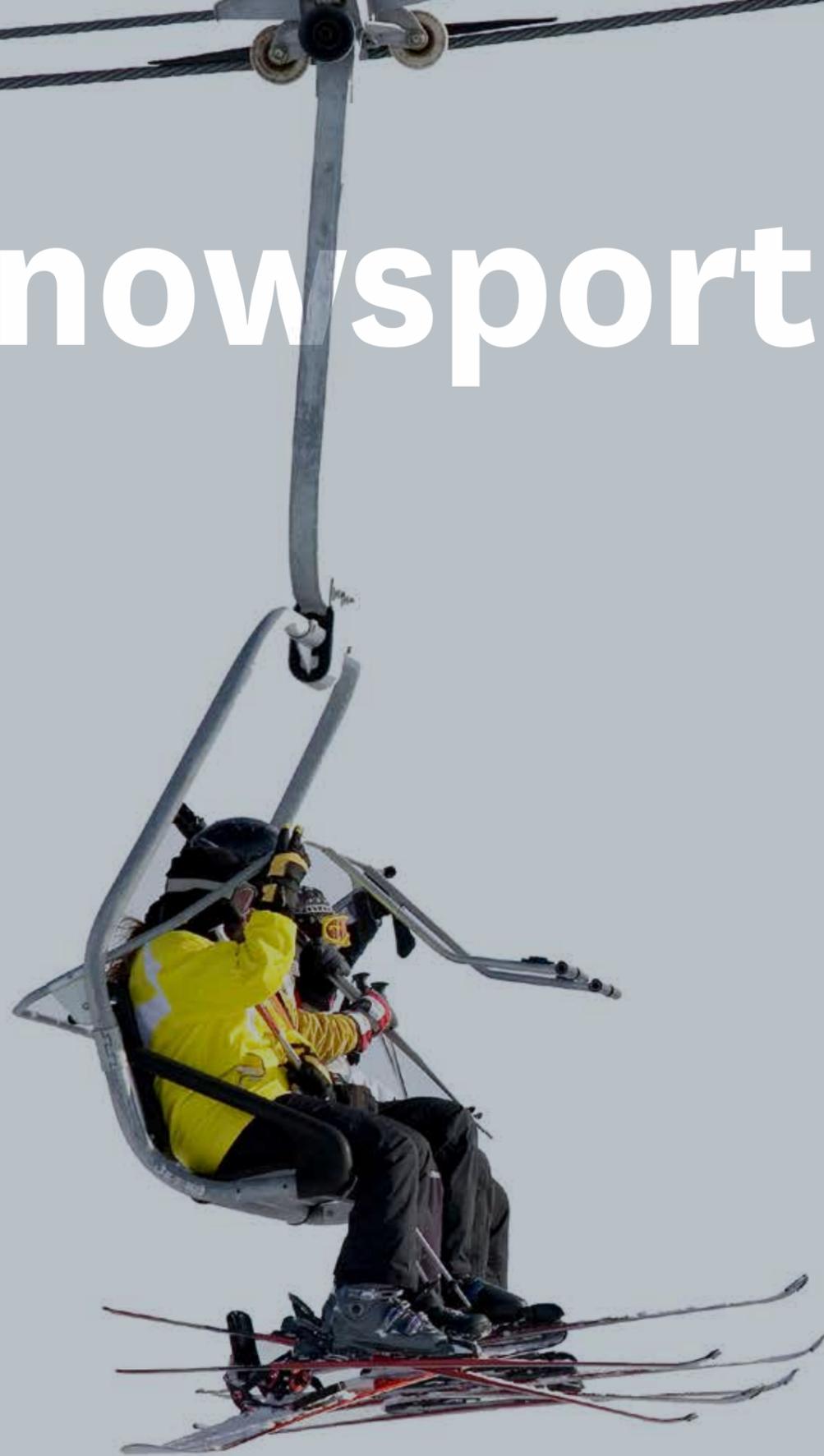


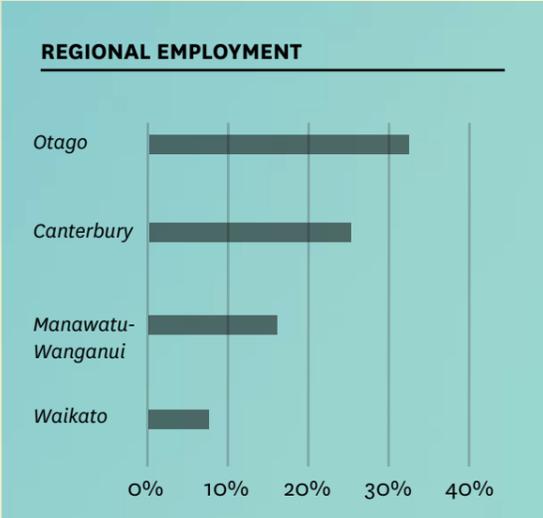
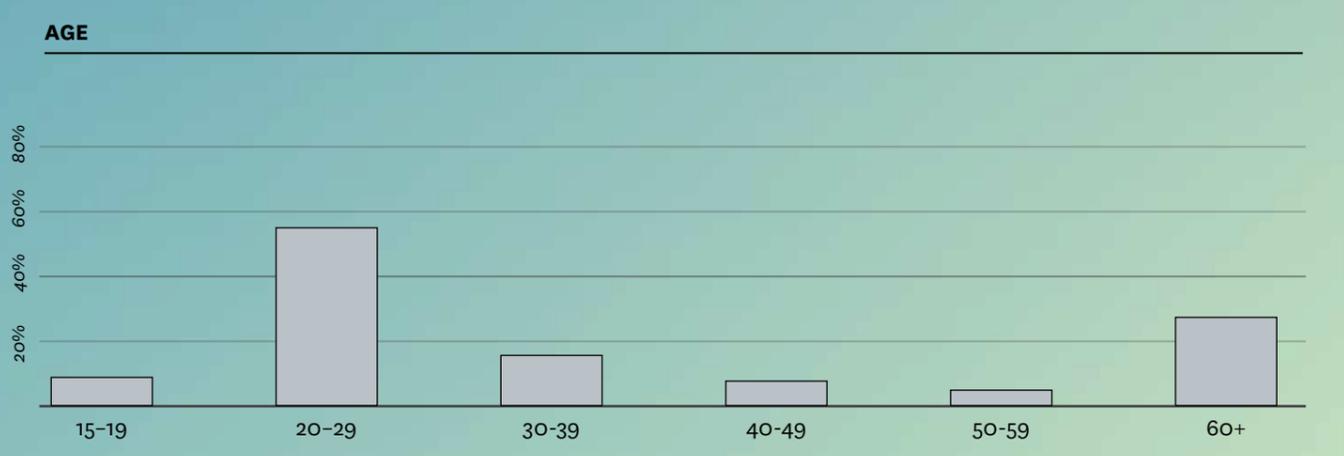
— Snowsport



The snowsport industry offers skiing, snowboarding, cross-country skiing, alpine walking and trekking, and other on-piste activities. With advances in alpine equipment and snowmaking technology, winter seasons are extending, and more people are gaining access to snow-based recreation. Mountain professionals enjoy dynamic, challenging work in stunning physical environments.

Industry snapshot

Even with improved snowmaking technology, the full winter season at the main fields lasts a maximum of 16 weeks



Note: Due to the seasonal nature of the snowsport sector, Infometrics data is not suitable for use, as it relies on census data captured in March, when no ski fields are operating. Instead, Skills Active collects the quantitative data in this section directly from the New Zealand snowsport industry through annual surveys.

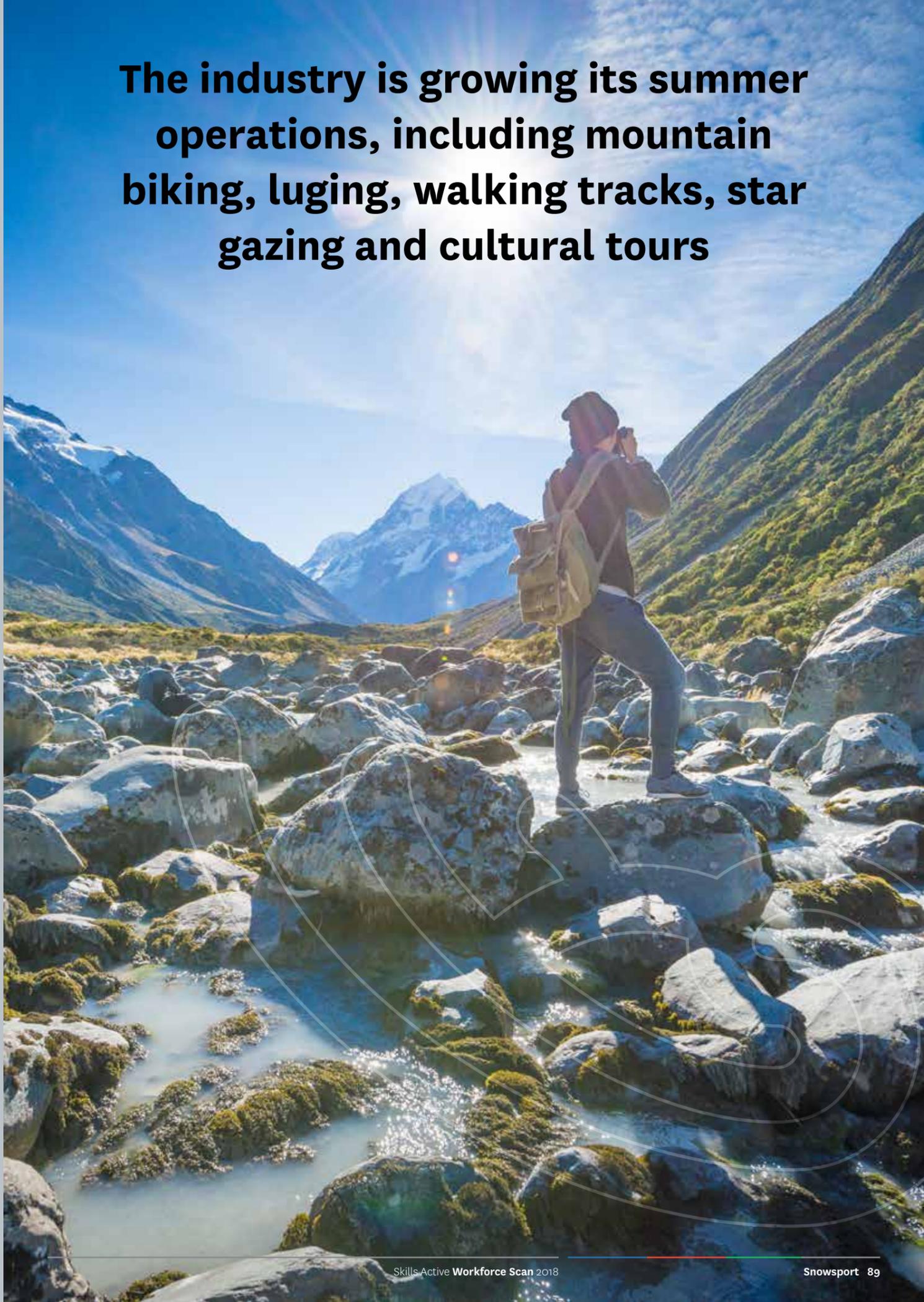
Industry profile

New Zealand's three main alpine operators are commercial businesses, employing some 85% of the workers in the industry. The remainder of the industry comprises smaller commercial and club fields, and import, wholesale, retail and rental businesses.

The success of each season is dictated by snowfall, and even with

improved snowmaking technology, the full winter season at the main fields lasts a maximum of 16 weeks. The industry is growing its summer operations each year, including mountain biking, lugging, walking tracks, star gazing and cultural tours. The long-term goal is to extend the use of facilities to 30 weeks per year.

The industry is growing its summer operations, including mountain biking, lugging, walking tracks, star gazing and cultural tours



Workforce profile

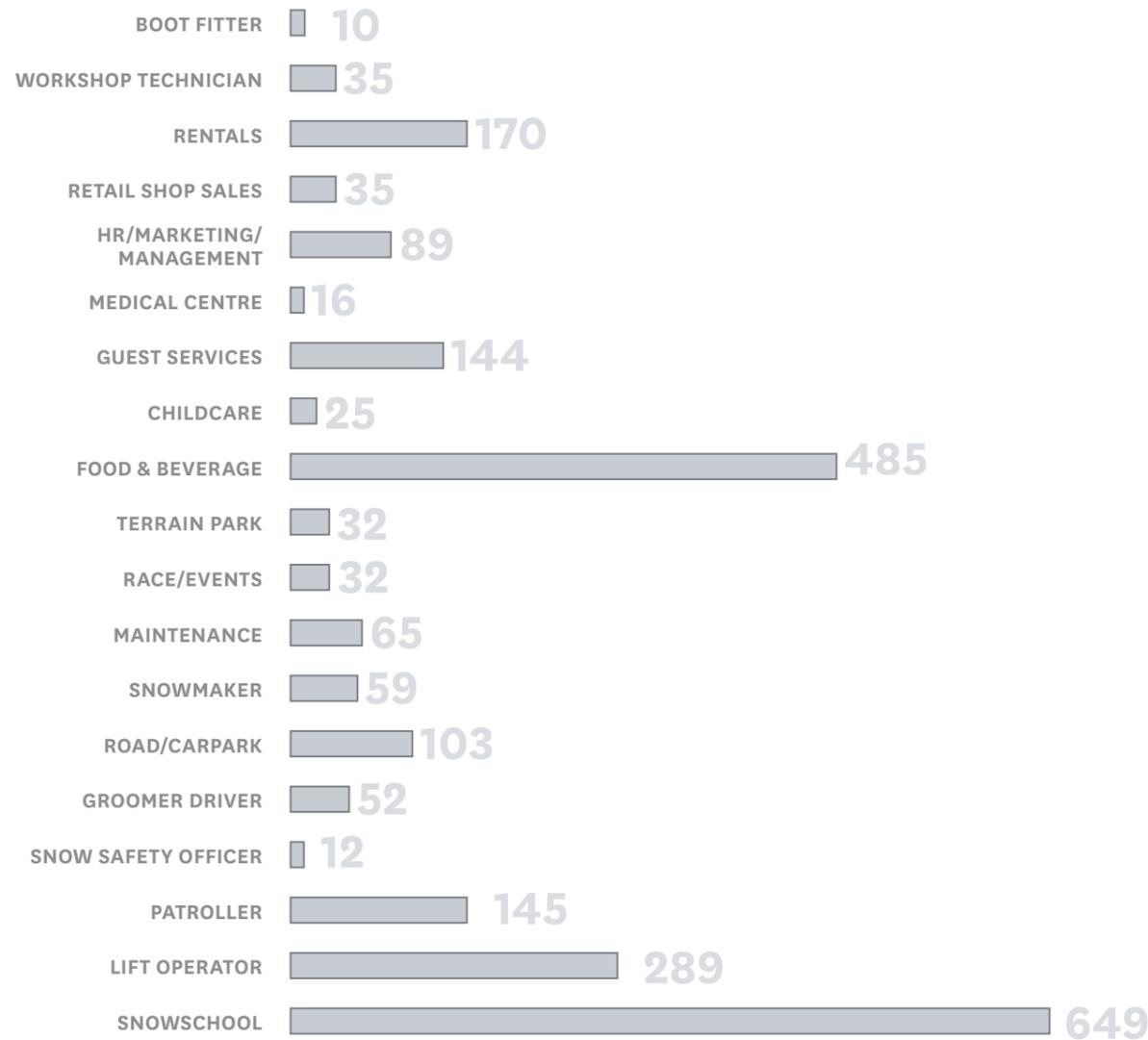
In 2017, there were almost 3,000 people employed in the snowsport industry. The majority of people work full time throughout the winter season, and work in non-snowsport jobs

during the off-season, or work on overseas ski fields during the northern winter. The industry estimated that an average of 35% of staff return from one season to the next.

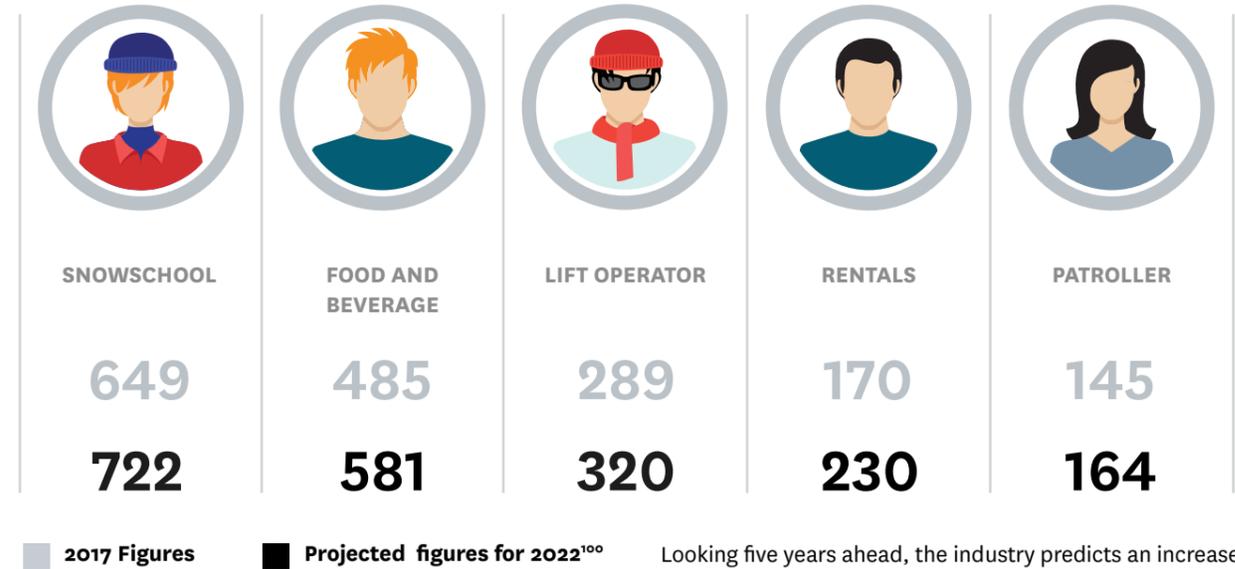
EMPLOYMENT BY ROLE AT SNOWSPORT AREAS SURVEYED

Technical roles such as bootfitters, groomers and technicians were the hardest positions to fill in 2017. The seasonal nature of

work in this industry means it can be difficult to attract and retain staff with specialist skills and relevant experience.



TOP FIVE JOBS BY VOLUME⁹⁹



Looking five years ahead, the industry predicts an increase in the number of staff that will be required in these particular roles.¹⁰¹



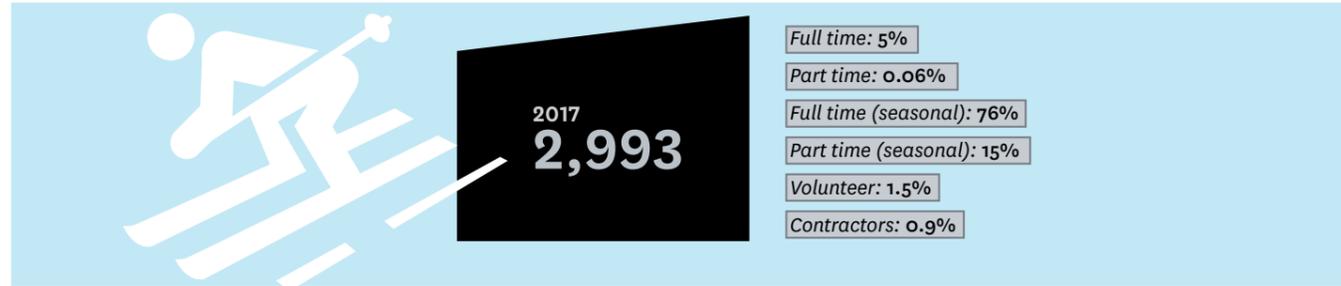
⁹⁹Workplace Survey, Skills Active 2017 ¹⁰⁰Workplace Survey, Skills Active 2017 ¹⁰¹Workplace Survey, Skills Active 2017

Workforce makeup

TYPE OF EMPLOYMENT

The seasonal nature of the snowsport industry means that approximately only 6% of staff work full time year-round. In 2017, some 90% of staff were employed just for the season.

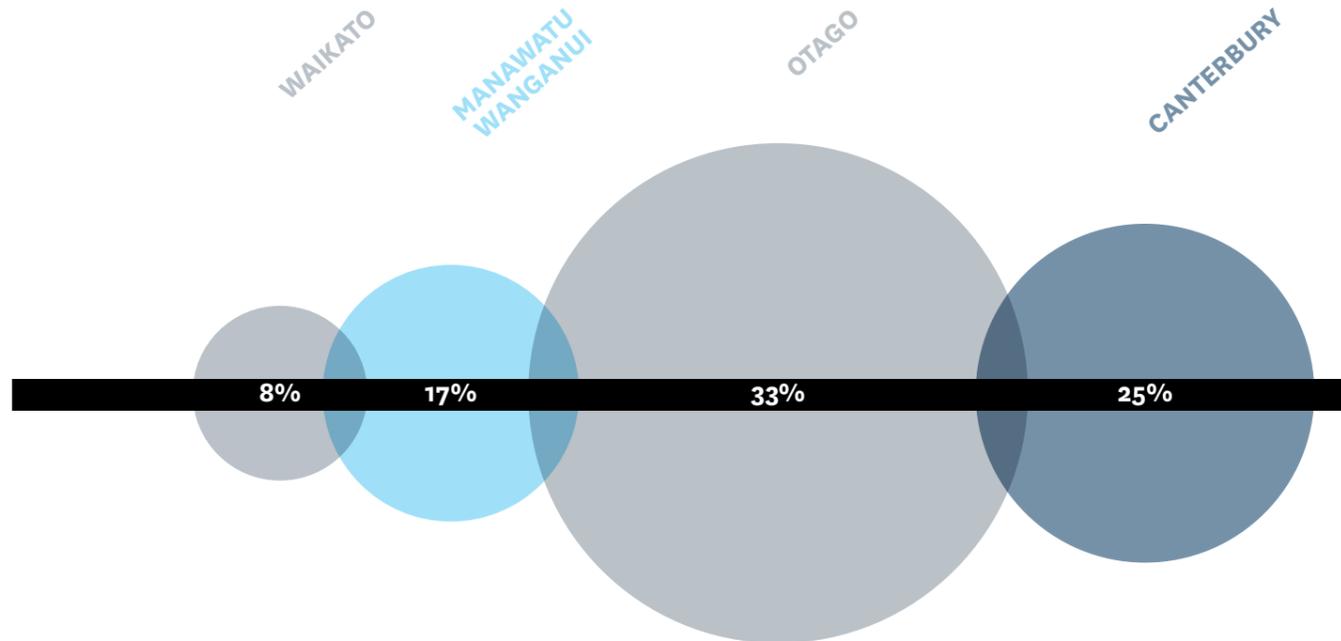
The remainder of the workforce in 2017 was made up of volunteers, contractors and year-round part-time staff.



REGIONAL EMPLOYMENT

Approximately 60% of the 3,000 people working in the snowsport industry in 2017 were based in the Otago and Canterbury regions, with the remainder in the central North Island. Those working

in rental, retail and importers of ski equipment are scattered throughout the country.



EARNINGS

Most seasonal employees are paid an hourly rate, which sits at an average of \$17.00 per hour, but varies depending on place of employment and job role.

Due to the seasonal nature of the industry, less than 10% of staff work full time, year-round

GENDER

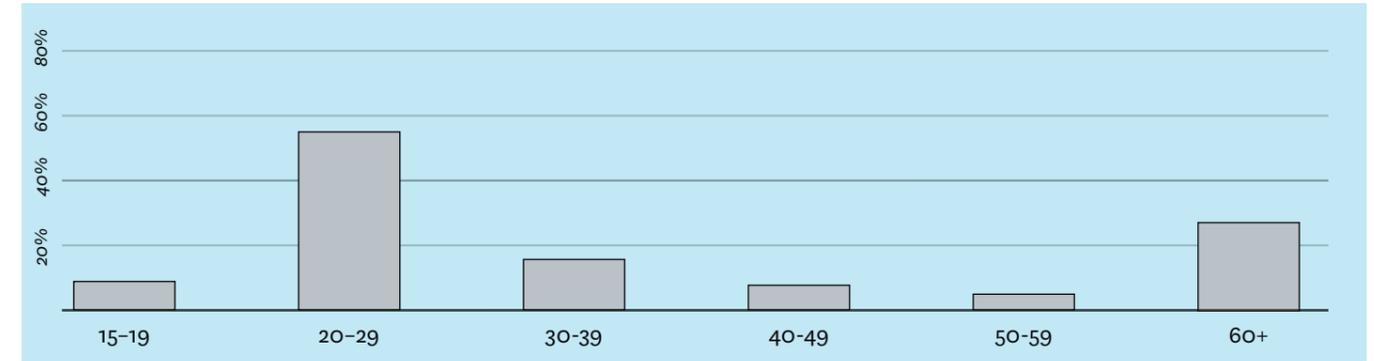
The gender split in the snowsport industry in 2017 was approximately 60% male and 40% female.



AGE

The industry has a young age profile, with those under the age of 29 years making up 55% of the industry in 2017. People over the

age of 50 years also made up approximately 32% of the workforce in 2017.

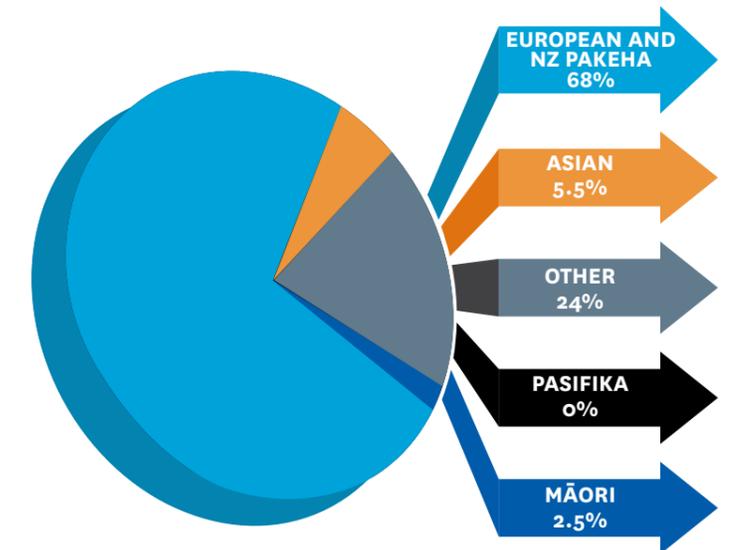


ETHNICITY

In 2017, the industry reported that, on average, some 68% of staff identified as New Zealand Pakeha or European. The survey did not differentiate between the two, so the total percentage represents people from Europe, and those who identify as New Zealand Pakeha.

Those who identify as Māori made up 2.5% of the workforce in 2017; Pasifika people 0%; and Asian people 5.5%. Those who identified with another ethnicity made up 24% of the workforce.

The industry identified issues surrounding the ability to attract long-term Kiwi staff, due to seasonality. Many people come from overseas to work in the industry for the New Zealand winter. This is reflected in the high percentage of those represented in the European and 'other' category.



Impact

International tourists who come to New Zealand to ski and snowboard typically also take part in other tourism activities as part of their visit, including bungy jumping, boat cruises, abseiling and cultural experiences.¹⁰²

The Queenstown Lakes district, home to three of the country's biggest ski fields, saw about \$2 billion in international visitor spending in the year to June 2017, and another \$1 billion in domestic visitor spending. The Ruapehu area saw about \$1 billion in spending from international and domestic tourists.¹⁰³

New Zealand has consistently recorded more than one million skier visits per annum since the early 2000s. In 2016, the country's alpine resorts saw a total of 1.427 million overseas skier visits, up from 1.397 million the year before.¹⁰⁴ According to the

same research, there were approximately 306,000 domestic ski tourists during that period, who averaged three mountain visits each.¹⁰⁵

Australians make up the biggest subset of international visitors to New Zealand alpine resorts, followed by Britons.¹⁰⁶ In 2012, Australians accounted for 28% (364,000 visits) of the total 1.3 million visits to our ski areas.¹⁰⁷ The NZ Ski group of resorts alone (Coronet Peak, the Remarkables and Mt Hutt) are reported to attract over 500,000 visitors a year.¹⁰⁸

Some 6.9% of New Zealand men and 5.5% of New Zealand women reported skiing or snowboarding in the past 12 months, according to a 2013/14 survey.¹⁰⁹

Trends/Issues/Risks

POLITICAL

Immigration and shortages of qualified staff

Trained and experienced ski resort staff, particularly domestic candidates, are in short supply. Snowsport employers are facing hurdles to bring in overseas recruits, and visa processing times can delay start times.¹¹⁰ This may increase with the new immigration policy.

ECONOMIC

Budgeting for infrastructure renewal

The 2017 season has seen new gondolas, chairlifts, snowmaking resources and additional transport services to get more customers up the mountain. Operators are under constant pressure to attract more visitors over longer periods, through growing and enhancing their services.^{113, 114, 115}

Iwi settlements

Treaty of Waitangi settlements continue to be finalised, including

SOCIAL

Seasonal visitor surges

As crowds flock to the mountains, they can put acute pressure on resources. Operators and local authorities have to balance the

TECHNOLOGICAL

Snowmaking gains

Commercial ski areas are looking to advances in snowmaking to help counteract the season-shortening effects of climate change. Both Whakapapa and Coronet Peak opened earlier in 2017, thanks to new snowmaking equipment.^{120, 121}

Public expectations around the management of precious resources

Commercial fields are increasingly required to demonstrate their commitment to sustainable use of New Zealand's prized alpine landscape.^{111, 112}

in regions with alpine resources. The \$25 million Tuwharetoa settlement in 2017 will mean changes to Department of Conservation operations on Mt Ruapehu.^{116, 117}

Cost of living

The combination of ski fields being based in high-cost living areas, and a comparatively low-wage industry, means it can be difficult to attract and retain skilled staff.¹¹⁸

services offered to tourists, such as free 'park-and-ride', with the needs of locals who expect to continue to be able to access local infrastructure.¹¹⁹

Social media on the mountain

Ski resorts are at the forefront of social media marketing, using a range of channels and methods to appeal to snow fans with photos, videos, competitions, live streams and more.

Training environment

The seasonal nature of employment means that all training must be designed to be completed within the 16-week season, while still being relevant to specific job roles. For this reason, much of

the training that takes place in the industry is technical in nature and is delivered on-job.

BARRIERS TO INDUSTRY TRAINING AND QUALIFICATION COMPLETION¹²²

Many barriers relate to the fact that the majority of the industry's employment is seasonal:

- Due to staff working only 16 weeks per year, they may not see the value of investing time into training for qualifications

- High staff turnover, with an average return rate of 35% from one season to the next, means it can be costly for employers to retrain the workforce each year

- Access to, and availability of relevant training.

CURRENT AND FUTURE SKILL NEEDS

The industry has identified the following current and future skill gaps:¹²³

- Technical skills, like boot fitting and grooming
- Skills to carry out technical and electrical work

- Training in new technology

- Tikanga and te reo Māori.



Trevor Brunton
Head of Lift, Retail and Rental Departments at Mt Hutt Ski Area

One of the main issues for the workforce is the high staff turnover. We lose a lot of the staff because of the seasonality of the work.

In some departments, close to 70% of our staff are on working holiday visas. It is difficult for us to keep those international workers, as it can be difficult for them to come back and get a second visa.

It is really difficult to attract locals to work in the industry, because the work is seasonal and the wages are low.

Visa issues also make it difficult for the locals to get to the rest of the world and continue doing seasonal work backwards and forwards, chasing winters and keeping up with their passion, because the rest of the world is building walls like we are.

¹⁰²Special interest sector statistics, Tourism New Zealand, www.tourismnewzealand.com ¹⁰³Key Tourism Statistics, Ministry of Business, Innovation and Employment, 2017 ¹⁰⁴2017 International Report on Snow & Mountain Tourism, Vanat, April 2017 ¹⁰⁵2017 International Report on Snow & Mountain Tourism, Vanat, April 2017 ¹⁰⁶Tourism 2025, Growing Value Together, Tourism Industry Aotearoa, 2014 ¹⁰⁷Tourism 2025, Growing Value Together, Tourism Industry Aotearoa, 2014 ¹⁰⁸Interview with NZ Ski CEO Paul Anderson, Acuity Magazine, December 2016 ¹⁰⁹Active NZ Survey, Sport NZ, 2013/14 ¹¹⁰Workplace Survey, Skills Active, 2017 ¹¹¹Sustainable Slopes, NZ Ski, www.nzski.com ¹¹²Ruapehu Green, Ruapehu Alpine Lifts, www.mtruapehu.com ¹¹³Chairlift opened on Mount Ruapehu, Wanganui Chronicle, May 2017 ¹¹⁴Press release: We're getting a Chondola, Cardrona, www.cardrona.com ¹¹⁵Mt Ruapehu business fights against cooling times, NZ Herald, December 2016 ¹¹⁶Māori and DOC to work closer in Ruapehu, Fairfax, July 2017 ¹¹⁷Ngāti Tuwharetoa sign treaty settlement with Crown, Radio NZ, July 2017 ¹¹⁸Workplace Survey, Skills Active, 2017 ¹¹⁹Chaos in Ohakune as visitors surge to the snow on Mt Ruapehu, Wanganui Chronicle, July 2017 ¹²⁰Press release: Ruapehu Alpine Lifts Ltd set to relaunch Happy Valley, Ruapehu Alpine Lifts, www.mtruapehu.com ¹²¹Snow-making improvements for Wanaka's Treble Cone ski area, Fairfax, March 2017

¹²²Workplace Survey, Skills Active, 2017 ¹²³Workplace Survey, Skills Active, 2017