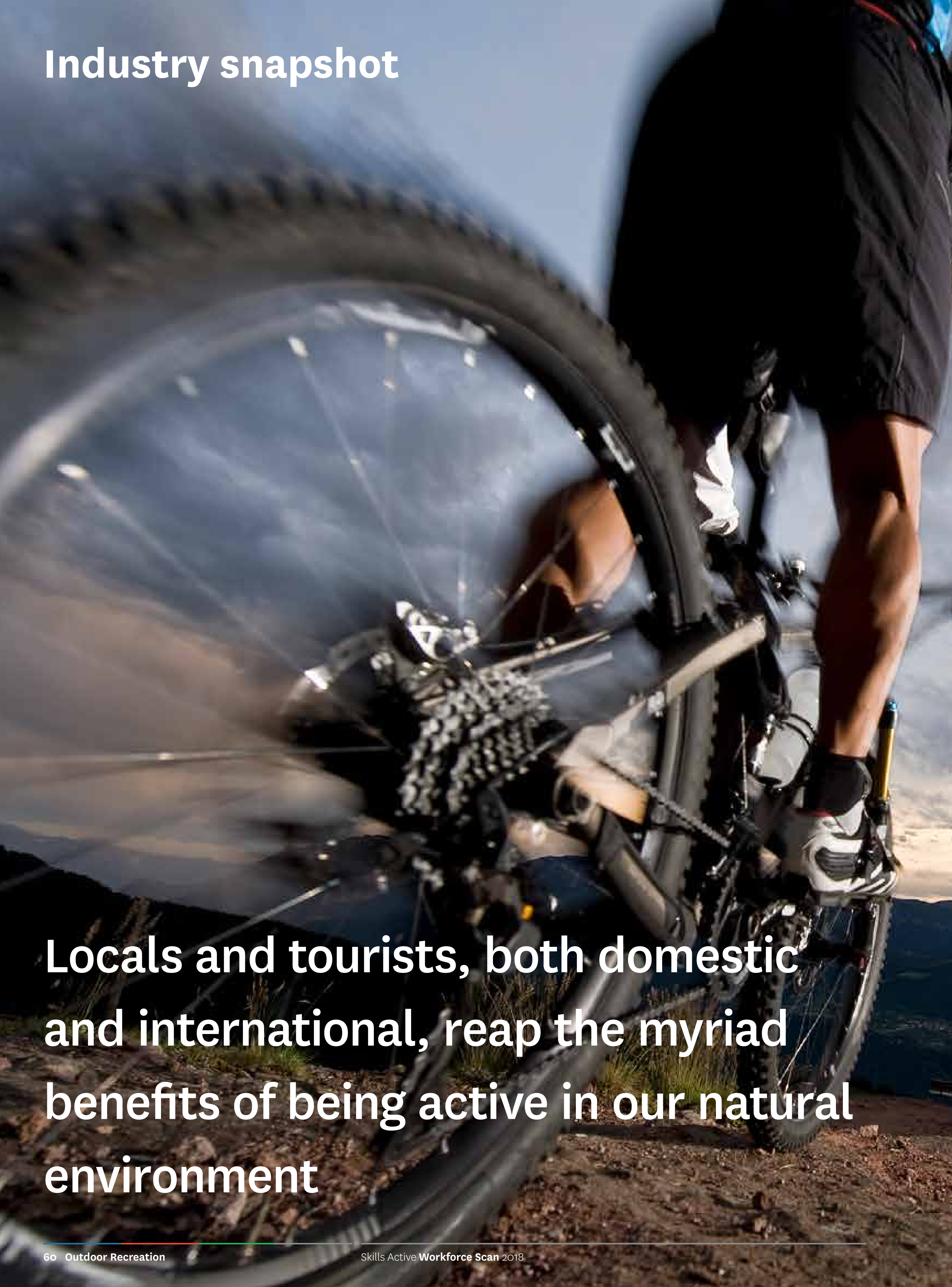
# Outdoor Recreation

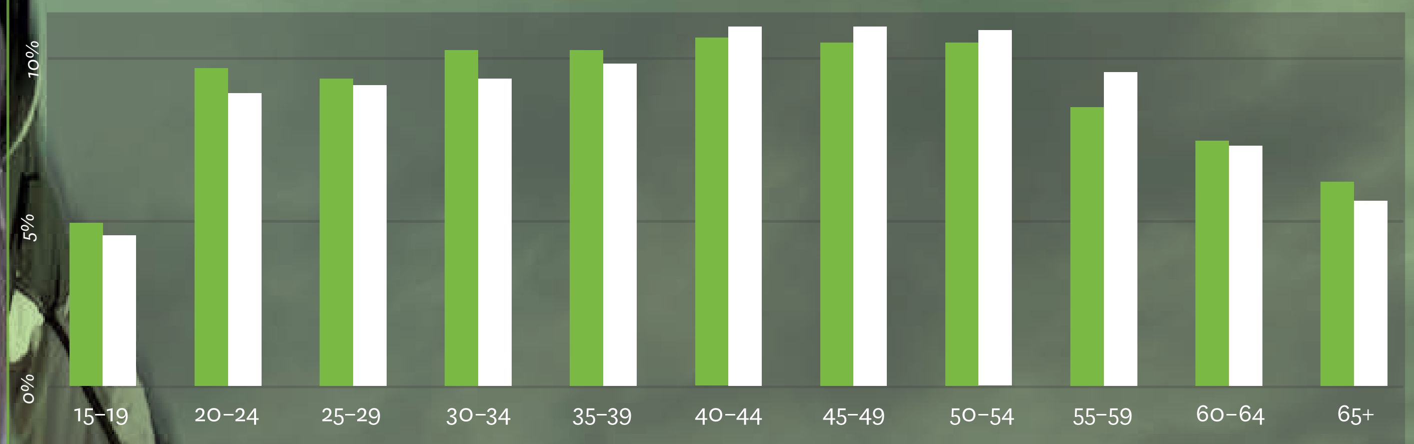
Outdoor recreation is central to the fabric of Kiwi life. The New Zealand landscape is the setting where outdoor recreation professionals guide, educate and instruct participants in a range of physical recreation activities.



# Industry snapshot

## Locals and tourists, both domestic and international, reap the myriad benefits of being active in our natural environment

### EMPLOYMENT BY AGE




Total Economy ☐ Outdoor Recreation ■

### EMPLOYMENT BY GENDER

**Outdoor Recreation**

*Male 55%* *Female 45%*

**Total Economy**

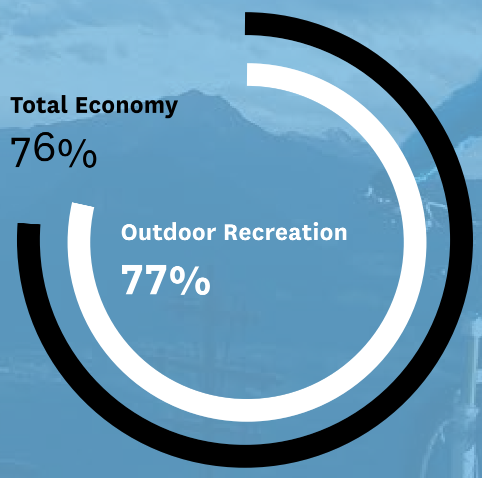
*Male 53%* *Female 47%*

### ECONOMIC CONTRIBUTION

**$727m GDP**

**0.3% of New Zealand's GDP in 2016**

### PERCENTAGE WORKING FULL-TIME - 2013




**Percent working 40 hours or more per week**

### FILLED JOBS

# Industry profile

The New Zealand landscape is the setting where outdoor recreation professionals guide, educate and instruct participants in a range of physical recreation activities.

Others use the outdoor medium for personal growth and development, corporate training, and education outside the classroom.

Locals and tourists, both domestic and international, reap the myriad benefits of being active in our natural environment. This drives the need for skilled adventure tourism guides, to ensure safety in an industry that makes a high contribution to New Zealand tourism.

In 2016, the industry comprised 2,585 business units, which is up from 2,450 five years earlier, but less than the 2,596 business units in 2015. With an average increase of 1.1% per annum over the five years to 2016, business unit growth has been slower than business unit growth in the total economy (1.5% per annum).

Many outdoor recreation businesses are incorporated societies or non-profit trusts, and often rely heavily on external funding. Many work with young people, including at-risk youth, and actively engage with those not in education, employment or training (NEETs).

## Activities provided through outdoor recreation include:

TRAMPING
CAMPING
BIKING
FISHING
HUNTING
BOATING
MOUNTAIN SPORTS
ADVENTURE TOURISM
WATER SPORTS
4WD DRIVING
HORSE RIDING
OUTDOOR EDUCATION

## The industry has three distinct groups:

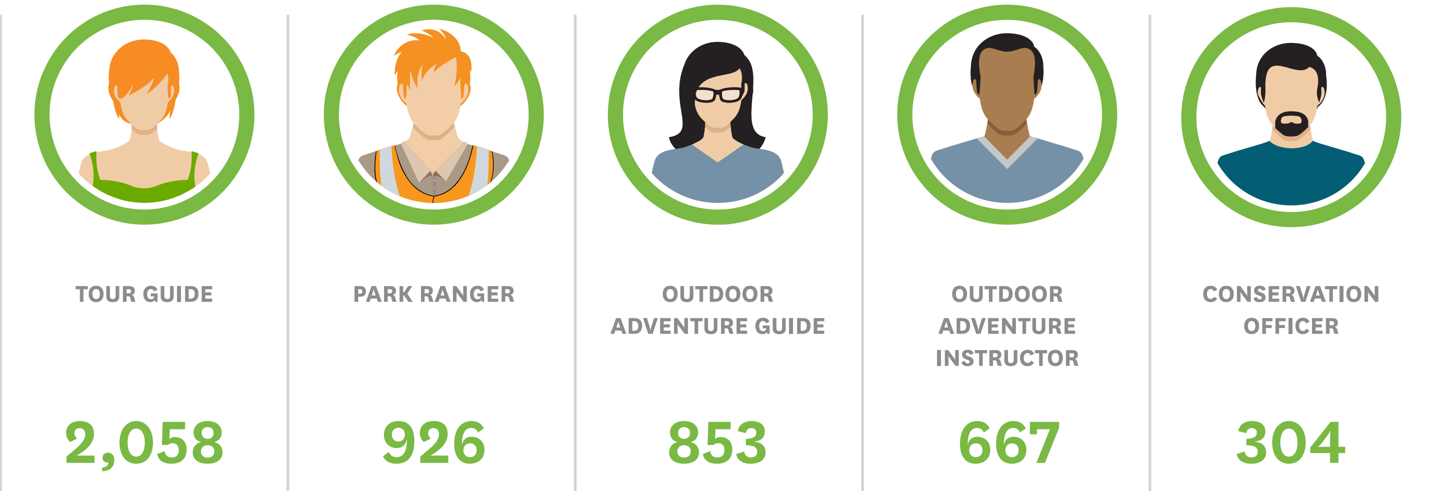
**OUTDOOR EDUCATORS**
Councils, community groups and Christian camps offering outdoor experiences; schools and tertiary providers; and non-profit outdoor centres like Hillary Outdoors, Outward Bound or Whenua Iti.

**COMMERCIAL OUTDOOR OPERATORS**
Adventure tourism operators like Ultimate Descents, Skyline Rotorua, Big Rock Canyons and Adventure Southland, and commercial guiding companies, such as Abel Tasman Guides.

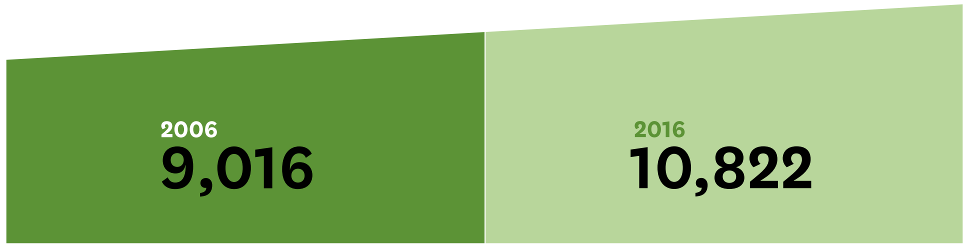
**OUTDOOR LEISURE GROUPS**
Non-profit clubs and groups like the NZ Alpine Club and Federated Mountain Clubs (FMCs); youth groups including Scouts and Guides; Council-run outdoor programmes and community groups.


# Workforce profile

## TOP FIVE JOBS BY VOLUME




## FILLED JOBS




**Employment in the industry is expected to grow by an average of 3.7% per annum over the next five years**

There were 10,822 people employed in the outdoor recreation industry in 2016, or 0.5% of the total workforce in New Zealand.

Employment growth in the outdoor recreation industry in the five years to 2016, at 1% per annum, was weaker than employment growth in the total economy (1.9% per annum).

However, in the five years to 2021, employment in the industry is expected to grow by an average of 3.7% per annum, with employment figures expected to reach 12,978 in 2021. This will require an extra 2,000 employees, not counting those who leave the industry and will need to be replaced.



# Workforce makeup

## TYPE OF EMPLOYMENT

Of those employed in the outdoor recreation industry in 2013, some 66.3% worked full-time hours. The number of full-time equivalent (FTE) employment numbers in the outdoor recreation industry grew by 3.9% from 2015 to 2016, bringing the total FTEs to 9,779.[61]

Over the past five years to 2016, the self-employment rate in the industry has increased by an average of 0.9% per annum, while the self-employment rate has only increased by 0.1% over the same period for the total economy. Despite this, the self-employment rate in the outdoor recreation industry and the total economy were both sitting at 18% in 2016.

A large number of outdoor professionals work as contractors, and may choose to work in the industry because it offers a flexible lifestyle.

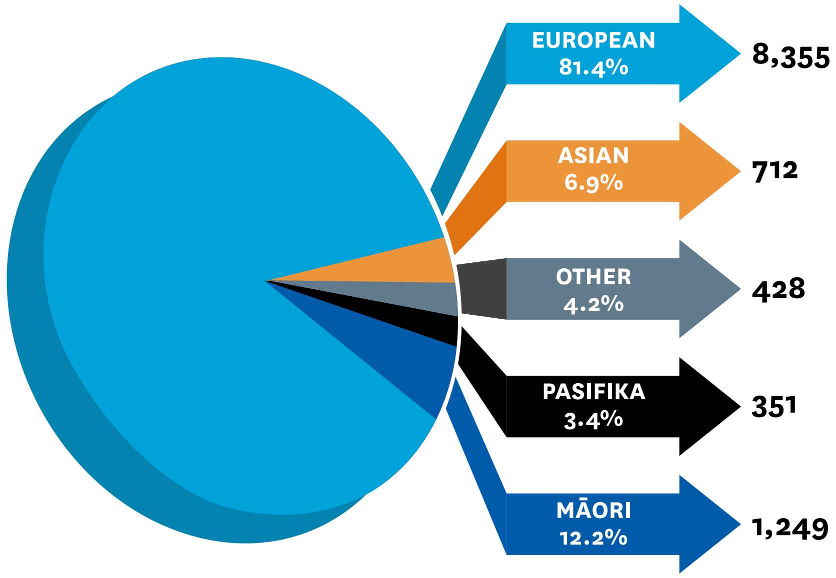
## GENDER

In 2016, females accounted for 45% of employment in the industry, which is a 2% increase from 2015, but still just less than the 47% of females who are employed in the total workforce. Males represented 55% of the industry's workforce in 2016, compared to 53% of the total workforce.


## ETHNICITY

In 2013, some 81% of people working in the outdoor recreation industry identified as NZ European/Pakeha, compared with 77% in the total workforce.

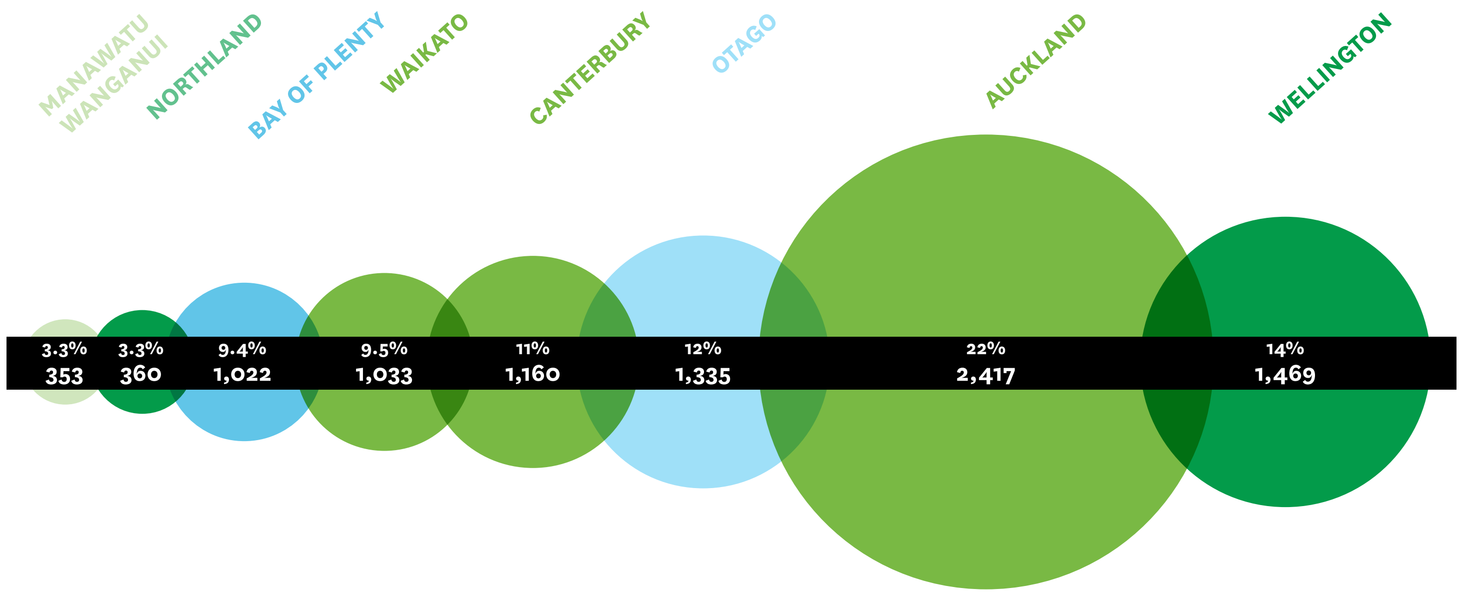
In 2013, those who identified as Māori accounted for 12.2% of the outdoor recreation workforce; this number is higher than the 11.1% of people in the total workforce who identify as Māori. Those in the industry who identify as Pasifika (3.4%) and Asian (6.9%) are under-represented compared with the total economy, where 4.9% identify as Pasifika, and 11% identify as Asian. There is a need to encourage the training of a more diverse range of ethnicities into the workforce to better reflect the demographics of outdoor recreation participants and meet the needs of a changing New Zealand population.




[61] *Full-time equivalent (FTE) employment is a way of looking at employment that takes into account the workload of people into employment. FTE employment measures the number of people in employment for 40 hours or more per week. Two people who are employed part-time are measured as one FTE. Using FTEs instead of employment to look at change over time can provide a more consistent comparison of labour resources used in employment.*

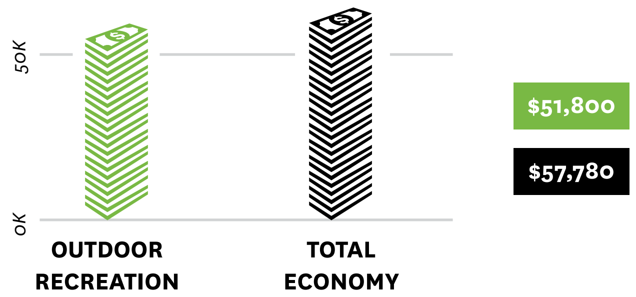
## REGIONAL EMPLOYMENT

In 2016, the Auckland region employed the highest number (22%) of the 10,822 people working in the outdoor recreation industry. Considering their size, regions such as Bay of Plenty (9.4%) and Waikato (9.5%) make a high contribution to employment in the industry.



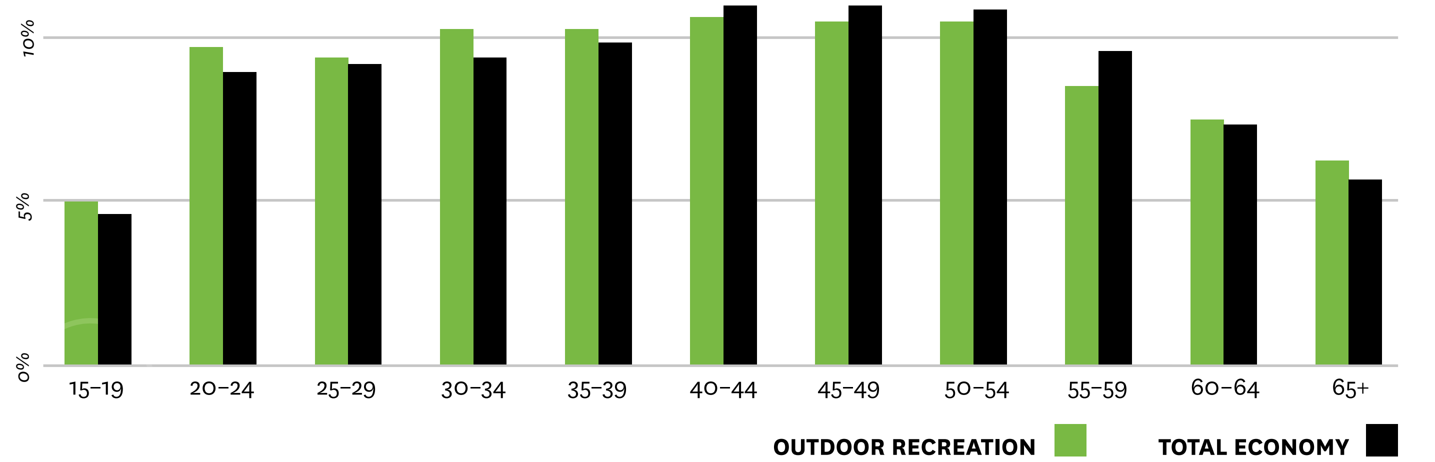

## EARNINGS

The average annual earnings of outdoor recreation professionals in 2016 were $51,800, which is lower than average earnings in the total economy of $57,780. Annual average earnings in the outdoor recreation industry grew at the same rate of 3.4% as the total economy over the past decade.



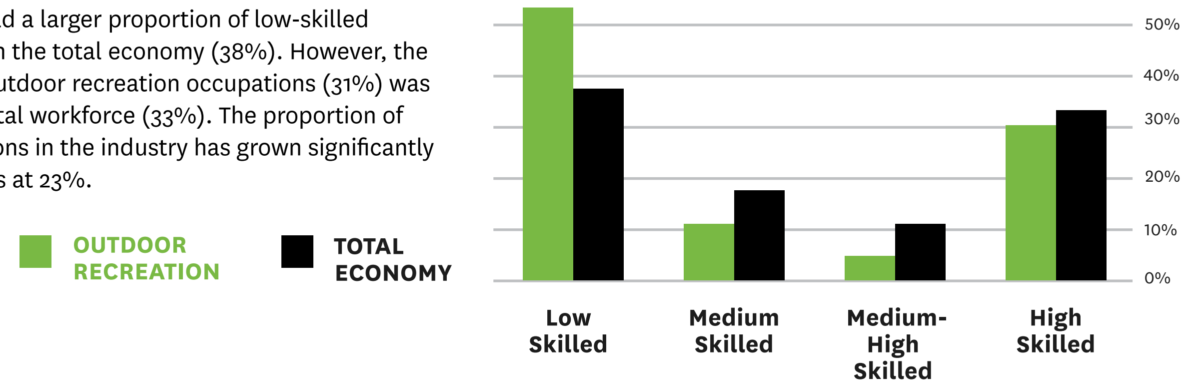

## AGE

The outdoor recreation industry has a similar age profile to the total workforce. In 2013, the average age of those working in the outdoor recreation industry was 42.6 years, compared to 43 years in the total workforce.




## SKILL LEVEL[62]

In 2016, the industry had a larger proportion of low-skilled occupations (53%) than the total economy (38%). However, the ratio of highly-skilled outdoor recreation occupations (31%) was similar to that of the total workforce (33%). The proportion of highly-skilled occupations in the industry has grown significantly since 2005, when it was at 23%.




[62] *Highly-skilled occupations typically require a bachelor degree or higher qualification. Medium-high-skilled occupations typically require an NZ Register Diploma, an Associate Degree or Advanced Diploma. Low-skilled occupations typically require an NZ Register Level 3 qualification or lower.*

# Impact

In 2016, the outdoor recreation industry contributed $727 million to the New Zealand economy, or 0.3% of GDP. This has decreased from the industry's $732 million contribution in 2015.

Outdoor pursuits like tramping, mountain biking and kayaking are growing in popularity[63] while traditional organised sports like cricket, tennis and touch rugby are seeing a decline in participation.[64] The outdoors offers New Zealanders a free or low-cost means of staying active and experiencing nature.

Fishing, tramping, canoeing/kayaking and hunting were the most popular outdoor pursuits for New Zealanders in 2013/2014, and all saw a marked increase in participation compared to five years prior.[65]

There is a strong overlap between outdoor recreation and tourism in New Zealand. In 2014/15, outdoor and adventure activities were the second most popular reason for visiting New Zealand, and 73% of international tourists reported they had spent time walking or tramping during their trip.[66]

A 2013 survey found that for every $100 each visitor spent directly on outdoor recreation, they spent another $36.62 on travel, accommodation and other trip-related expenses.[67]

**ECONOMIC CONTRIBUTION**

**$727M GDP**

**0.3% of New Zealand's GDP in 2016**

**Dave Thomas**
**Member of the Outdoor Recreation Industry Advisory Group**

A key issue facing the industry, as discussed by the Outdoor Recreation Industry Advisory Group, is workforce retention, at both entry and senior level. This is, in part, due to a high proportion of seasonal workers in the industry who see the outdoor industry as a great way to holiday and see the world, but do not necessarily see it as a sustainable career.

Part of the solution we investigated was the promotion of professionalism and development of long-term career pathways for those who are working in the industry; looking at how people can progress, and perhaps mentoring key people within businesses to step into higher roles; and creating future opportunities for them.

There is a diverse range of employment opportunities in the outdoor recreation industry. We need to increase the profile of the industry, and make it more attractive as a valid career option. We can do this through encouraging awareness of how people can engage with the industry, and what opportunities are available. This can be done at an individual, community or government level.

[63] Sport NZ ActiveNZ Survey 2013/2014 [64] Sports clubs tackle decline in player numbers, Radio NZ, July 2017 [65] Sport NZ ActiveNZ Survey 2013/2014
[66] International Visitor Survey, Ministry of Business, Innovation and Employment, 2016 [67] New Zealand Natural Outdoors: Participation and Expenditure, Horizon Research, 2013

# Trends/Issues/Risks

## POLITICAL

### Covering the costs of tourism

The previous government directed an extra $100 million in funding toward tourism infrastructure, such as carparks and toilets, in outdoor recreation hotspots – many of which have been straining under record high visitor numbers.[68] Opinions differ in the industry as to whether ongoing tourism growth should be encouraged or scaled back.[69]

### Compliance pressure

The industry continues to adjust to the new health and safety requirements, and adventure activity regulations.[70] Larger organisations with more resources have an advantage in transitioning to the new regime; however, those smaller operators that are proactively seeking guidance and updating their procedures and reporting are also successfully navigating the change.[71]

### Foreign land ownership

Some outdoor groups are expressing concern at growth in foreign ownership of high environmental-value and heritage-value land, and the impact on recreational access.[72] In 2016, some 466,000 hectares of New Zealand land was sold to overseas investors – five times more than in the previous year.[73]

### Access issues

Increased tourism means access to national parks must be balanced with the negative impacts of visitors in these areas. Treaty settlements also threaten access to outdoor spaces for personal and commercial outdoor recreation use.[74]

## ECONOMIC

### Talent supply outstripped by demand

Skilled outdoor recreation professionals are in short supply, and recruiting, whether locally or internationally, is a major challenge for the industry. Of those surveyed by Skills Active, 65% of organisations work with tertiary providers in a bid to recruit staff.[75] The largest barrier when recruiting staff is finding work-ready applicants with the appropriate skills and qualifications. Other barriers include people not wanting to live in remote locations, low pay, and the fact that much of the work in the industry is seasonal.[76]

### Schools reducing outdoor education activities

Increased costs for outdoor education services under the new health and safety regime mean that outdoor education programmes are shrinking at already stretched schools. This in turn could reduce the pipeline of young people entering careers in outdoor recreation.

### Decreased conservation funding

While tourism infrastructure funding was a major feature of the 2017 budget, this was not matched by growth in Department of Conservation funding for the construction and maintenance of key recreation assets such as walkways and bike trails.[77]

## SOCIAL

### Wellbeing in the outdoors

As in other areas of sport and recreation, the outdoor recreation industry is part of an ongoing conversation about creating wellbeing for New Zealanders. Outdoor recreation organisations are calling for greater recognition of the social and mental benefits of time spent in natural environments.[78]

### Access to unstructured play

Local authorities are emphasising the importance of development through access to green space for children and young people, and channelling resources toward more open spaces for physical recreation.[79]

### Technological

Technology plays an increasingly influential and important role in outdoor recreation and adventure. Five areas in which technology plays a significant role include: improving access and transportation in the outdoors; increasing comfort; enhancing safety; improving communication; and sharing information.

### Augmented reality in nature

Efforts to get digital-age people into the outdoors has seen an increase in the use of technology in outdoor recreation. Activities such as PokemonGo and other augmented reality challenges have had a spike in popularity.[80]

*[68]Budget 2017: Tourism Infrastructure Package, Ministry of Business, Innovation and Employment, May 2017 [69]Kiwis risk losing an 'unalienable right to wild places', Fairfax, December 2016 [70]Press release: Erosion of recreational opportunities requires clarification of HSW Act, New Zealand Recreation Association, July 2017 [71]Interview with Kyle Barnes, Caveworld, 2016 Annual Report, Skills Active [72]Press release: F&G Criticises Overseas Investment Office Hunter Valley Decision as 'Extraordinary', Fish and Game NZ, March 2017 [73]Govt denies 'big buy-up' of NZ land as figures show 466,000 hectares sold to foreigners in 2016, NZ Herald, March 2017 [74]Treaty land – keep out, Herald on Sunday, 2009 [75]Skills Active Workplace Survey, 2017 [76]Skills Active Workplace Survey, 2017 [77]Press release: NZRA concerned about $2M decrease in recreation spending, New Zealand Recreation Association, May 2017 [78]Advocacy Priority One: Greater Recognition of the Economic and Social Value of Recreation, New Zealand Recreation Association, www.nzrecreation.org.nz [79]Tākaro – Investing in Play Discussion Document, Auckland Council, www.shapeauckland.co.nz [80]Press release: Dinosaur Eggs and Kitten Catching a hit in Wellington Parks, New Zealand Recreation Association, August 2016*



# Training environment

In 2013, some 47.9% of people employed in the outdoor recreation industry had a level 4 qualification or higher, compared with 45.7% of people in the national labour force. In 2013, only 11.2% of outdoor recreation professionals had no qualifications at all, compared with 13.4% in 2006.

With a wide range of highly technical roles and industry-specific skills, and a large volunteer base, on-job training is a key component of workforce development for outdoor operators.

## BARRIERS TO INDUSTRY TRAINING AND QUALIFICATION COMPLETION

For many of the small businesses and non-profit organisations in the industry, the major barrier to training and qualifying staff is cost.

Other barriers include:

- Access and availability of suitable trainers and assessors
- High turnover of staff and volunteers
- Commitment by staff and volunteers to undertake training and complete their qualifications.

The industry struggles to find qualified outdoor education teachers, guides, instructors, coaches and retail and support staff. Respondents to the Skills Active Workplace Survey listed skills shortages, isolation, seasonal and part-time work, and low pay as some of the key barriers to filling these roles.[81]

## CURRENT AND FUTURE SKILL NEEDS

Outdoor recreation employers want to see more training in the following skill sets:

- Marketing and sales
- Customer service
- New technology
- Management and supervision
- Tikanga and te reo Māori.


*[81]Skills Active Workplace Survey, 2017*