Canterbury IT Job Market Overview

September 2019

The 2018 TIN Report* found that high-tech manufacturing is still the biggest contributor to this region's total tech revenue income, with revenues growing by 4.8% and contributing 75% to this region's turnover in FY2018. The ICT sector may be smaller but is starting to pack a punch as it is growing at a tremendous rate (17.4% for FY2018) accounting for 23.1% of the Canterbury/Upper South Island's total $879m TIN200 revenue.

While the tech sector is showing solid growth, Christchurch businesses are reporting that it is tough out there, with talent often in short supply and budget constraints making it hard to attract and retain tech talent. From our survey it is clear that there is also a severe shortage of digital and agile talent in this region, a trend that we are observing across New Zealand.

IT job seekers in Christchurch rate career development and challenging work as their number one motivating factor to change jobs. Career development is a trend that we are seeing across all the regions - techs are feeling the pressure to not only keep up, but skill up as digital transformation and new disruptive technologies are continually changing the rules and job security is never guaranteed.

This can be good news for our homegrown employers, if they can offer techs opportunities to grow their skills and work on interesting projects that are giving back to the future of New Zealand, they may be able to attract and retain talent that would normally pass them by.

*The annual TIN Report quantifies the economic significance of New Zealand’s technology industry by capturing key data on the country’s top 200, revenue earning, high-tech companies and reporting analysis on the 500+ companies surveyed each year. Companies need to generate at least 10% of their earnings offshore.
Key Findings

Almost a fifth of employers are saying that attracting and retaining IT talent is getting harder year on year in Christchurch. Over the last two years 'new projects' is still the biggest driver for hiring IT staff in the region. It is also clear that digital transformation is affecting internal recruitment needs. Not only are businesses taking on new projects, but the second highest recruitment driver is an increased demand of IT from their businesses.

IT techs are stating that it is not all about money for them, they are looking for career development and challenging work. The most popular reason why 51% want to change jobs this year is 'career development' (29%) followed by 'skills not being used' (15%), while 'better income' (12%) takes up the third spot.

Industry split

In the Christchurch/Canterbury region the private sector makes up 72% of the IT employers and the public sector makes up 28% of the IT employers.

Skills in demand

Software Development tops the list as the most in-demand skill set from IT employers in Christchurch. Business Analysis and Support/Help Desk skills make out the rest of the top five skills-in-demand.

Salary increases for 2019

The majority of IT employers (62%) plan to pay an increase this year, 38% are unsure if they will do so.
**Skills**

Overall the top 10 skills most prevalent among Christchurch's job seekers are:

- Software Development
- System Administration
- Testing/QA
- Support/Helpdesk
- Management
- Web development
- Business Analysis
- Networking/Infrastructure
- Project Management
- Production & Operations

The top 10 skills that IT employers in Christchurch want to recruit are:

- Software Development
- Business Analysis
- Testing/QA
- Support/Helpdesk
- Networking/Infrastructure
- Digital/Cloud
- Project Management
- Agile
- Architecture
- Business Intelligence

**Challenges**

We cross-referenced the top ten skills-in-demand from IT employers with the skills available in Christchurch. It is clear that Business Analysis, Digital, Agile and Architecture skills are the biggest pain points for employers, with demand far outstripping supply.

- Employer demand
- Job seeker skills
- Low supply of skills

- Software Development
- Business Analysis
- Testing/QA
- Support/Helpdesk
- Networking/Infrastructure
- Digital/Cloud
- Project Management
- Agile
- Architecture
- Business Intelligence
IT Professionals in Christchurch

- Permanent: 81%
- Contract: 19%
- Full time: 92%
- Part time: 8%

17% Female

51% want to change jobs in the year ahead

Top three reasons for changing jobs:
1. Career development (29%)
2. Skills not being used (15%)
3. Improved income (12%)

Primary deciding factors when considering a new job offer
1. Better income (27%)
2. Challenging work (23%)
3. Training & development opportunities (13%)
4. Flexible hours/remote working (10%)
5. Location/travel time (7%)

Median base salary
$84,000

Median contracting rate
$80/hr

87% rate their workplace as a good place to work

84% have flexible working hours and/or remote access
91% of IT employers in Christchurch will be recruiting staff over the next 12 months.

**Key reasons employers are hiring**
1. New projects (34%)
2. Increased demand of IT from the business (31%)
3. Replacement of staff/increased customer demand (share third spot at 14%)

**Type of jobs that employers will recruit**
- Permanent jobs: 76%
- Contract jobs: 24%

**Biggest business challenge for IT employers**
Budget constraints/funding is the primary business challenge for Christchurch IT employers. Attracting and retaining staff comes in at number two and creating a positive workplace culture rounds up the top three business challenges.

**The upside for employers who offer remote working**
53% of Christchurch IT employers offer remote working.

Remote working offers tech employers a strategy to mitigate the challenges of both staff retention and budget constraints. 71% of IT employers in Christchurch say that staff retention is the primary reason to offer remote working benefits and 18% say they do it to cut overhead costs.
Work/life balance

40% of Christchurch techs rate their work/life balance as above average, 49% rate it as average and only 11% rate it as below average.

Flexible working hours, career development opportunities and remote working rate as the top non-financial benefits for techs here.