

SPORT AND REC SECTOR – SNAPSHOT

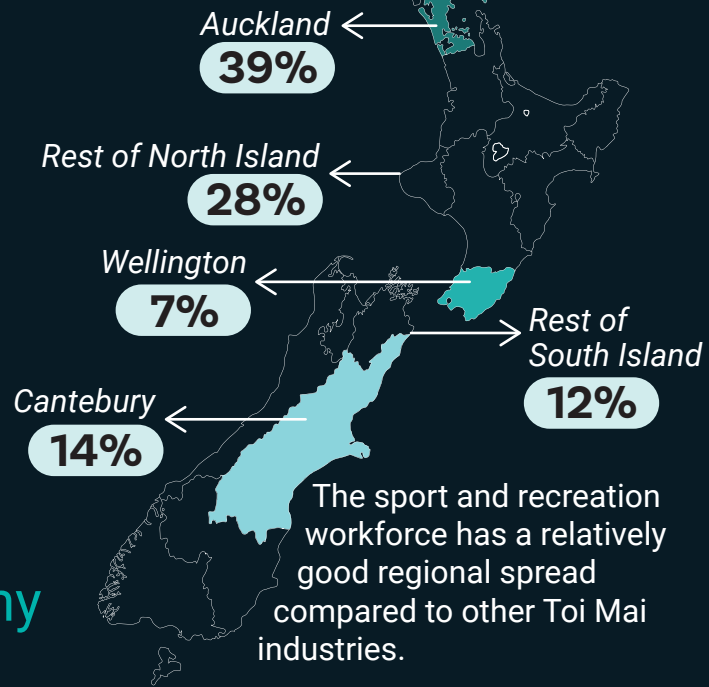
Note: The following data relates to the sport and recreation industries that Toi Mai represents

VALUE OF THE SECTOR

\$4.8bn

economic contribution or 1.35% of NZ's GDP in 2022

BUSINESSES BY REGION



GROWTH OF THE INDUSTRIES

4.1%

Sport and Rec

VS

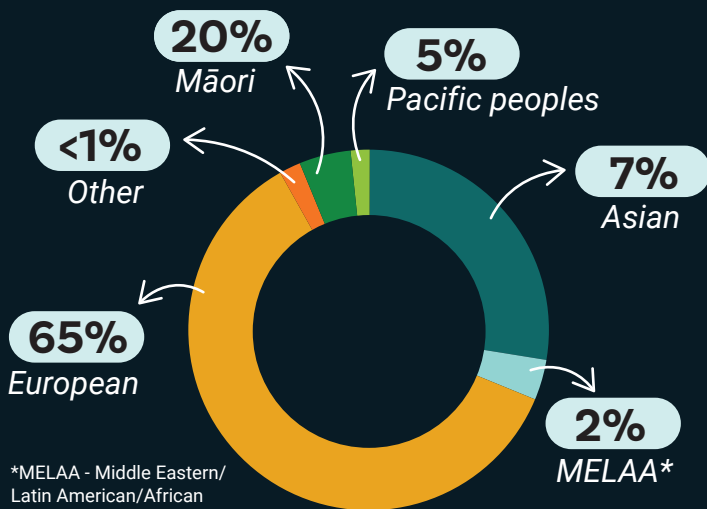
VS

3.2%

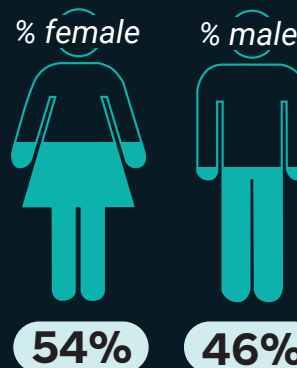
General Economy

Average GDP growth, 2015–2022

ETHNICITY BREAKDOWN

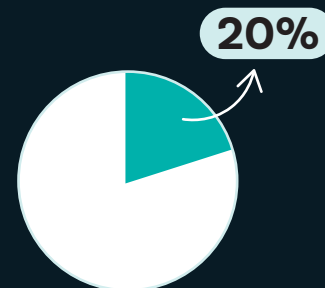


GENDER BREAKDOWN



*No data on gender diversity is available

VISA HOLDERS



20% of the workforce are visa holders (incl. work, resident, and student).

WORKFORCE SIZE IN 2022

34,252

Number of individuals

AGE BREAKDOWN



A relatively young workforce

Industries covered:

- Sports and physical recreation clubs and professionals
- Sports and physical recreation venues, grounds, facilities and administrative operation
- Gym/fitness centre operation
- Amusement parks and other recreation
- Nature reserves and conservation parks operation

Data sources:

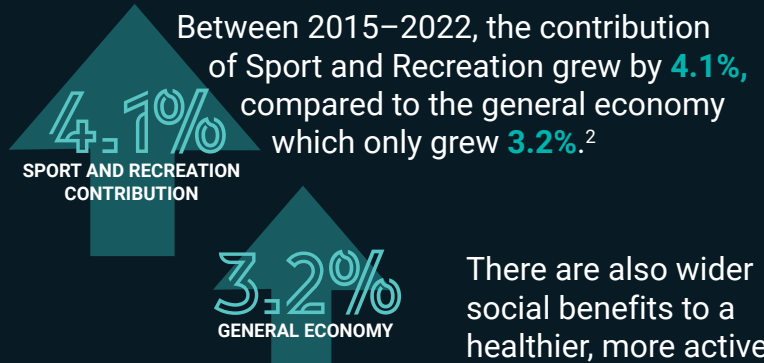
- Infometrics Toi Ora – Sport and Recreation Profile, 2022
- Te Mata Raraunga, Workforce Skills Data and Insights, 2023
- Integrated Data Infrastructure, 2022

Sport and recreation delivers a range of economic and social benefits, as well as a sense of pride and community to New Zealanders...

1 THE DIRECT ECONOMIC CONTRIBUTION OF SPORT AND RECREATION IS HIGH AND GROWING

\$4.8bn

Our Toi Mai Sport and Rec sector accounted for **\$4.8bn** of economic contribution, or **1.35%** of NZ's GDP in 2022.¹



There are also wider social benefits to a healthier, more active Aotearoa.

2 THERE ARE ALSO WIDER SOCIAL BENEFITS TO A HEALTHIER, MORE ACTIVE AOTEAROA

Research shows that reducing presenteeism leads to a more productive economy.³



Sports and recreation also plays an important role in reducing public expenditure on health, by preventing disease and aiding rehabilitation and recovery.⁴



According to Sport NZ, for every **\$1** invested in recreational physical activity, **\$2.12** worth of social impacts are generated.⁵



SOCIAL IMPACTS

3 A THRIVING OUTDOOR RECREATION INDUSTRY IS ESSENTIAL FOR SUPPORTING TOURISM AND REGIONAL ECONOMIC DEVELOPMENT

Sport and recreation has the most regional spread of all of our Toi Mai sectors – highlighting the opportunity to aid regional development.⁶



A thriving outdoor recreation industry is essential for supporting tourism.



¹ Infometrics, 2022

² Infometrics, 2022

³ RAND Corp., 2019

⁴ Sport NZ, 2022

⁵ Sport NZ, 2022

⁶ IDI, 2022

...however, high churn hinders the development of this sector

1 SPORT AND RECREATION OFFERS MANY ENTRY-LEVEL OPPORTUNITIES

Of new entrants in 2022, **14%** came straight from secondary school and only **25%** held a Bachelors or above degree.⁷

14%

Secondary school



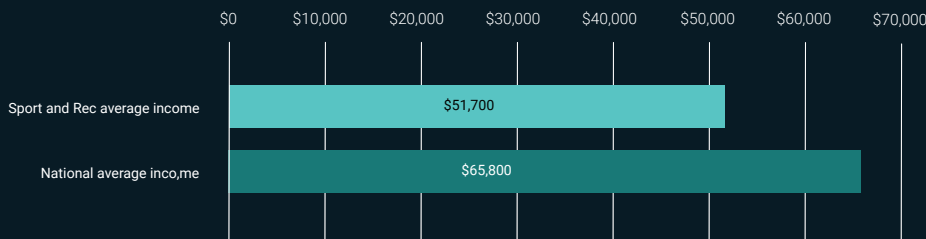
25%

Bachelors degree or above

A lot of roles in this sector are seen as entry-level, transition roles (e.g. lifeguard, sports centre admin).



2 HOWEVER, THERE IS A LACK OF CAREER DEVELOPMENT OPPORTUNITIES AND POOR REMUNERATION



The average income is only **\$51,700** compared to the national average income of **\$65,800** in 2021.⁸

Engagements with industry have also told us that there are low opportunities for upwards mobility in certain industries such as in exercise, sports coaching and outdoor recreation.



3 THE RENT-TO-WORK MODEL IN EXERCISE PRESENTS BARRIERS TO NEW ENTRANTS

The rent-to-work model for the exercise industry provides many barriers to early-entrants such as the upfront costs of getting started, and the pressure to get clients and generate income.



Our research shows that **53%** of industry leavers are not leaving for higher incomes, showing that income is not the only motivator for leaving industries.⁹

4 LEADING TO HIGH CHURN

60%

The data tells us that **60%** of the workforce leaves before their **first 2 years** of employment in the industry.¹⁰

53%

Of those that leave, **80%** change industries¹¹

80%



The loss of institutional knowledge coupled with a young, inexperienced workforce makes it difficult to reach a mature system.

⁷ IDI, 2022

⁸ Infometrics, 2022

⁹ IDI, 2022

¹⁰ Te Mata Raraunga, 2023

¹¹ Te Mata Raraunga, 2023

We need to address that some graduates are not coming out of vocational education and training work-ready

1 QUALIFICATIONS HAVE NOT ALWAYS MET INDUSTRY NEEDS



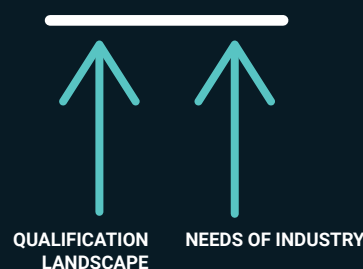
554

There are **554** recreation unit standards, which account for **53%** of our Toi Mai standards. However, many are not being used and have been expired.¹²

53% Toi Mai standards



We need to ensure there is alignment between the qualification landscape with the needs of industry. We are already undertaking work in this space.



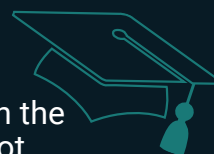
2 TRAINING FOR OUTDOOR RECREATION EXPERIENCES A LOT OF ISSUES



Industry has told us there has been an increase in classroom-based teaching due to a lack of funding for provision...



...those learning in the classrooms are not work-ready when they graduate, as many have little practical experience.



For practical learning, there is a maximum ratio of **1:4 teachers to learners** for H&S reasons but this is often too expensive for providers. This results in graduates not having the practical skills required to work in the industry.



¹² Toi Mai, 2023

DISCLAIMER FOR STATS NZ DATA

Access to the data used in this study was provided by Stats NZ under conditions designed to give effect to the security and confidentiality provisions of the Data and Statistics Act 2022. The results presented in this study are the work of the author, not Stats NZ or individual data suppliers.

These results are not official statistics. They have been created for research purposes from the Integrated Data Infrastructure (IDI) and Longitudinal Business Database (LBD) which are carefully managed by Stats NZ. For more information about the IDI and LBD please visit <https://www.stats.govt.nz/integrated-data/>

The results are based in part on tax data supplied by Inland Revenue to Stats NZ under the Tax Administration Act 1994 for statistical purposes. Any discussion of data limitations or weaknesses is in the context of using the IDI for statistical purposes, and is not related to the data's ability to support Inland Revenue's core operational requirements.

FULL REFERENCE LIST

Infometrics. (2023) Toi Ora Profile. Available at: <https://industry.infometrics.co.nz/12150/Toi%20Ora%20%E2%80%93%20Sport%20and%20Recreation/>

Sport New Zealand. (2022) Social Return on Investment (SROI) of Recreational Physical Activity in Aotearoa New Zealand. Available at: https://sportnz.org.nz/media/nhqbuato/sroi-new-zealand-summary-report-6_17.pdf

RAND Corporation. (2019) The economic benefits of a more physically active population: An international analysis. Available at: https://www.rand.org/pubs/research_reports/RR4291.html

Te Mata Raraunga (2023). Sector Insights. Available at: <https://www.workforceskills.nz/sector-insights/toi-mai/>