

2012

WHANGAREI

annual economic profile

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ECONOMY

How fast has Whangarei's economy grown?

The New Zealand economy expanded by 2.3% in the March 2012 year. Economic growth was boosted by the agricultural sector, which grew by 30% over the year. Much of this growth was from the dairy sector which experienced one of its best years ever with high international prices and favourable weather conditions.

Spending in the domestic economy continued to gradually recover during the year to March 2012. Private consumption climbed 2.0% on the back of Rugby World Cup related spending and increased purchases of durable goods, more than offsetting cutbacks in private and public investment. The flood of milk from a buoyant dairy sector helped sustain growth in exports, at a time when import growth began to moderate.

This section measures economic performance in Whangarei during the year to March 2012 and previous years. All GDP estimates are measured in constant 1995/96 prices.

- GDP in Whangarei measured \$1,971m in the year to March 2012, up 3.6% from a year earlier. New Zealand's GDP increased by 2.3% over the same period.
- Economic growth in Whangarei averaged 2.2%pa since 2001 compared with an average of 2.5%pa in the national economy.
- Since 2001 growth in Whangarei reached a high of 6.1% in 2006 and a low of -2.7% in 2003.
- Whangarei accounted for 1.4% of national GDP.

Figure 1. GDP growth (year to March 2012)

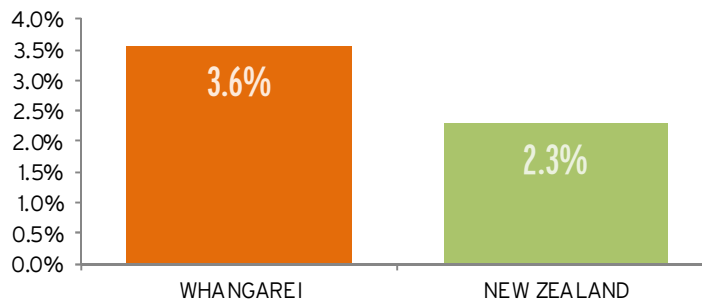


Figure 2. Annual average GDP growth (2002-2012)

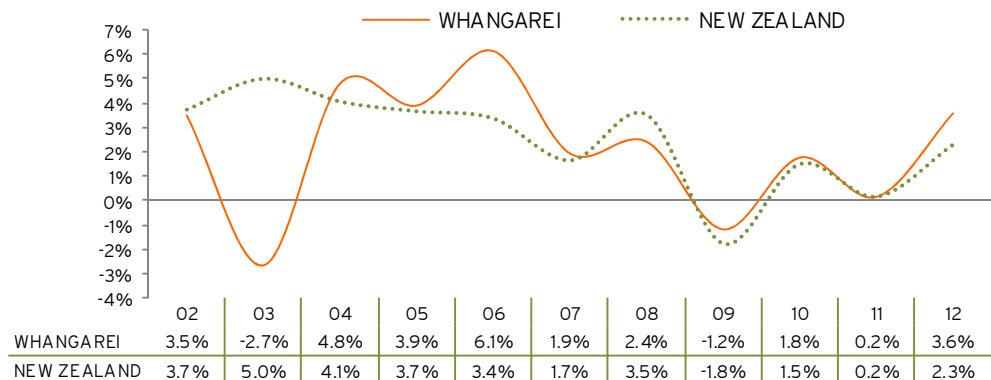


Figure 3. GDP growth last 1, 2, 5 and 10 years

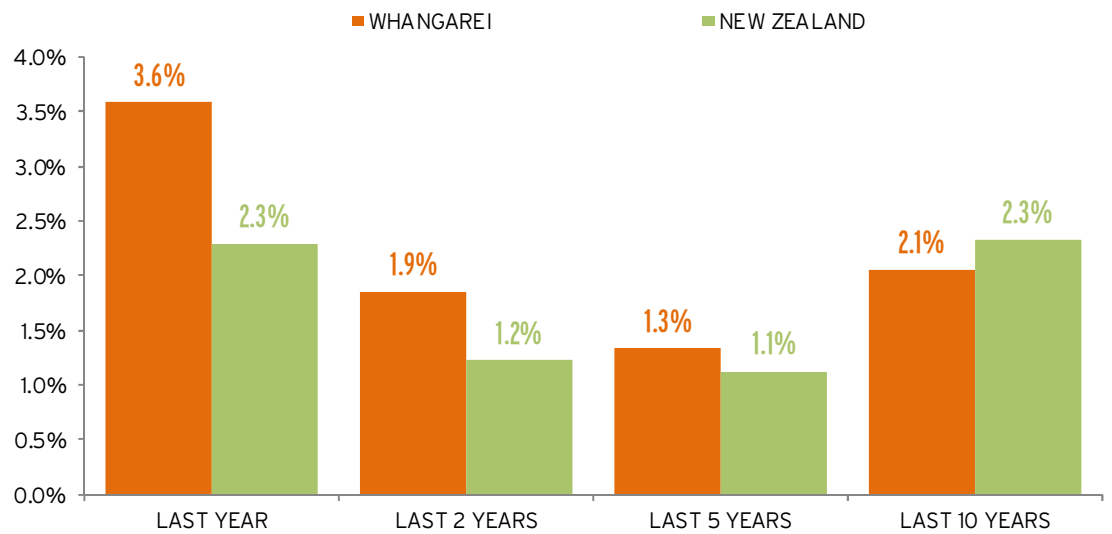


Figure 4 shows how Whangarei's GDP growth compares with other districts in New Zealand. It shows which growth decile Whangarei is placed over the past one, two, five and ten year periods. Decile one contains the 10% of districts with the fastest growth rates while decile ten contains the 10% with the lowest growth rates.

- Whangarei's GDP growth of 3.6% in the year to March 2012 ranked it number 36 among the 66 territorial authorities in New Zealand. This ranking put it in the sixth growth decile (decile one = fastest 10% of TAs, decile ten = slowest 10%).
- Over the past two years GDP in Whangarei grew by an average of 1.9%pa ranking it number 29 (decile 5).
- Over the past five years GDP in Whangarei grew by an average of 1.3%pa ranking it number 32 (decile 5).
- Over the past ten years GDP in Whangarei grew by an average of 2.1%pa ranking it number 30 (decile 5).

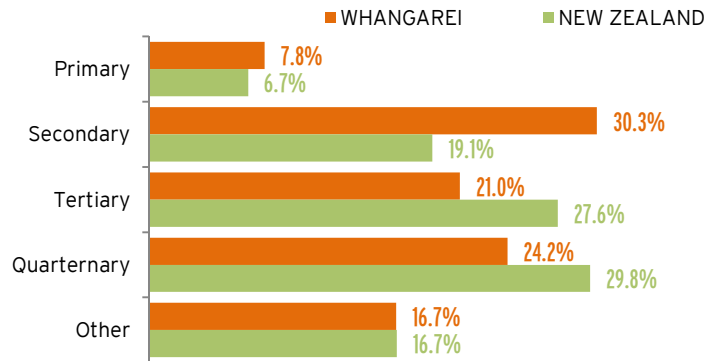
Figure 4. GDP growth decile rankings: last 1, 2, 5 and 10 years

Decile	Last year	Last 2 years	Last 5 years	Last 10 years
1 Fastest 10%				
2				
3				
4				
5		Whangarei	Whangarei	Whangarei
6	Whangarei			
7				
8				
9				
10 Slowest 10%				

What is the industrial structure of Whangarei's economy?

This section describes the structure of the economy in terms of the broad sectors: primary, secondary, tertiary and quarternary. The primary sector makes direct use of natural resources. It extracts or harvests products from the earth. The secondary sector produces manufactured and other processed goods. The tertiary sector includes the lower value-adding service industries while the quarternary sector includes the higher value-adding, knowledge-based service industries. A full definition of the sectors is given in the technical appendix.

Figure 5. Share of total GDP (2012)



- Secondary industries accounted for the largest proportion of GDP (30.3%) in Whangarei, which is higher than in the national economy (19.1%).
- Quarternary industries accounted for 24.2% of GDP which was lower than for New Zealand as a whole (29.8%)
- Tertiary industries accounted for 21.0% compared with 27.6% in the national economy.
- Primary industries accounted for the smallest proportion in Whangarei: 7.8% compared with 6.7% in the national economy.

Table 1. 1-digit industries ranked by contribution to GDP (2012)

Rank	Industry	Whangarei		New Zealand
		GDP (\$ m)	% of total	% of total
1	Manufacturing	478	24.3%	12.8%
2	Agriculture, Forestry and Fishing	150	7.6%	5.9%
3	Health Care and Social Assistance	133	6.8%	5.2%
4	Retail Trade	104	5.3%	5.1%
5	Transport, Postal and Warehousing	89	4.5%	5.2%
6	Public Administration and Safety	87	4.4%	4.1%
7	Professional, Scientific and Technical Services	80	4.1%	6.3%
8	Rental, Hiring and Real Estate Services	73	3.7%	5.6%
9	Construction	73	3.7%	4.2%
10	Information Media and Telecommunications	70	3.5%	6.1%
11	Education and Training	58	3.0%	3.2%
12	Wholesale Trade	50	2.5%	5.5%
13	Financial and Insurance Services	49	2.5%	4.8%
14	Electricity, Gas, Water and Waste Services	46	2.3%	2.2%
15	Administrative and Support Services	39	2.0%	1.7%
16	Other Services	30	1.5%	1.9%
17	Accommodation and Food Services	20	1.0%	1.5%
18	Arts and Recreation Services	9	0.5%	1.2%
19	Mining	4	0.2%	0.8%
	Ownership of owner-occupied dwellings	172	8.7%	6.8%
	Unallocated	157	8.0%	9.9%
Total		1,971	100.0%	100%

- Manufacturing was the largest industry in Whangarei in 2012 accounting for 24.3% of total GDP.
- The second largest industry was agriculture, forestry and fishing (7.6%) followed by health care and social assistance (6.8%).
- The industry most highly represented in Whangarei relative to the national economy is manufacturing. This industry contributes 24.3% to the district's economy compared with 12.8% to the national economy.
- The next most highly represented industries are agriculture, forestry and fishing (7.6% compared to 5.9% nationally) and health care and social assistance (6.8% compared with 5.2% nationally).

Figure 6. Share of total GDP (2012)

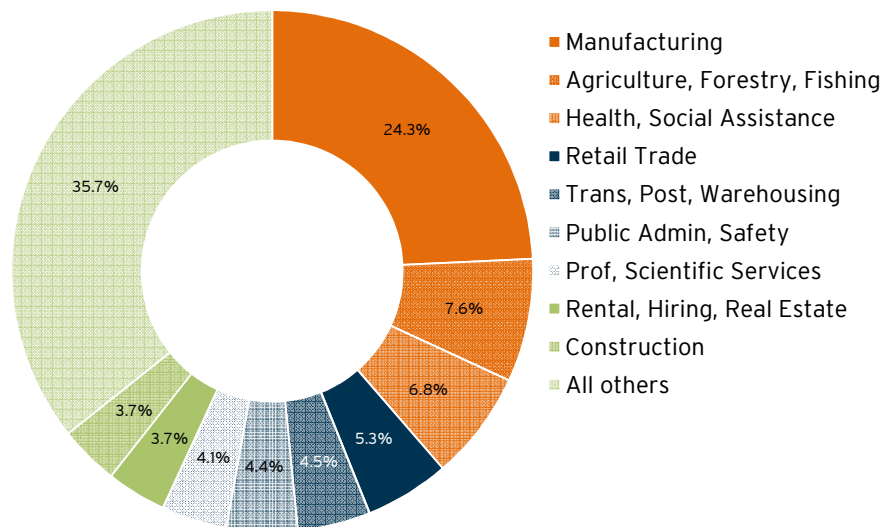


Table 2 on the following page shows 54 industries ranked according to their contribution to GDP. These industry categories are used by Statistics New Zealand in the national accounts. They are a mix of various levels of industries on the ANZSIC-06 classification.

Table 2. GDP by 54 industry categories (2012)

Rank	Industry	Whangarei		New Zealand
		GDP (\$ m)	% of total	% of total
1	Petroleum and Coal Product Manufacturing	336	17.0%	1%
2	Health Care and Social Assistance	133	6.8%	5.2%
3	Professional, Scientific and Technical Services	80	4.1%	6.3%
4	Central Government Administration, Defence and Public Safety	74	3.7%	3.6%
5	Dairy Cattle Farming	72	3.7%	2.4%
6	Other Store-Based Retailing and Non Store Retailing	64	3.3%	3.3%
7	Property Operators and Real Estate Services	58	3.0%	4.3%
8	Education and Training	58	3.0%	3.2%
9	Dairy Product Manufacturing	51	2.6%	13%
10	Wholesale Trade	50	2.5%	5.5%
11	Telecommunications, Internet and Library Services	45	2.3%	5.2%
12	Forestry and Logging	44	2.3%	10%
13	Road Transport	44	2.2%	16%
14	Postal, Courier Transport Support, and Warehousing Services	39	2.0%	2.2%
15	Administrative and Support Services	39	2.0%	17%
16	Electricity and Gas Supply	37	1.9%	15%
17	Construction Services	37	1.9%	2.4%
18	Finance	34	1.7%	3.3%
19	Other Services	30	1.5%	19%
20	Heavy and Civil Engineering Construction	27	1.3%	12%
21	Information Media Services	25	1.3%	10%
22	Supermarket, Grocery Stores and Specialised Food Retailing	23	1.2%	1%
23	Wood Product Manufacturing	23	1.2%	0.8%
24	Accommodation and Food Services	20	1.0%	15%
25	Non-Metallic Mineral Product Manufacturing	17	0.9%	0.5%
26	Sheep, Beef Cattle and Grain Farming	17	0.8%	12%
27	Motor Vehicle and Motor Vehicle Parts and Fuel Retailing	16	0.8%	0.7%
28	Rental and Hiring Services (except Real Estate)	15	0.8%	1.3%
29	Machinery and Other Equipment Manufacturing	15	0.7%	14%
30	Local Government Administration	13	0.7%	0.5%
31	Fabricated Metal Product Manufacturing	11	0.6%	10%
32	Building Construction	10	0.5%	0.6%
33	Arts and Recreation Services	9	0.5%	12%
34	Water, Sewerage, Drainage and Waste Services	8	0.4%	0.7%
35	Auxiliary Finance and Insurance Services	8	0.4%	0.5%
36	Insurance and Superannuation Funds	7	0.4%	10%
37	Agriculture, Forestry and Fishing Support Services and Hunting	7	0.4%	0.6%
38	Fruit, Oil, Cereal and Other Food Product Manufacturing	6	0.3%	12%
39	Rail, Water, Air and Other Transport	6	0.3%	14%
40	Horticulture and Fruit Growing	6	0.3%	0.4%
41	Transport Equipment Manufacturing	5	0.3%	0.3%
42	Mining	4	0.2%	0.8%
43	Poultry, Deer and Other Livestock Farming	4	0.2%	0.2%
44	Polymer Product and Rubber Product Manufacturing	3	0.1%	0.6%
45	Basic Chemical and Chemical Product Manufacturing	3	0.1%	0.3%
46	Textile, Leather, Clothing and Footwear Manufacturing	2	0.1%	0.4%
47	Furniture and Other Manufacturing	2	0.1%	0.2%
48	Printing	2	0.1%	0.4%
49	Seafood Processing	1	0.1%	0.2%
50	Meat and Meat Product Manufacturing	1	0.0%	10%
51	Fishing and Aquaculture	1	0.0%	0.1%
52	Pulp, Paper and Converted Paper Product Manufacturing	0	0.0%	0.8%
53	Primary Metal and Metal Product Manufacturing	0	0.0%	0.3%
54	Beverage and Tobacco Product Manufacturing	0	0.0%	0.8%
	Owner-Occupied Property Operation	172	8.7%	6.8%
	Unallocated	157	8.0%	9.9%
	Total	1,971	100.0%	100.0%

Which broad industries made the largest contribution to economic growth?

Although an industry may be growing rapidly, if it is small relative to a region's total economy its contribution to overall GDP growth may also be small. This section therefore investigates which broad industries made the largest contribution to the overall growth of Whangarei's economy taking into account their relative sizes.

- Manufacturing made the largest contribution to overall growth in Whangarei between 2011 and 2012. The industry grew by 11.4% over the year and contributed 2.6 percentage points to the district's total growth of 3.6%.
- The next largest contributor was agriculture, forestry and fishing (2.4 percentage points) followed by electricity, gas, water and waste services (0.3 percentage points).
- The largest detractor from growth over the year was information media and telecommunications which declined by 24.8% and contributed -1.2 percentage points to the total growth of 3.6%. Construction (-0.8 percentage points) and financial and insurance services (-0.3 percentage points) were the next largest detractors.

Table 3. 1-digit industries ranked by % point contribution to GDP growth (2011 -2012)

Rank	Industry	GDP		% point contribution to growth	Annual % growth
		2011	2012		
1	Manufacturing	429	478	2.6%	114%
2	Agriculture, Forestry and Fishing	106	150	2.4%	42.5%
3	Electricity, Gas, Water and Waste Services	39	46	0.3%	16.4%
4	Administrative and Support Services	35	39	0.2%	9.4%
5	Education and Training	55	58	0.2%	5.6%
6	Wholesale Trade	48	50	0.1%	5.4%
7	Retail Trade	102	104	0.1%	13%
8	Other Services	29	30	0.1%	4.0%
9	Public Administration and Safety	86	87	0.0%	1%
10	Accommodation and Food Services	20	20	0.0%	2.4%
11	Arts and Recreation Services	9	9	0.0%	-3.1%
12	Professional, Scientific and Technical Services	81	80	0.0%	-0.8%
13	Mining	5	4	0.0%	-20.2%
14	Rental, Hiring and Real Estate Services	76	73	-0.1%	-3.4%
15	Transport, Postal and Warehousing	92	89	-0.2%	-3.3%
16	Health Care and Social Assistance	137	133	-0.2%	-2.5%
17	Financial and Insurance Services	55	49	-0.3%	-10.4%
18	Construction	89	73	-0.8%	-18.2%
19	Information Media and Telecommunications	93	70	-1.2%	-24.8%
	Owner-Occupied Property Operation	171	172	0.1%	0.8%
	Unallocated	148	157	0.5%	6.4%
	Total	1,903	1,971	3.6%	3.6%

Table 4. 1-digit industries contribution to growth: last 1, 2, 5 and 10 years

Industry	Last year	Last 2 years	Last 5 years	Last 10 years
	11 to 12	10 to 12	07 to 12	02 to 12
Agriculture, Forestry and Fishing	2.4%	1.1%	-0.1%	0.0%
Mining	0.0%	-0.1%	0.0%	0.0%
Manufacturing	2.6%	1.2%	0.9%	0.5%
Electricity, Gas, Water and Waste Services	0.3%	0.1%	-0.1%	0.1%
Construction	-0.8%	-0.5%	-0.3%	0.1%
Wholesale Trade	0.1%	0.2%	0.0%	-0.1%
Retail Trade	0.1%	0.0%	0.0%	0.1%
Accommodation and Food Services	0.0%	0.0%	0.0%	0.0%
Transport, Postal and Warehousing	-0.2%	0.3%	0.1%	0.1%
Information Media and Telecommunications	-1.2%	-0.5%	0.0%	0.2%
Financial and Insurance Services	-0.3%	0.0%	0.0%	0.1%
Rental, Hiring and Real Estate Services	-0.1%	-0.2%	-0.1%	0.1%
Professional, Scientific and Technical Services	0.0%	0.0%	0.1%	0.1%
Administrative and Support Services	0.2%	0.1%	0.1%	0.1%
Public Administration and Safety	0.0%	0.3%	0.1%	0.2%
Education and Training	0.2%	0.1%	0.1%	0.1%
Health Care and Social Assistance	-0.2%	0.0%	0.2%	0.2%
Arts and Recreation Services	0.0%	0.0%	0.0%	0.0%
Other Services	0.1%	0.0%	0.0%	0.0%
Owner-Occupied Property Operation	0.1%	0.1%	0.1%	0.2%
Unallocated	0.5%	-0.2%	0.4%	0.2%
Total	3.6%	1.9%	1.3%	2.1%

- Over the past 10 years the broad industries making the largest contribution to GDP growth in Whangarei were manufacturing (0.5 percentage points), health care and social assistance (0.2 percentage points), and public administration and safety (0.2 percentage points).
- The broad industries making the lowest contributions were wholesale trade (-0.1 percentage points), mining (0.0 percentage points), and agriculture, forestry and fishing (0.0 percentage points).

Which detailed industries made the largest contribution to economic growth?

Table 5 shows a ranking of the detailed industries by their contribution to economic growth over the past year.

- Petroleum and Coal Product Manufacturing made the largest contribution to growth in Whangarei in the year to March 2012. The industry grew by 17% over the year and contributed 2.6 percentage points to the district's total growth of 3.6%.
- The next largest contributor was dairy cattle farming which contributed 1.3 percentage points followed by forestry and logging (0.9 percentage points).
- The largest detractor from growth over the year was telecommunications, internet and library services which declined by 36% and contributed -1.3 percentage points to the total growth of 3.6%. Heavy and Civil Engineering Construction (-0.4 percentage points) and construction services (-0.3 percentage points) were the next largest detractors.

Table 5. 54 industries ranked by % point contribution to growth (2011 -2012)

Rank	Industry	GDP (\$ m)		% point contribution to growth	Annual % growth
		2011	2012		
1	Petroleum and Coal Product Manufacturing	286.9	335.6	2.6%	17.0%
2	Dairy Cattle Farming	46.7	72.3	13%	54.6%
3	Forestry and Logging	27.1	44.4	0.9%	63.8%
4	Electricity and Gas Supply	317	37.1	0.3%	16.9%
5	Administrative and Support Services	35.3	38.6	0.2%	9.4%
6	Education and Training	55.1	58.2	0.2%	5.6%
7	Wholesale Trade	47.6	50.2	0.1%	5.4%
8	Information Media Services	22.4	24.7	0.1%	10.3%
9	Machinery and Other Equipment Manufacturing	12.5	14.5	0.1%	16.3%
10	Sheep, Beef Cattle and Grain Farming	15.1	16.6	0.1%	9.8%
11	Other Services	29.1	30.3	0.1%	4.0%
12	Supermarket, Grocery Stores and Specialised Food Retailing	22.4	23.5	0.1%	4.9%
13	Water, Sewerage, Drainage and Waste Services	7.4	8.5	0.1%	14.3%
14	Dairy Product Manufacturing	50.0	51.1	0.1%	2.1%
15	Central Government Administration, Defence and Public Safety	72.7	73.5	0.0%	12%
16	Rail, Water, Air and Other Transport	5.0	5.8	0.0%	15.8%
17	Fruit, Oil, Cereal and Other Food Product Manufacturing	6.0	6.5	0.0%	8.3%
18	Rental and Hiring Services (except Real Estate)	14.5	15.0	0.0%	3.4%
19	Auxiliary Finance and Insurance Services	7.3	7.7	0.0%	6.7%
20	Accommodation and Food Services	19.6	20.1	0.0%	2.4%
21	Motor Vehicle and Motor Vehicle Parts and Fuel Retailing	15.8	16.2	0.0%	2.5%
22	Poultry, Deer and Other Livestock Farming	3.3	3.6	0.0%	9.9%
23	Horticulture and Fruit Growing	5.6	5.8	0.0%	3.2%
24	Meat and Meat Product Manufacturing	0.8	0.9	0.0%	20.7%
25	Basic Chemical and Chemical Product Manufacturing	2.5	2.6	0.0%	5.9%
26	Road Transport	43.5	43.7	0.0%	0.3%
27	Agriculture, Forestry and Fishing Support Services and Hunting	7.0	7.1	0.0%	13%
28	Local Government Administration	13.3	13.3	0.0%	0.2%
29	Primary Metal and Metal Product Manufacturing	0.0	0.0	0.0%	0.0%
30	Beverage and Tobacco Product Manufacturing	0.0	0.0	0.0%	0.0%
31	Textile, Leather, Clothing and Footwear Manufacturing	2.0	2.0	0.0%	-0.4%
32	Fishing and Aquaculture	0.7	0.7	0.0%	-17%
33	Polymer Product and Rubber Product Manufacturing	2.8	2.8	0.0%	-0.9%
34	Furniture and Other Manufacturing	19	18	0.0%	-6.4%
35	Seafood Processing	15	14	0.0%	-8.3%
36	Other Store-Based Retailing and Non Store Retailing	64.3	64.1	0.0%	-0.3%
37	Printing	18	16	0.0%	-12.6%
38	Pulp, Paper and Converted Paper Product Manufacturing	0.5	0.3	0.0%	-50.1%
39	Arts and Recreation Services	9.2	8.9	0.0%	-3.1%
40	Non-Metallic Mineral Product Manufacturing	17.9	17.5	0.0%	-2.5%
41	Transport Equipment Manufacturing	6.1	5.4	0.0%	-10.8%
42	Professional, Scientific and Technical Services	80.6	80.0	0.0%	-0.8%
43	Wood Product Manufacturing	23.8	23.1	0.0%	-3.1%
44	Mining	4.6	3.6	0.0%	-20.2%
45	Fabricated Metal Product Manufacturing	12.2	11.2	-0.1%	-8.0%
46	Building Construction	116	9.7	-0.1%	-17.0%
47	Finance	36.2	34.0	-0.1%	-5.9%
48	Property Operators and Real Estate Services	614	58.4	-0.2%	-5.0%
49	Health Care and Social Assistance	136.8	133.4	-0.2%	-2.5%
50	Postal, Courier Transport Support, and Warehousing Services	43.3	39.4	-0.2%	-9.1%
51	Insurance and Superannuation Funds	114	7.4	-0.2%	-35.6%
52	Construction Services	42.4	36.5	-0.3%	-13.8%
53	Heavy and Civil Engineering Construction	35.0	26.6	-0.4%	-23.9%
54	Telecommunications, Internet and Library Services	70.5	45.1	-1.3%	-36.0%
	Owner-Occupied Property Operation	170.8	172.3	0.1%	0.8%
	Unallocated	147.6	157.0	0.5%	6.4%
	Total	1,903	1,971	3.6%	3.6%

Table 6. 54 industries contribution to growth: last 1, 2, 5 and 10 years

Industry	Last year	Last 2 years	Last 5 years	Last 10 years
	11 to 12	10 to 12	07 to 12	02 to 12
Horticulture and Fruit Growing	0.0%	0.0%	0.0%	0.0%
Sheep, Beef Cattle and Grain Farming	0.1%	0.0%	0.0%	0.0%
Dairy Cattle Farming	1.3%	0.4%	-0.2%	0.0%
Poultry, Deer and Other Livestock Farming	0.0%	0.0%	0.0%	0.0%
Forestry and Logging	0.9%	0.6%	0.2%	0.0%
Fishing and Aquaculture	0.0%	0.0%	0.0%	0.0%
Agriculture, Forestry and Fishing Support Services and Hunt	0.0%	0.0%	-0.1%	0.0%
Mining	0.0%	-0.1%	0.0%	0.0%
Meat and Meat Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Seafood Processing	0.0%	0.0%	0.0%	0.0%
Dairy Product Manufacturing	0.1%	-0.2%	0.0%	0.1%
Fruit, Oil, Cereal and Other Food Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Beverage and Tobacco Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Textile, Leather, Clothing and Footwear Manufacturing	0.0%	0.0%	0.0%	0.0%
Wood Product Manufacturing	0.0%	0.0%	-0.1%	0.1%
Pulp, Paper and Converted Paper Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Printing	0.0%	0.0%	0.0%	0.0%
Petroleum and Coal Product Manufacturing	2.6%	1.4%	1.1%	0.3%
Basic Chemical and Chemical Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Polymer Product and Rubber Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Non-Metallic Mineral Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Primary Metal and Metal Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Fabricated Metal Product Manufacturing	-0.1%	0.0%	0.0%	0.0%
Transport Equipment Manufacturing	0.0%	0.0%	-0.1%	0.0%
Machinery and Other Equipment Manufacturing	0.1%	0.1%	0.0%	0.0%
Furniture and Other Manufacturing	0.0%	0.0%	0.0%	0.0%
Electricity and Gas Supply	0.3%	0.1%	-0.1%	0.0%
Water, Sewerage, Drainage and Waste Services	0.1%	0.0%	0.0%	0.0%
Building Construction	-0.1%	-0.1%	0.0%	0.0%
Heavy and Civil Engineering Construction	-0.4%	-0.2%	-0.1%	0.0%
Construction Services	-0.3%	-0.2%	-0.1%	0.0%
Wholesale Trade	0.1%	0.2%	0.0%	-0.1%
Motor Vehicle and Motor Vehicle Parts and Fuel Retailing	0.0%	0.0%	0.0%	0.0%
Supermarket, Grocery Stores and Specialised Food Retailin	0.1%	0.0%	0.0%	0.0%
Other Store-Based Retailing and Non Store Retailing	0.0%	-0.1%	0.0%	0.1%
Accommodation and Food Services	0.0%	0.0%	0.0%	0.0%
Road Transport	0.0%	0.1%	0.0%	0.0%
Rail, Water, Air and Other Transport	0.0%	0.0%	0.0%	0.0%
Postal, Courier Transport Support, and Warehousing Servic	-0.2%	0.2%	0.2%	0.1%
Information Media Services	0.1%	0.1%	0.0%	0.1%
Telecommunications, Internet and Library Services	-1.3%	-0.6%	0.0%	0.1%
Finance	-0.1%	0.0%	-0.1%	0.1%
Insurance and Superannuation Funds	-0.2%	0.0%	0.0%	0.0%
Auxiliary Finance and Insurance Services	0.0%	0.0%	0.0%	0.0%
Rental and Hiring Services (except Real Estate)	0.0%	0.0%	0.0%	0.1%
Property Operators and Real Estate Services	-0.2%	-0.2%	-0.1%	0.1%
Professional, Scientific and Technical Services	0.0%	0.0%	0.1%	0.1%
Administrative and Support Services	0.2%	0.1%	0.1%	0.1%
Local Government Administration	0.0%	0.0%	0.0%	0.0%
Central Government Administration, Defence and Public Sa	0.0%	0.3%	0.1%	0.1%
Education and Training	0.2%	0.1%	0.1%	0.1%
Health Care and Social Assistance	-0.2%	0.0%	0.2%	0.2%
Arts and Recreation Services	0.0%	0.0%	0.0%	0.0%
Other Services	0.1%	0.0%	0.0%	0.0%
Ownership of owner-occupied dwellings	0.1%	0.1%	0.1%	0.2%
Unallocated	0.5%	-0.2%	0.4%	0.2%
Total	3.6%	1.9%	1.3%	2.1%

In which industries does Whangarei have a comparative advantage?

A high concentration of certain industries in a region may be indicative of that region having a comparative advantage in those industries. This may be due to its natural endowments, location, skills of its labour force or other reasons. The location quotient indicates in which industries a region has comparative advantage. A region has a location quotient larger (smaller) than one when the share of that industry in the regional economy is greater (less) than the share of the same industry in the national economy.

Table 7 shows a ranking of 54 industries by their location quotients.

- The industries in which Whangarei has the largest comparative advantages are petroleum and coal product manufacturing (location quotient = 14.9), forestry and logging (2.2), and dairy product manufacturing (2).

Table 7. Location quotient as a measure of comparative advantage

Rank	Industry	Location Quotient	Share of total GDP	
			Whangarei	New Zealand
1	Petroleum and Coal Product Manufacturing	14.9	17.0%	1%
2	Forestry and Logging	2.2	2.3%	10%
3	Dairy Product Manufacturing	2.0	2.6%	13%
4	Non-Metallic Mineral Product Manufacturing	1.8	0.9%	0.5%
5	Wood Product Manufacturing	1.5	12%	0.8%
6	Dairy Cattle Farming	1.5	3.7%	2.4%
7	Road Transport	1.4	2.2%	16%
8	Information Media Services	1.3	13%	10%
9	Health Care and Social Assistance	1.3	6.8%	5.2%
10	Electricity and Gas Supply	1.3	19%	15%
11	Motor Vehicle and Motor Vehicle Parts and Fuel Retailing	1.2	0.8%	0.7%
12	Administrative and Support Services	1.2	2.0%	17%
13	Heavy and Civil Engineering Construction	1.1	1.3%	12%
14	Supermarket, Grocery Stores and Specialised Food Retailing	1.1	12%	1%
15	Other Store-Based Retailing and Non Store Retailing	1.0	3.3%	3.3%
16	Postal, Courier Transport Support, and Warehousing Services	0.9	2.0%	2.2%
17	Education and Training	0.9	3.0%	3.2%
18	Poultry, Deer and Other Livestock Farming	0.9	0.2%	0.2%
19	Auxiliary Finance and Insurance Services	0.8	0.4%	0.5%
20	Horticulture and Fruit Growing	0.8	0.3%	0.4%
21	Building Construction	0.8	0.5%	0.6%
22	Other Services	0.8	15%	19%
23	Transport Equipment Manufacturing	0.8	0.3%	0.3%
24	Construction Services	0.8	19%	2.4%
25	Property Operators and Real Estate Services	0.7	3.0%	4.3%
26	Sheep, Beef Cattle and Grain Farming	0.7	0.8%	12%
27	Accommodation and Food Services	0.7	10%	15%
28	Professional, Scientific and Technical Services	0.6	4.1%	6.3%
29	Agriculture, Forestry and Fishing Support Services and Hunting	0.6	0.4%	0.6%
30	Fabricated Metal Product Manufacturing	0.6	0.6%	10%
31	Water, Sewerage, Drainage and Waste Services	0.6	0.4%	0.7%
32	Rental and Hiring Services (except Real Estate)	0.6	0.8%	13%
33	Fishing and Aquaculture	0.5	0.0%	0.1%
34	Finance	0.5	17%	3.3%
35	Machinery and Other Equipment Manufacturing	0.5	0.7%	14%
36	Wholesale Trade	0.5	2.5%	5.5%
37	Telecommunications, Internet and Library Services	0.4	2.3%	5.2%
38	Basic Chemical and Chemical Product Manufacturing	0.4	0.1%	0.3%
39	Seafood Processing	0.4	0.1%	0.2%
40	Arts and Recreation Services	0.4	0.5%	12%
41	Insurance and Superannuation Funds	0.4	0.4%	10%
42	Furniture and Other Manufacturing	0.4	0.1%	0.2%
43	Fruit, Oil, Cereal and Other Food Product Manufacturing	0.3	0.3%	12%
44	Polymer Product and Rubber Product Manufacturing	0.2	0.1%	0.6%
45	Textile, Leather, Clothing and Footwear Manufacturing	0.2	0.1%	0.4%
46	Mining	0.2	0.2%	0.8%
47	Printing	0.2	0.1%	0.4%
48	Rail, Water, Air and Other Transport	0.2	0.3%	14%
49	Meat and Meat Product Manufacturing	0.0	0.0%	10%
50	Pulp, Paper and Converted Paper Product Manufacturing	0.0	0.0%	0.8%
51	Beverage and Tobacco Product Manufacturing	0.0	0.0%	0.8%
52	Primary Metal and Metal Product Manufacturing	0.0	0.0%	0.3%

How diversified is Whangarei's economy?

The more concentrated a region's economy is in a few industries the more vulnerable it is to adverse events such as climatic conditions and commodity price fluctuations. This section presents the Herfindahl-Hirschman Index which measures the level of diversification of Whangarei's economy. An index of 0 represents a diversified economy with economic activity evenly spread across all industries. The higher the index the more concentrated economic activity is in a few industries.

- Whangarei had an HHI of 60.8 in 2012 which ranks it number 35 among all 66 territorial authorities ranked from most to least diverse. This means that 31 districts had a less diversified economy than Whangarei.
- Since 2001 Whangarei's HHI has decreased from 65 indicating an increase in industrial diversity. During the same period the national economy has become less diversified with the HHI increasing from 34.4 to 38.9.

Figure 7. Herfindahl-Hirschman Index of industrial diversity

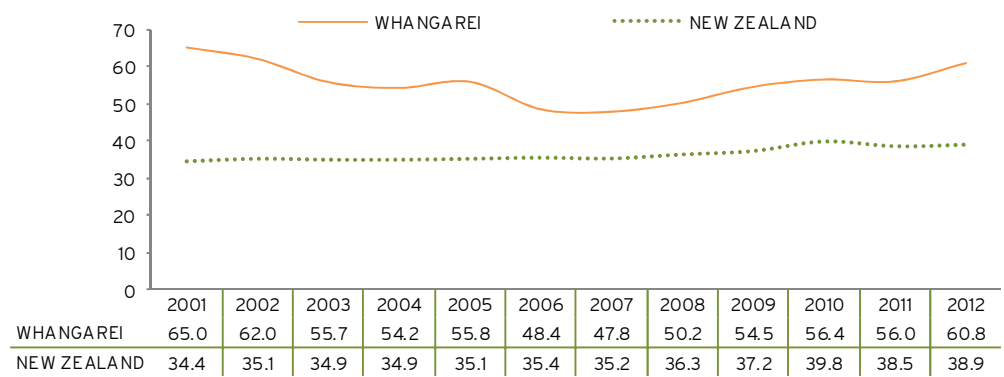


Table 8. Districts ranked by the value of the Herfindahl-Hirschman Index

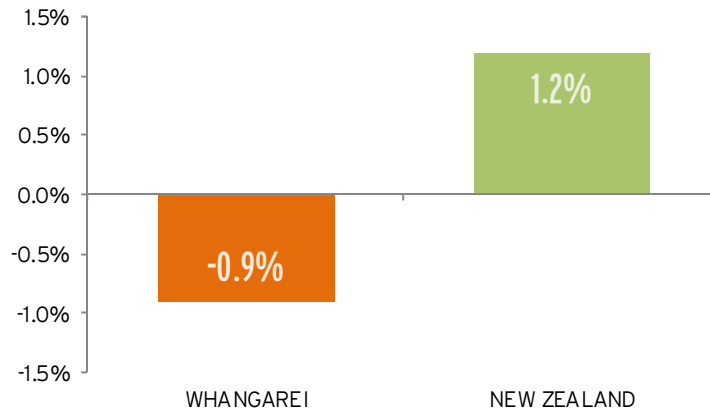
Rank	District	HHI	Rank	District	HHI
1	Waimakariri	40.6	34	Queenstown-Lakes	59.2
2	Tasman	41.4	35	Manawatu	59.3
3	Auckland	44.7	36	Taupo	59.5
4	Hastings	45.0	37	Whangarei	60.8
5	Napier City	45.3	38	Porirua City	61.6
6	Timaru	45.3	39	Carterton	61.7
7	Marlborough	45.4	40	Gore	61.9
8	Christchurch City	45.5	41	Wellington City	61.9
9	Invercargill City	45.5	42	Waipa	64.9
10	Far North	46.8	43	Ruapehu	65.6
11	Central Otago	48.1	44	Waikato	66.7
12	Grey	48.2	45	Clutha	68.8
13	Tauranga City	48.4	46	Buller	71.5
14	Gisborne	48.6	47	Hauraki	71.9
15	Kapiti Coast	48.9	48	Upper Hutt City	73.7
16	Lower Hutt City	50.3	49	Tararua	75.9
17	New Plymouth	50.3	50	Ashburton	76.1
18	Masterton	50.6	51	South Wairarapa	77.5
19	Rotorua	51.5	52	Opotiki	78.1
20	Thames-Coromandel	52.0	53	Rangitikei	79.1
21	Hamilton City	52.1	54	Kaipara	81.8
22	Wanganui	53.0	55	South Waikato	86.2
23	Nelson City	53.2	56	Selwyn	87.4
24	Western Bay of Plenty	53.6	57	Mackenzie	88.1
25	Waitaki	53.8	58	Westland	92.7
26	Horowhenua	54.1	59	Central Hawke's Bay	95.4
27	Dunedin City	55.9	60	Stratford	97.2
28	Kaikoura	56.9	61	Wairoa	97.3
29	Waitomo	57.2	62	Matamata-Piako	106.0
30	Palmerston North	57.3	63	Southland	106.6
31	Whakatane	57.4	64	Hurunui	110.3
32	Queenstown-Lakes	59.2	65	Otorohanga	125.7
33	Manawatu	59.3	66	Waimate	180.1

EMPLOYMENT AND UNEMPLOYMENT

How fast has employment grown in Whangarei?

Employment growth provides new opportunities for the region's population to earn income and contribute to the region's economy. This section contrasts Whangarei's recent performance in creating jobs with other regions in the country.

Figure 8. Employment growth (year to March 2012)



- Total employment in Whangarei averaged 34,432 in the March 2012 year, down 0.9% from a year earlier. Employment in New Zealand increased by 1.2% over the same period.
- Employment growth in Whangarei averaged 1.4%pa since 2001 compared with 1.7%pa in the national economy.
- Employment growth in Whangarei reached a high of 3.7% in 2005 and a low of -3.8% in 2010.

Figure 9. Annual average employment growth (2002-2012)

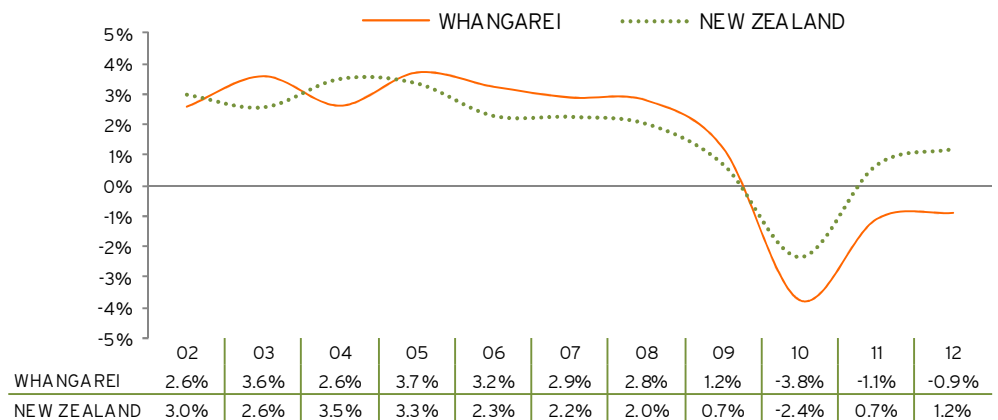


Table 9 shows how Whangarei's employment growth compares with other districts in New Zealand. It shows which growth decile Whangarei is placed over the past one, two, five and ten years. Decile one contains the 10% of districts with the fastest growth rates while decile ten contains 10% with the lowest growth rates.

Table 9. Employment growth decile rankings: last 1, 2, 5 and 10 years

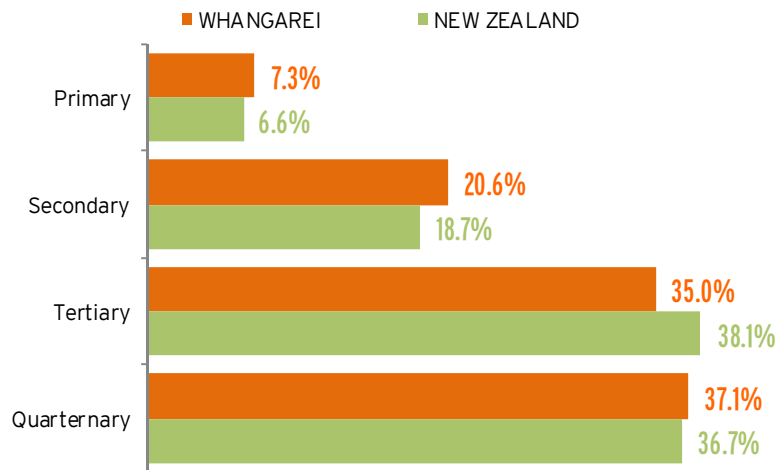
Decile	Last year	Last 2 years	Last 5 years	Last 10 years
1 Fastest 10%				
2				
3				
4				Whangarei
5				
6				
7			Whangarei	
8	Whangarei	Whangarei		
9				
10 Slowest 10%				

- Whangarei's employment change of -0.9% between 2011 and 2012 ranked it number 48 among the 66 territorial authorities. This ranking put it in the eighth decile (decile one = fastest 10% of TAs, decile ten = slowest 10%).
- Over the past two years (2010 to 2012) employment change in Whangarei was -1.0%pa ranking it number 51 (decile 8).
- Over the past five years (2007 to 2012) employment change in Whangarei was -0.4%pa ranking it number 45 (decile 7).
- Over the past ten years (2002 to 2012) employment change in Whangarei was 1.4%pa ranking it number 25 (decile 4).

What is the industrial structure of employment in Whangarei?

This section describes the structure of the labour market in terms of the primary, secondary, tertiary and quarternary categories and the industries that fall within these categories. The primary sector makes direct use of natural resources. It extracts or harvests products from the earth. The secondary sector produces manufactured and other processed goods. The tertiary sector includes the lower value-adding service industries while the quarternary sector includes the higher value-adding, knowledge-based service industries. A full definition of the sectors is given in the technical appendix.

Figure 10. Employment by broad sector (2012)



- Quarternary industries accounted for the largest proportion of employment (37.1%) in Whangarei, which is higher than in the national economy (36.7%).
- Tertiary industries accounted for 35.0% of employment which was lower than in New Zealand (38.1%).
- Secondary accounted for 20.6% in Whangarei compared with 18.7% in the national economy.
- Primary accounted for 7.3% in Whangarei compared with 6.6% in the national economy.

Which are the largest employing industries in Whangarei?

This section identifies the broad industries that make the largest contribution to employment in Whangarei.

Table 10. 1-digit industries ranked by size of employment (2012)

Rank	Industry	Whangarei		New Zealand
		Employment	% of total	% of total
1	Health Care and Social Assistance	5,283	15.3%	9.9%
2	Manufacturing	3,630	10.5%	10.2%
3	Retail Trade	3,598	10.4%	9.5%
4	Construction	3,054	8.9%	7.8%
5	Education and Training	2,977	8.6%	8.3%
6	Agriculture, Forestry and Fishing	2,436	7.1%	6.3%
7	Professional, Scientific and Technical Services	2,057	6.0%	9.0%
8	Accommodation and Food Services	1,764	5.1%	6.2%
9	Public Administration and Safety	1,527	4.4%	4.7%
10	Other Services	1,468	4.3%	3.8%
11	Transport, Postal and Warehousing	1,355	3.9%	4.3%
12	Administrative and Support Services	1,322	3.8%	4.9%
13	Wholesale Trade	1,237	3.6%	5.2%
14	Rental, Hiring and Real Estate Services	771	2.2%	2.3%
15	Financial and Insurance Services	583	1.7%	2.8%
16	Arts and Recreation Services	524	1.5%	1.9%
17	Electricity, Gas, Water and Waste Services	410	1.2%	0.6%
18	Information Media and Telecommunications	363	1.1%	2.0%
19	Mining	74	0.2%	0.3%
Total		34,432	100%	100%

- Among broad industries health care and social assistance was the largest employer in Whangarei in 2012, accounting for 15.3% of total employment.
- The second largest employer was manufacturing (10.5%) followed by retail trade (10.4%).
- The industry most highly represented in Whangarei relative to the national economy is electricity, gas, water and waste services. This industry accounts for 1.2% of the district's employment compared with 0.6% to the national economy.
- The next most highly represented industries are health care and social assistance (15.3% compared with 9.9% nationally) and construction (8.9% compared with 7.8% nationally).

Table 11 on the following page shows the 50 detailed industries of the approximately 500 7-digit ANZSIC industry categories which employ the highest number of people in Whangarei.

Table 11. 50 largest employing 7-digit ANZSIC industries (2012)

Rank	Industry	Whangarei		New Zealand
		Jobs	% of total	% of total
1	Hospitals (except Psychiatric Hospitals)	1736	5.0%	2.9%
2	Supermarket and Grocery Stores	966	2.8%	2.5%
3	Primary Education	902	2.6%	2.2%
4	Dairy Cattle Farming	867	2.5%	17%
5	Cafes and Restaurants	816	2.4%	2.5%
6	Other Allied Health Services	804	2.3%	13%
7	Secondary Education	741	2.2%	18%
8	Aged Care Residential Services	706	2.1%	14%
9	Road Freight Transport	649	1.9%	13%
10	House Construction	539	1.6%	14%
11	Other Social Assistance Services	451	1.3%	10%
12	Higher Education	445	1.3%	16%
13	Accounting Services	429	1.2%	1.1%
14	Central Government Administration	422	1.2%	13%
15	Other Residential Care Services	397	1.2%	0.7%
16	Cheese and Other Dairy Product Manufacturing	375	1.1%	0.4%
17	Electrical Services	364	1.1%	0.8%
18	Other Machinery and Equipment Manufacturing n.e.c.	362	1.1%	0.5%
19	Beef Cattle Farming (Specialised)	357	1.0%	0.4%
20	Hardware and Building Supplies Retailing	357	1.0%	0.8%
21	Other Heavy and Civil Engineering Construction	348	1.0%	0.8%
22	Preschool Education	347	1.0%	1.1%
23	Local Government Administration	341	1.0%	0.9%
24	Road and Bridge Construction	331	1.0%	0.6%
25	Buildings Cleaning Services	328	1.0%	1.1%
26	Petroleum Refining and Petroleum Fuels Manufacturing	324	0.9%	0.0%
27	Child Care Services	323	0.9%	0.6%
28	Real Estate Services	318	0.9%	0.9%
29	Accommodation	318	0.9%	14%
30	Other Interest Group Services n.e.c.	317	0.9%	0.5%
31	Log Sawmilling	311	0.9%	0.3%
32	Other Automotive Repair and Maintenance	291	0.8%	0.7%
33	Engineering Design and Engineering Consulting Service	289	0.8%	0.9%
34	General Practice Medical Services	289	0.8%	0.7%
35	Electricity Distribution	268	0.8%	0.1%
36	Police Services	265	0.8%	0.6%
37	Legal Services	265	0.8%	0.8%
38	Management Advice and Other Consulting Services	263	0.8%	15%
39	Takeaway Food Services	262	0.8%	10%
40	Labour Supply Services	253	0.7%	12%
41	Hairdressing and Beauty Services	242	0.7%	0.6%
42	Department Stores	240	0.7%	0.7%
43	Corporate Head Office Management Services	234	0.7%	12%
44	Other Agriculture and Fishing Support Services	222	0.6%	0.8%
45	Non-Residential Property Operators	218	0.6%	0.6%
46	Clothing Retailing	211	0.6%	0.7%
47	Banking	210	0.6%	1.1%
48	Pubs, Taverns and Bars	200	0.6%	0.6%
49	Boatbuilding and Repair Services	193	0.6%	0.1%
50	Fuel Retailing	192	0.6%	0.4%

Which industries have created the most jobs?

This section investigates which industries have created and lost the most number of jobs in Whangarei. The employment numbers differ from those published in Business Demography by Statistics New Zealand. The reasons for these differences are explained in the technical appendix.

Table 12. 1-digit industries ranked by number of jobs created (2011 -2012)

Rank		Employment		Jobs created	Annual % growth
		2011	2012		
1	Education and Training	2,817	2,977	161	5.7%
2	Agriculture, Forestry and Fishing	2,332	2,436	103	4.4%
3	Electricity, Gas, Water and Waste Services	331	410	79	23.9%
4	Public Administration and Safety	1,477	1,527	50	3.4%
5	Administrative and Support Services	1,292	1,322	30	2.3%
6	Other Services	1,449	1,468	19	1.3%
7	Arts and Recreation Services	507	524	17	3.4%
8	Wholesale Trade	1,225	1,237	12	1.0%
9	Mining	74	74	0	-0.3%
10	Accommodation and Food Services	1,773	1,764	-9	-0.5%
11	Information Media and Telecommunications	393	363	-29	-7.5%
12	Rental, Hiring and Real Estate Services	805	771	-33	-4.1%
13	Health Care and Social Assistance	5,331	5,283	-48	-0.9%
14	Professional, Scientific and Technical Services	2,110	2,057	-53	-2.5%
15	Manufacturing	3,695	3,630	-65	-1.8%
16	Financial and Insurance Services	649	583	-66	-10.2%
17	Transport, Postal and Warehousing	1,441	1,355	-86	-5.9%
18	Retail Trade	3,741	3,598	-143	-3.8%
19	Construction	3,306	3,054	-252	-7.6%
Total		34,745	34,432	-313	-0.9%

- Education and Training made the largest contribution to employment growth in Whangarei between 2011 and 2012 with the industry adding 161 jobs.
- The next largest contributor was agriculture, forestry and fishing (103 jobs) followed by electricity, gas, water and waste services (79 jobs).
- The largest detractor from growth over the year was construction in which employment declined by 252.

- Over the past 10 years the broad industries making the largest contribution to employment growth in Whangarei were health care and social assistance (1,485 jobs), education and training (837 jobs), and administrative and support services (536 jobs).
- The industries making the lowest contribution to employment growth in Whangarei were agriculture, forestry and fishing (-961 jobs), wholesale trade (-71 jobs), and transport, postal and warehousing (2 jobs).

Table 13. Job creation by broad industries: last 1, 2, 5 and 10 years

Industry	Last year	Last 2 years	Last 5 years	Last 10 years
	11 to 12	10 to 12	07 to 12	02 to 12
Agriculture, Forestry and Fishing	103	79	-283	-961
Mining	0	1	9	18
Manufacturing	-65	-172	-413	93
Electricity, Gas, Water and Waste Services	79	47	60	165
Construction	-252	-544	-744	526
Wholesale Trade	12	7	-107	-71
Retail Trade	-143	-332	-372	172
Accommodation and Food Services	-9	-49	-137	309
Transport, Postal and Warehousing	-85	36	30	2
Information Media and Telecommunications	-29	-9	49	74
Financial and Insurance Services	-66	-42	-74	67
Rental, Hiring and Real Estate Services	-33	-12	-256	12
Professional, Scientific and Technical Services	-53	-119	-39	360
Administrative and Support Services	30	42	204	536
Public Administration and Safety	50	234	213	436
Education and Training	161	228	504	837
Health Care and Social Assistance	-48	-47	683	1485
Arts and Recreation Services	17	18	30	176
Other Services	19	33	-17	220
Total	-313	-702	-660	4,454

Table 14 on the next page shows the 50 industries (out of a total of approximately 500 industries of the ANZSIC 2006 industry classification¹) that created the most number of jobs over the past year. Table 31 shows the 50 detailed industries that made the lowest contribution to job creation over the same period.

- Other Allied Health Services was the largest creator of jobs in Whangarei between 2011 and 2012 generating an additional 97 positions. This was followed by secondary education (+85 jobs) and aged care residential services (+72 jobs).
- Other Social Assistance Services was the industry that experienced the largest fall in employment (-139 jobs) followed by other residential care services (-109 jobs) and labour supply services (-70 jobs).

Table 14. The 50 seven-digit industries that created most jobs between 2011 and 2012

Rank	Industry	Jobs		Change
		2011	2012	
1	Other Allied Health Services	707	804	97
2	Secondary Education	656	741	85
3	Aged Care Residential Services	634	706	72
4	Office Administrative Services	75	128	53
5	Corporate Head Office Management Services	184	234	50
6	Electricity Distribution	220	268	48
7	Forestry	41	87	47
8	Other Machinery and Equipment Manufacturing n.e.c.	322	362	41
9	Logging	79	110	31
10	Technical and Vocational Education and Training	103	132	30
11	Investigation and Security Services	145	174	29
12	Solid Waste Collection Services	8	36	28
13	Employment Placement and Recruitment Services	23	51	27
14	Preschool Education	321	347	27
15	Correctional and Detention Services	53	78	26
16	Packaging Services	110	135	25
17	Dairy Cattle Farming	843	867	24
18	Apple and Pear Growing	0	22	22
19	Port and Water Transport Terminal Operations	77	95	18
20	Higher Education	428	445	17
21	Newspaper Publishing	166	183	17
22	Other Machinery and Equipment Repair and Maintenance	65	81	16
23	Police Services	250	265	15
24	Waste Remediation and Materials Recovery Services	17	31	14
25	Sports and Physical Recreation Venues, Grounds and Facilities Oper	64	77	14
26	Creative Artists, Musicians, Writers and Performers	0	14	14
27	Catering Services	107	120	13
28	Commercial Vehicle Wholesaling	30	43	13
29	Liquor and Tobacco Product Wholesaling	13	26	13
30	Air Conditioning and Heating Services	86	99	13
31	Combined Primary and Secondary Education	148	160	13
32	Cafes and Restaurants	804	816	12
33	Automotive Electrical Services	38	49	12
34	Timber Wholesaling	36	47	12
35	Petroleum Refining and Petroleum Fuels Manufacturing	313	324	12
36	Ready-Mixed Concrete Manufacturing	54	65	11
37	General Practice Medical Services	279	289	10
38	Other Specialised Machinery and Equipment Manufacturing	5	15	10
39	Other Agricultural Product Wholesaling	65	75	10
40	Department Stores	230	240	10
41	Other Construction Services n.e.c.	119	128	9
42	Other Health Care Services n.e.c.	45	54	9
43	Plumbing Goods Wholesaling	27	35	9
44	Hospitals (except Psychiatric Hospitals)	1728	1736	9
45	Other Electrical and Electronic Goods Wholesaling	63	72	9
46	Other Agriculture and Fishing Support Services	214	222	8
47	Forestry Support Services	88	95	8
48	Child Care Services	316	323	8
49	Auxiliary Insurance Services	143	150	7
50	Educational Support Services	9	16	7

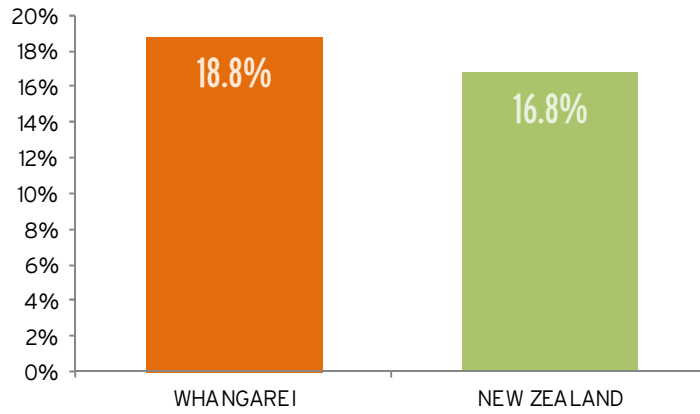
Table 15. The 50 seven-digit industries that lost the most jobs between 2011 and 2012

Rank	Industry	Jobs		Change
		2011	2012	
1	Other Social Assistance Services	590	451	-139
2	Other Residential Care Services	506	397	-109
3	Labour Supply Services	323	253	-70
4	Engineering Design and Engineering Consulting Services	356	289	-66
5	Road and Bridge Construction	397	331	-66
6	Postal Services	197	144	-53
7	House Construction	584	539	-46
8	Non-Residential Building Construction	244	170	-44
9	Banking	253	210	-43
10	Boatbuilding and Repair Services	236	193	-43
11	Hardware and Building Supplies Retailing	395	357	-38
12	Electrical Services	400	364	-36
13	Wired Telecommunications Network Operation	51	15	-36
14	Real Estate Services	352	318	-33
15	General Insurance	111	79	-32
16	Road Freight Transport	678	649	-29
17	Central Government Administration	447	422	-25
18	Kiwifruit Growing	61	39	-22
19	Management Advice and Other Consulting Services	285	263	-22
20	Electrical, Electronic and Gas Appliance Retailing	151	130	-21
21	Adult, Community and Other Education n.e.c.	161	140	-21
22	Cheese and Other Dairy Product Manufacturing	395	375	-21
23	Accounting Services	449	429	-21
24	Structural Steel Fabricating	156	137	-19
25	Site Preparation Services	168	150	-18
26	Metal and Mineral Wholesaling	53	37	-17
27	Painting and Decorating Services	180	164	-16
28	Log Sawmilling	326	311	-15
29	Accommodation	333	318	-15
30	Footwear Retailing	53	41	-12
31	Plumbing Services	168	156	-12
32	Fuel Retailing	204	192	-12
33	Other Interest Group Services n.e.c.	329	317	-12
34	Stevedoring Services	37	26	-11
35	Antique and Used Goods Retailing	42	31	-11
36	Shipbuilding and Repair Services	96	85	-11
37	Concreting Services	61	50	-11
38	Legal Services	275	265	-11
39	Travel Agency and Tour Arrangement Services	83	73	-11
40	Other Grocery Wholesaling	97	87	-11
41	Other Administrative Services n.e.c.	188	178	-10
42	Printing	84	75	-10
43	General Line Groceries Wholesaling	69	60	-9
44	Nature Reserves and Conservation Parks Operation	91	82	-9
45	Industrial and Agricultural Chemical Product Wholesaling	25	16	-9
46	Supermarket and Grocery Stores	975	966	-9
47	Other Fruit and Tree Nut Growing	114	105	-9
48	Newspaper and Book Retailing	52	44	-9
49	Scientific Research Services	24	16	-9
50	Justice	104	95	-9

What proportion of the workforce is self-employed in Whangarei?

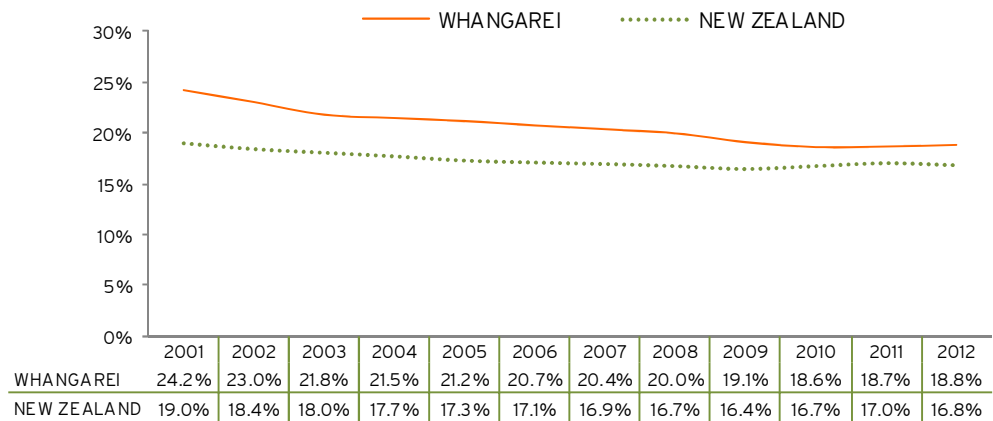
Self-employment makes up a sizeable proportion of total employment in New Zealand although it declined through the economic boom years and stabilised since the recession. This section contrasts self-employment in Whangarei with the national economy.

Figure 11. Self-employment rate (year to March 2012)



- Self-employed workers accounted for 18.8% of the workforce in Whangarei in 2012, which was a higher rate than in the national economy (16.8%).
- A total of 6,480 workers were self-employed in Whangarei in 2012.
- The self-employment rate reached a high of 24.2% in 2001 and a low of 18.6% in 2010.

Figure 12. Self-employment rate (2001-2012)



Which industries have the highest self-employment rate in Whangarei?

Self-employment rates differ across industries with agriculture, construction, and rental, hiring and real estate services typically having high self-employment rates. This section describes self-employment rates by industry in Whangarei.

Table 16. Self-employment by 1-digit industry (2012)

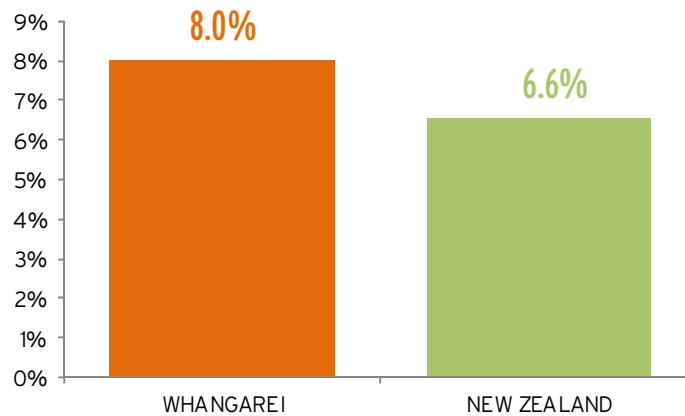
Industry	Whangarei			New Zealand Self-employment rate
	Employees	Self-employed	Self-employment rate	
Agriculture, Forestry and Fishing	1,200	1,236	50.7%	38.2%
Mining	59	15	20.3%	4.3%
Manufacturing	3,213	417	11.5%	9.9%
Electricity, Gas, Water and Waste Services	401	9	2.2%	6.8%
Construction	1,836	1,218	39.9%	35.1%
Wholesale Trade	1,060	177	14.3%	12.0%
Retail Trade	3,151	447	12.4%	12.1%
Accommodation and Food Services	1,527	237	13.4%	11.9%
Transport, Postal and Warehousing	1,085	270	19.9%	14.8%
Information Media and Telecommunications	318	45	12.4%	18.3%
Financial and Insurance Services	466	117	20.1%	11.9%
Rental, Hiring and Real Estate Services	333	438	56.8%	49.1%
Professional, Scientific and Technical Services	1,433	624	30.3%	26.8%
Administrative and Support Services	1,043	279	21.1%	17.6%
Public Administration and Safety	1,449	78	5.1%	3.5%
Education and Training	2,887	90	3.0%	3.2%
Health Care and Social Assistance	4,968	315	6.0%	7.1%
Arts and Recreation Services	434	90	17.2%	16.7%
Other Services	1,090	378	25.8%	23.6%
Total	27,952	6,480	18.8%	16.8%

- Rental, Hiring and Real Estate Services had the highest self-employment rate (56.8%) in Whangarei in 2012. This was followed by Agriculture, Forestry and Fishing (50.7%) and Construction (39.9%).
- Electricity, Gas, Water and Waste Services had the lowest (2.2%) self-employment rate.

What is Whangarei's unemployment rate?

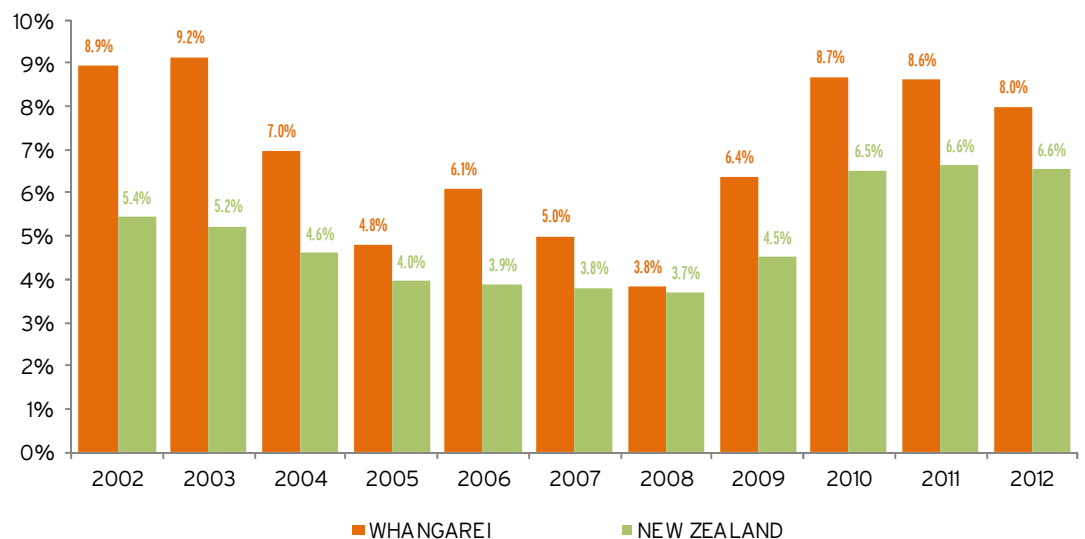
The unemployment rate is the number of unemployed people expressed as a percentage of the labour force. An unemployed person is someone of working-age who is without work, but is actively seeking employment and is available to immediately begin work. The labour force is the sum of people who are currently in employment and those that are unemployed.

Figure 13. Unemployment rate (year to March 2012)



- The unemployment rate in Whangarei was 8.0% in March 2012, which was higher than the national rate of 6.6%.
- Since 2002 the unemployment rate in Whangarei reached a high of 9.2% in the March 2003 year, and a low of 3.8% in the March 2008 year.

Figure 14. Unemployment rate (2002-2012)

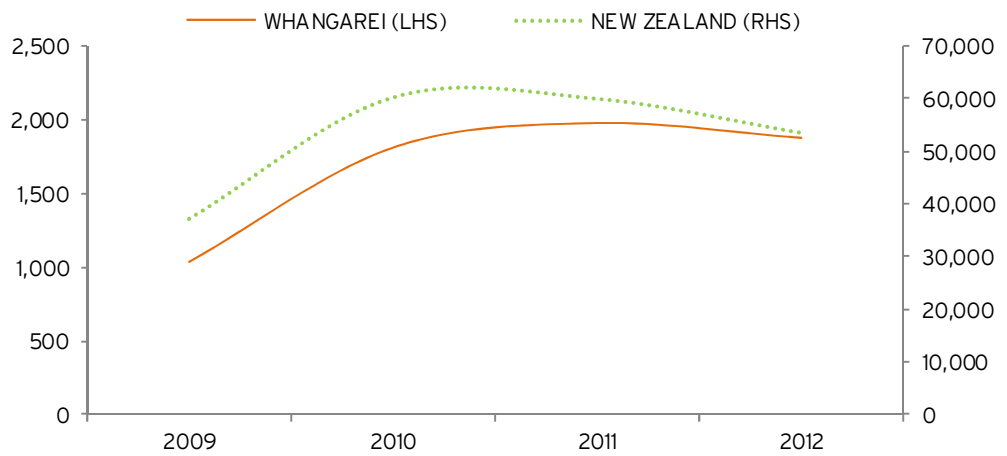


How many unemployment beneficiaries are there in Whangarei?

The number of unemployment beneficiaries in that national economy has fallen significantly since peaking at more than 65,000 in September 2010 following the recent recession. Gradual improvements to the domestic economy will have contributed slightly to this overall downward trend, but with the underlying unemployment rate still elevated, the government's tightening of benefit eligibility conditions will have also played a significant role.

- There were 1,876 unemployment beneficiaries in Whangarei in March 2012 up from 1,976 in March 2011.
- The number declined by 5.1% over the year to March 2012 compared with a decrease of 10.8% at the national level.

Figure 15. Number of unemployment beneficiaries (2009-2012)



PERFORMANCE OF KEY INDUSTRIES

How well has the agriculture industry performed?

The section describes the performance of the first key industry in Whangarei: agriculture. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

Table 17. Economic indicators for the agriculture industry

Indicator	2012	% of district total	% of national industry	Growth (2011 to 2012)	
				Whangarei	New Zealand
GDP (\$ million)	\$103.1	5.2%	15%	36.6%	26.1%
Employment	2,083	6.0%	17%	0.9%	0.9%
Business Units	1,932	26.0%	2.9%	-3.3%	-3.3%

Economic output

- The agriculture industry contributed \$103.1 million towards GDP in Whangarei in 2012. This amounted to 5.2% of the district's economic output in 2012, down from 6.7% ten years ago.
- Economic output in Whangarei's agriculture industry grew by 36.6% in 2012 compared with growth of 26.1% in the industry nationally.
- Growth in the industry in Whangarei has averaged -0.4%pa over the last ten years, varying from a low of -28.5% in 2008 to a high of 36.6% in 2012.

Figure 16. Output growth in the agriculture industry

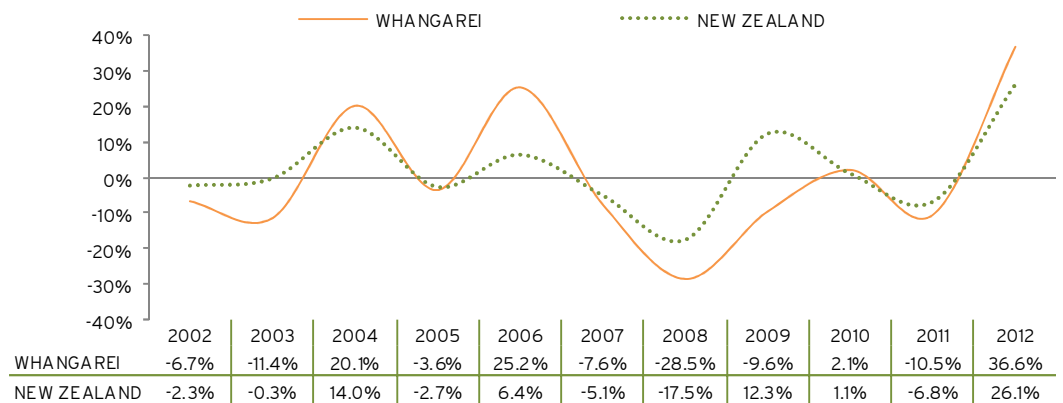
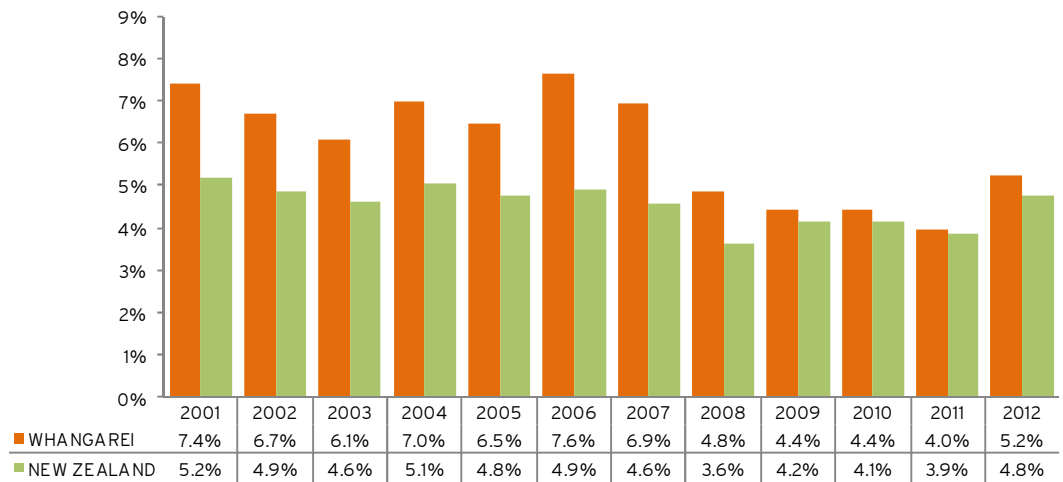


Figure 17. Agriculture's share of total economic output



Employment

- The agriculture industry employed an average of 2,083 persons in Whangarei in 2012 which was up from 2,064 in 2011.
- Employment growth in the industry averaged -3.4% over the past ten years compared with total employment growth in the district of 1.4%.
- Employment growth in the industry peaked at 1.2% in 2002.

Business units

- Approximately 1,932 business units were in operation in the agriculture industry in Whangarei in 2012, which was down from 1,997 in 2011.
- The number of business units peaked at 2,409 in 2002.

How well has the forestry and logging industry performed?

The section describes the performance of the second key industry in Whangarei: forestry and logging. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

Table 18. Economic indicators for the forestry and logging industry

Indicator	2012	% of district total	% of national industry	Growth (2011 to 2012)	
				Whangarei	New Zealand
GDP (\$ million)	\$46.7	2.4%	3.0%	58.7%	2.9%
Employment	293	0.8%	3.3%	413%	413%
Business Units	302	4.1%	5.4%	-0.3%	-0.3%

Economic output

- The forestry and logging industry contributed \$46.7 million towards GDP in Whangarei in 2012. This amounted to 2.4% of the district's economic output in 2012, down from 2.6% ten years ago.
- Economic output in Whangarei's forestry and logging industry grew by 58.7% in 2012 compared with growth of 2.9% in the industry nationally.
- Growth in the industry in Whangarei has averaged 1.3%pa over the last ten years, varying from a low of -32% in 2004 to a high of 58.7% in 2012.

Figure 18. Output growth in the forestry and logging industry

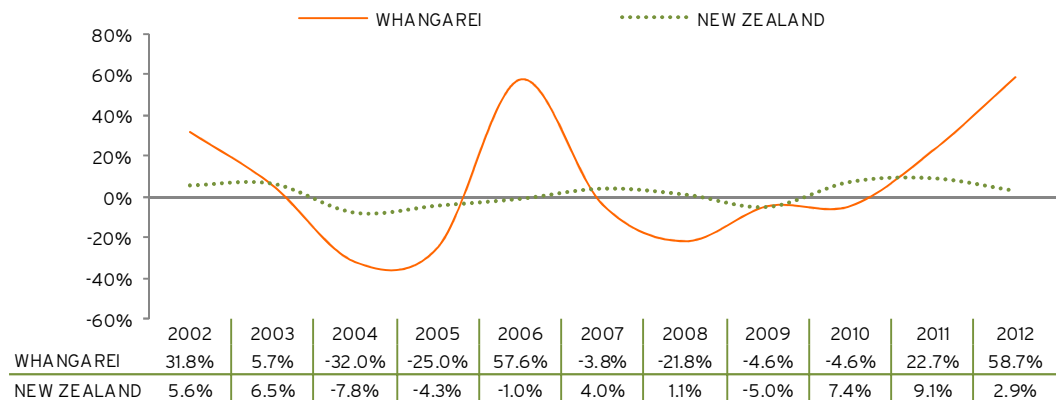
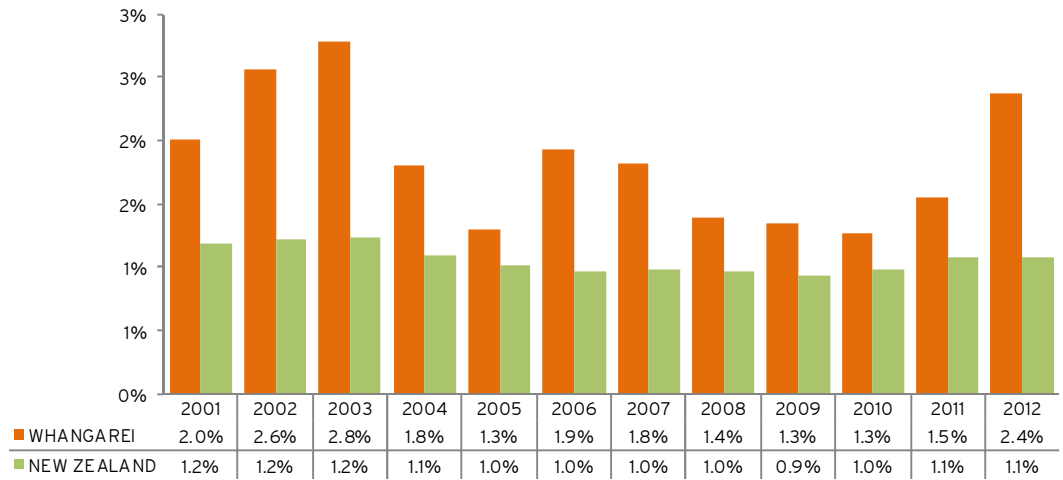


Figure 19. Forestry and logging's share of total economic output



Employment

- The forestry and logging industry employed an average of 293 persons in Whangarei in 2012 which was up from 207 in 2011.
- Employment growth in the industry averaged -1.1% over the past ten years compared with total employment growth in the district of 1.4%.
- Employment growth in the industry peaked at 72.9% in 2006.

Business units

- Approximately 302 business units were in operation in the forestry and logging industry in Whangarei in 2012, which was down from 303 in 2011.
- The number of business units peaked at 323 in 2003.

How well has the food, beverage and wood processing industry performed?

The section describes the performance of the third key industry in Whangarei: food, beverage and wood processing. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

Table 19. Economic indicators for the food, beverage and wood processing industry

Indicator	2012	% of district total	% of national industry	Growth (2011 to 2012)	
				Whangarei	New Zealand
GDP (\$ million)	\$83.2	4.2%	0.9%	0.7%	3.3%
Employment	1,229	3.6%	14%	-3.7%	-3.7%
Business Units	87	12%	16%	-1%	-1%

Economic output

- The food, beverage and wood processing industry contributed \$83.2 million towards GDP in Whangarei in 2012. This amounted to 4.2% of the district's economic output in 2012, up from 3.6% ten years ago.
- Economic output in Whangarei's food, beverage and wood processing industry grew by 0.7% in 2012 compared with growth of 3.3% in the industry nationally.
- Growth in the industry in Whangarei has averaged 3.7%pa over the last ten years, varying from a low of -9.3% in 2007 to a high of 55.6% in 2003.

Figure 20. Output growth in the food, beverage and wood processing industry

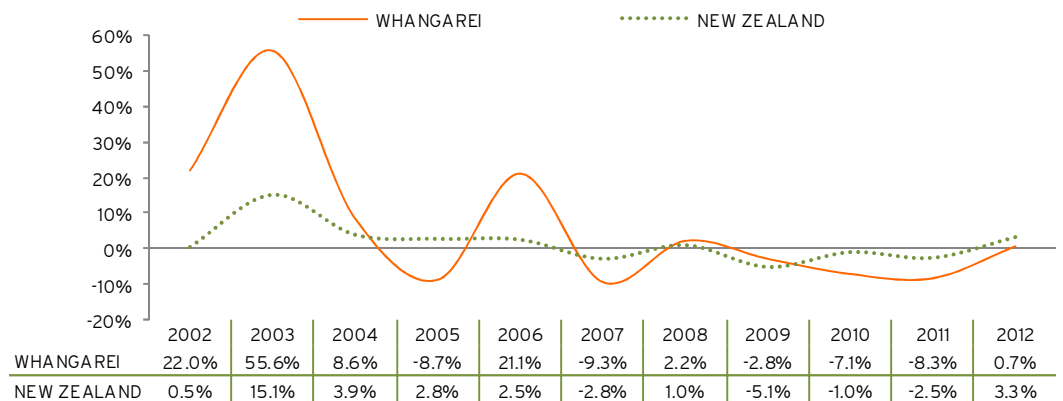
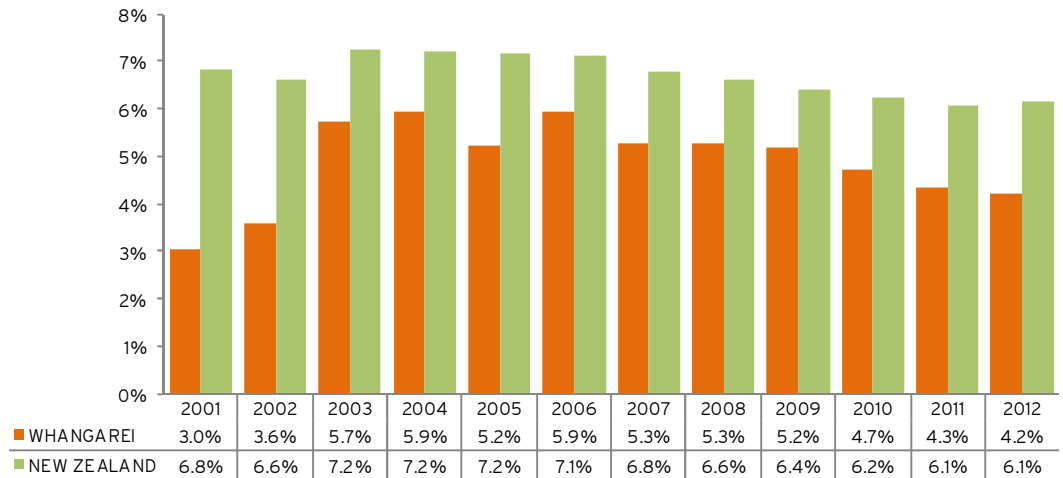


Figure 21. Food, beverage and wood processing's share of total economic output



Employment

- The food, beverage and wood processing industry employed an average of 1,229 persons in Whangarei in 2012 which was down from 1,276 in 2011.
- Employment growth in the industry averaged 0.6% over the past ten years compared with total employment growth in the district of 1.4%.
- Employment growth in the sector peaked at 16.3% in 2003.

Business units

- Approximately 87 business units were in operation in the food, beverage and wood processing industry in Whangarei in 2012, which was down from 88 in 2011.
- The number of business units peaked at 98 in 2007.

How well has the engineering (including marine) industry performed?

The section describes the performance of the fourth key industry in Whangarei: engineering (including marine). It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

Table 20. Economic indicators for the engineering (including marine) industry

Indicator	2012	% of district total	% of national industry	Growth (2011 to 2012)	
				Whangarei	New Zealand
GDP (\$ million)	\$311	16%	0.7%	13%	4.2%
Employment	1,205	3.5%	17%	-3.1%	-3.1%
Business Units	81	1%	0.9%	-12%	-12%

Economic output

- The engineering (including marine) industry contributed \$31.1 million towards GDP in Whangarei in 2012. This amounted to 1.6% of the district's economic output in 2012, down from 1.9% ten years ago.
- Economic output in Whangarei's engineering (including marine) industry grew by 1.3% in 2012 compared with growth of 4.2% in the industry nationally.
- Growth in the industry in Whangarei has averaged 0.2%pa over the last ten years, varying from a low of -17.1% in 2009 to a high of 28.1% in 2006.

Figure 22. Output growth in the engineering (including marine) industry

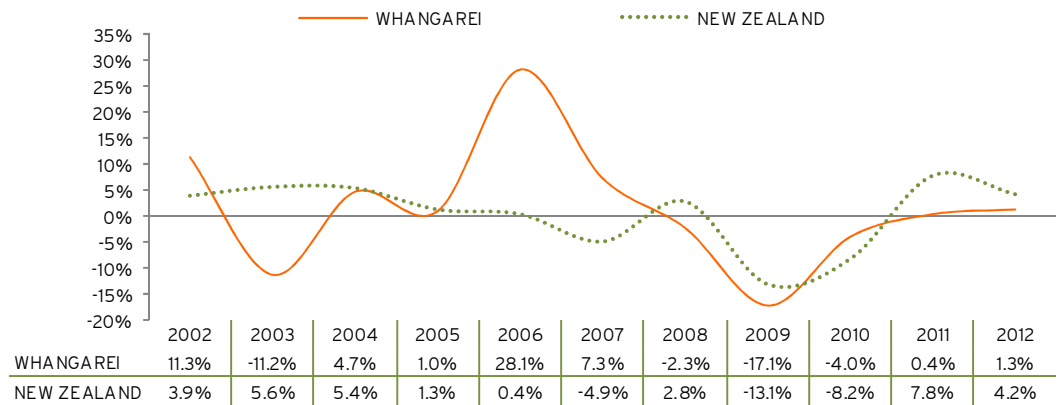
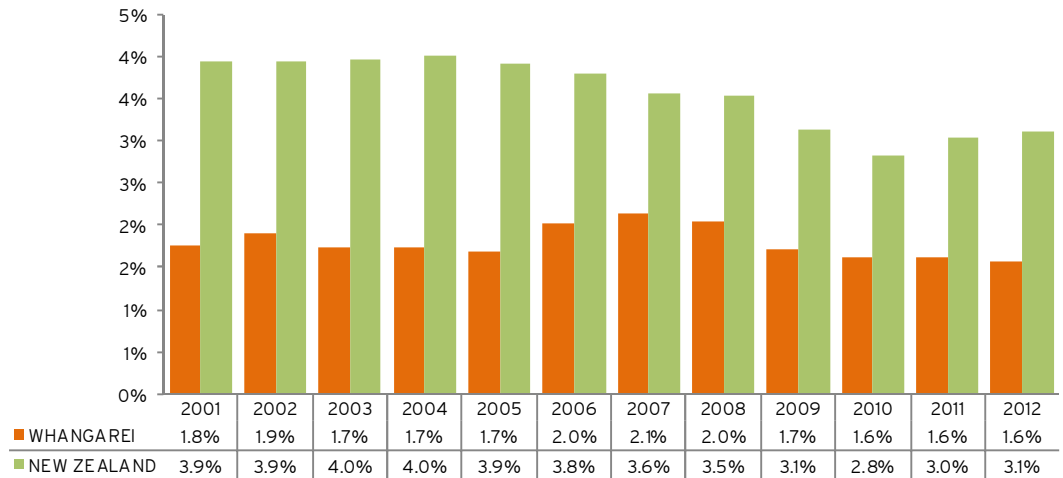


Figure 23. Engineering (including marine)'s share of total economic output



Employment

- The engineering (including marine) industry employed an average of 1,205 persons in Whangarei in 2012 which was down from 1,244 in 2011.
- Employment growth in the industry averaged -0.6% over the past ten years compared with total employment growth in the district of 1.4%.
- Employment growth in the industry peaked at 5.7% in 2006.

Business units

- Approximately 81 business units were in operation in the engineering (including marine) sector in Whangarei in 2012, which was down from 82 in 2011.
- The number of business units peaked at 98 in 2010.

How well has the accommodation and food services industry performed?

The section describes the performance of the fifth key industry in Whangarei: accommodation and food services. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

Table 21. Economic indicators for the accommodation and food services industry

Indicator	2012	% of district total	% of national industry	Growth (2011 to 2012)	
				Whangarei	New Zealand
GDP (\$ million)	\$20.1	10%	0.9%	2.4%	3.3%
Employment	1,764	5.1%	13%	-0.5%	-0.5%
Business Units	428	5.8%	2.2%	-14%	-14%

Economic output

- The accommodation and food services industry contributed \$20.1 million towards GDP in Whangarei in 2012. This amounted to 1.0% of the district's economic output in 2012, down from 1.0% ten years ago.
- Economic output in Whangarei's accommodation and food services industry grew by 2.4% in 2012 compared with growth of 3.3% in the industry nationally.
- Growth in the industry in Whangarei has averaged 1.9%pa over the last ten years, varying from a low of -5.2% in 2009 to a high of 16.2% in 2006.

Figure 24. Output growth in the accommodation and food services industry

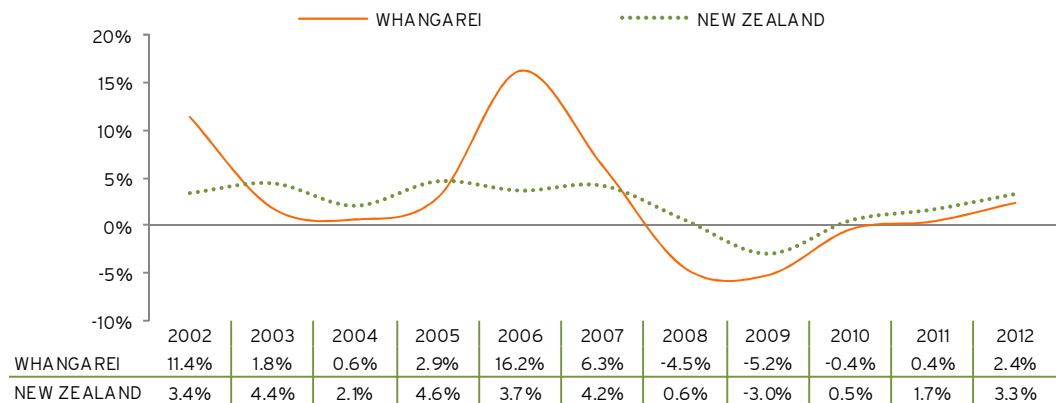
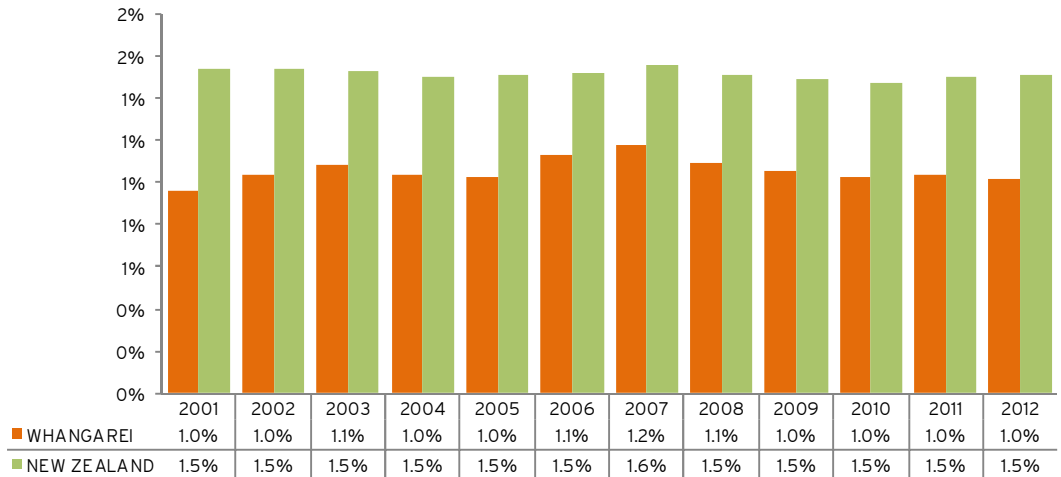


Figure 25. Accommodation and food services's share of total economic output



Employment

- The accommodation and food services industry employed an average of 1,764 persons in Whangarei in 2012 which was down from 1,773 in 2011.
- Employment growth in the industry averaged 1.9% over the past ten years compared with total employment growth in the district of 1.4%.
- Employment growth in the industry peaked at 11.8% in 2006.

Business units

- Approximately 428 business units were in operation in the accommodation and food services industry in Whangarei in 2012, which was down from 434 in 2011.
- The number of business units peaked at 457 in 2007.

How well has the tourism-related industry performed?

Tourism has grown rapidly in New Zealand with the number of overseas tourist arrivals doubling since 1992. It is the second largest foreign exchange earner after the dairy industry. This section describes the performance of tourism-related industries in Whangarei. Because of recent changes to the industrial classification and the way data is presented in the Satellite Tourism Accounts published by Statistics New Zealand we are unable to measure the tourism industry using a definition consistent with the STA and previous Infometrics regional economic profiles. In this section the tourism-related industry is defined as an aggregation of approximately 12 tourist related industries including accommodation, cafés and restaurants and air transport. A full list is provided in the technical appendix. This approach will capture some activity which is not tourism related (eg locals eating in restaurants) and not capture some tourist related activity (eg retail spending by tourists). A comparison at the national level shows that this definition captures about two-thirds of the tourism industry as defined in the satellite tourism accounts.

Table 22. Economic indicators for the tourism-related industry

Indicator	2012	% of district total	% of national industry	Growth (2011 to 2012)	
				Whangarei	New Zealand
GDP (\$ million)	\$34.3	17%	0.8%	3.0%	19%
Employment	2,035	5.9%	12%	-0.7%	-0.7%
Business Units	521	7.0%	2.2%	-2.6%	-2.6%

Economic output

- The tourism-related industry contributed \$34.3 million towards GDP in Whangarei in 2012. This amounted to 1.7% of the district's economic output in 2012, down from 1.9% ten years ago.
- Economic output in Whangarei's tourism-related industry grew by 3% in 2012 compared with growth of 1.9% in the industry nationally.
- Growth in the industry in Whangarei has averaged 1.1%pa over the last ten years, varying from a low of -10.8% in 2009 to a high of 11.9% in 2006.

Figure 26. Output growth in the tourism-related industry

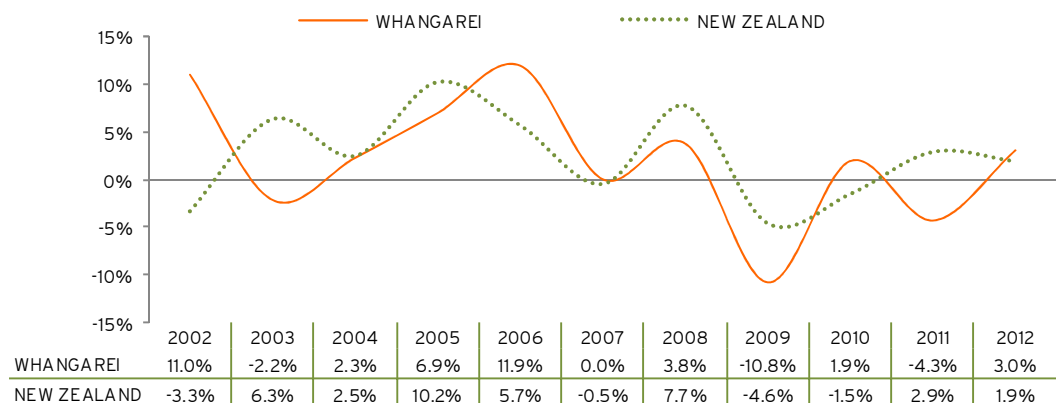
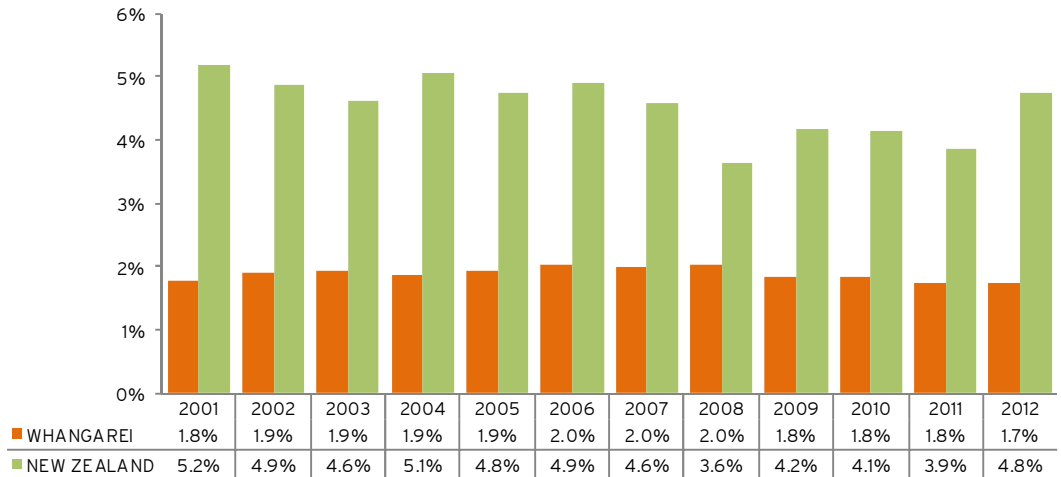


Figure 27. Tourism-related's share of total economic output



Employment

- The tourism-related industry employed an average of 2,035 persons in Whangarei in 2012 which was down from 2,050 in 2011.
- Employment growth in the industry averaged 1.6% over the past ten years compared with total employment growth in the district of 1.4%.
- Employment growth in the industry peaked at 11.1% in 2006.

Business units

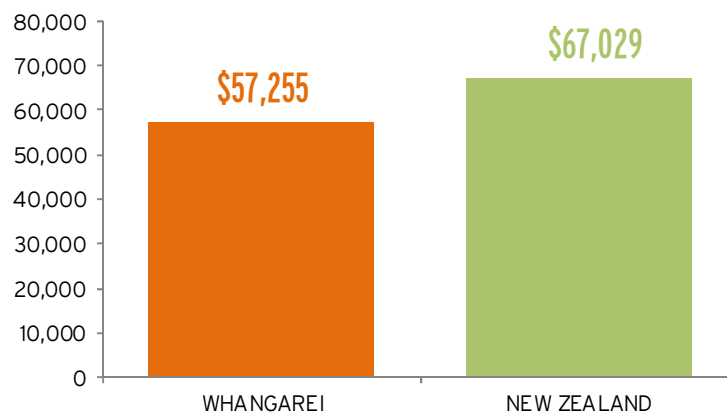
- Approximately 521 business units were in operation in the tourism-related industry in Whangarei in 2012, which was down from 535 in 2011.
- The number of business units peaked at 563 in 2007.

PRODUCTIVITY

Productivity is a way of describing the efficiency of production. In this section, we investigate GDP per employee to determine how much economic activity is generated on average by each employee. When looking at this indicator, one needs to consider that labour is only one input into production. As a result, a comparison of a region's labour productivity growth to its own history or to other districts, implicitly assumes that each worker has the same access to machinery, technology, and land.

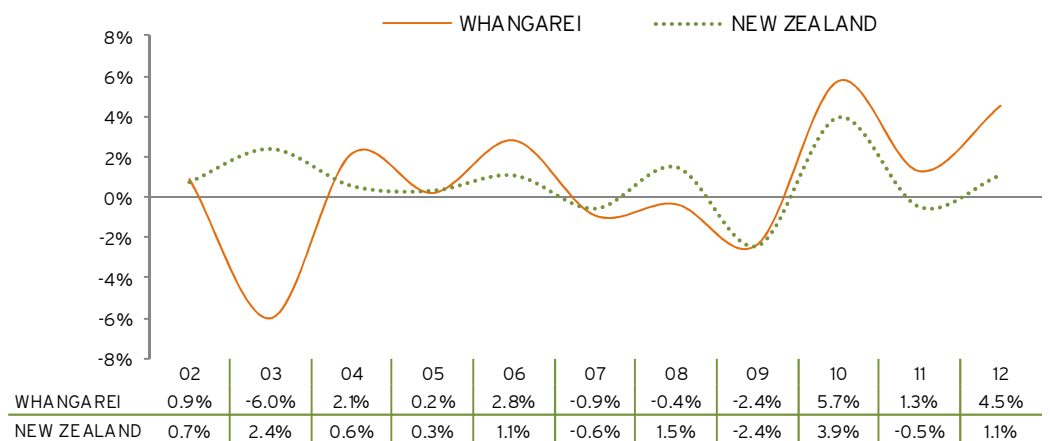
This section describes Whangarei's productivity level during the year to March 2012 and previous years. Productivity is measured by GDP per employee (in constant 1995/96 prices).

Figure 28. GDP per employee (year to March 2012)



- GDP per employee in Whangarei measured \$57,255 in the year to March 2012, which was 15% lower than at the national level.
- Productivity in Whangarei, increased by 4.5% from a year earlier compared with a decrease of 1.1% in the national economy.
- Productivity growth in Whangarei averaged 0.7%pa since 2001 compared with an average of 0.7%pa in the national economy.

Figure 29. Annual average productivity growth (2001-2012)



What are the most productive industries in Whangarei?

This section ranks industries according to their level of GDP per employee in Whangarei. The level of GDP per employee may differ between industries because of the skill levels of workers and their inherent efficiency, as well as due to different amounts of machinery, technology, and land being used as production inputs. Table 23 below ranks broad industries by GDP per employee in Whangarei and shows the corresponding GDP per employee in the national economy. Since the capital intensity of industries is often a significant explainer of productivity we also show the capital intensity of each industry in the table. Capital intensity is measured as the share of GDP which is attributable to capital. Industries with a high proportion are thus highly capital intensive.

Table 23. 1-digit industries ranked by productivity (2012)

Industry	GDP per employee		Capital intensity
	Whangarei	New Zealand	New Zealand
Information Media and Telecommunications	192,298	208,267	0.66
Manufacturing	131,722	83,522	0.42
Electricity, Gas, Water and Waste Services	111,245	233,508	0.86
Rental, Hiring and Real Estate Services	95,109	163,045	0.82
Financial and Insurance Services	84,248	116,508	0.56
Transport, Postal and Warehousing	65,586	80,769	0.40
Agriculture, Forestry and Fishing	61,774	63,148	0.41
Public Administration and Safety	56,892	58,529	0.20
Mining	49,196	190,460	0.78
Wholesale Trade	40,568	70,877	0.42
Professional, Scientific and Technical Services	38,873	46,785	0.20
Administrative and Support Services	29,236	23,055	0.20
Retail Trade	28,856	35,893	0.31
Health Care and Social Assistance	25,245	35,370	0.22
Construction	23,834	35,886	0.23
Other Services	20,640	34,198	0.22
Education and Training	19,560	26,052	0.22
Arts and Recreation Services	16,981	41,455	0.51
Accommodation and Food Services	11,385	16,297	0.29
Total	57,255	67,029	0.42

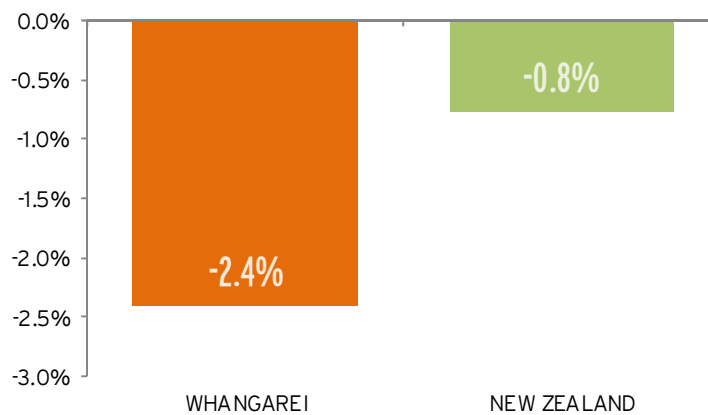
- Information Media and Telecommunications was the industry with the highest GDP per employee in Whangarei in 2012 with GDP per employee of \$192,298.
- The second highest was manufacturing (\$131,722) followed by electricity, gas, water and waste services (\$111,245).
- The industries with the lowest GDP per employee were accommodation and food services (\$11,385), arts and recreation services (\$16,981) and education and training (\$19,560).

BUSINESS GROWTH

How fast did the number of business units grow in Whangarei?

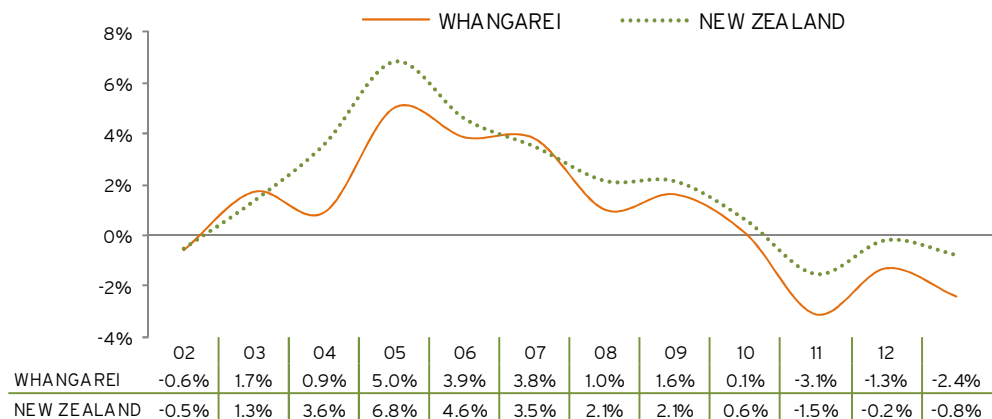
Growth in the number of business units is an indicator of entrepreneurial activity. It indicates an environment in which entrepreneurs are prepared to take risks to start new ventures. This section contrasts Whangarei's recent performance in business unit growth with other regions in the country.

Figure 30. Business unit growth (year to March 2012)



- A total of 7,420 business units were recorded in Whangarei in 2012, down 2.4% from a year earlier.
- The number of business units in New Zealand declined by 0.8% over the same period.
- Growth in the number of business units in Whangarei averaged 0.9%pa since 2000 compared with 1.8%pa in the national economy.
- Business unit growth in Whangarei varied from a high of 5.0% in 2004 to a low of -3.1% in 2010.

Figure 31. Annual average business unit growth (2001-2012)



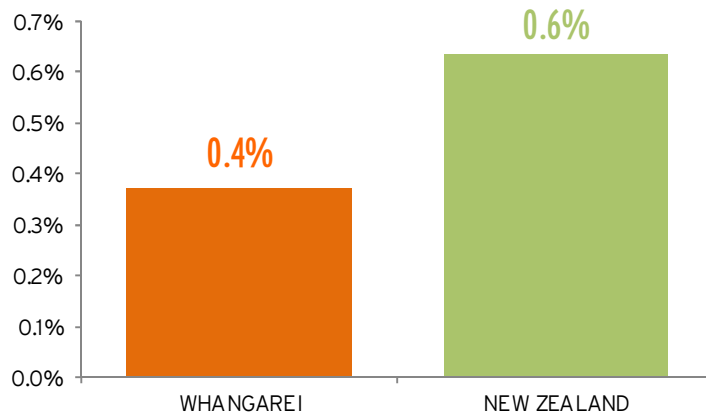
POPULATION GROWTH

How fast has Whangarei's population grown?

New Zealand's population reached 4.4 million in June 2012. The population increased by 0.6% in the June year, which was the lowest growth rate since 2001. The growth slowdown was due to a fall in net migration, with more people leaving New Zealand on a permanent or long term basis than arriving.

Population growth is an indicator of a region's attractiveness as a place to live and work. A strong regional economy with plentiful job opportunities will help a region retain its population and attract new residents from other regions and abroad. This section contrasts Whangarei's recent population growth with other districts and the country as a whole.

Figure 32. Population growth (year to June 2012)



- Whangarei's population was 80,800 in 2012, up 0.4% from a year earlier. New Zealand's total population grew by 0.6% over the same period.
- Population growth in Whangarei averaged 1.2%pa since 2000 compared with 1.2%pa in the national economy.
- Since 2000 growth in Whangarei reached a high of 2.0% in 2003 and a low of 0.0%pa in 2001.

Figure 33. Annual population growth (June years)

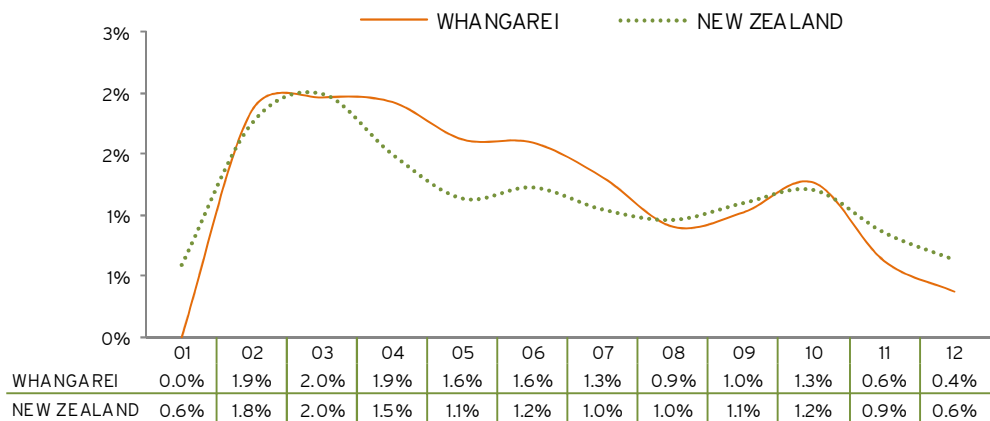
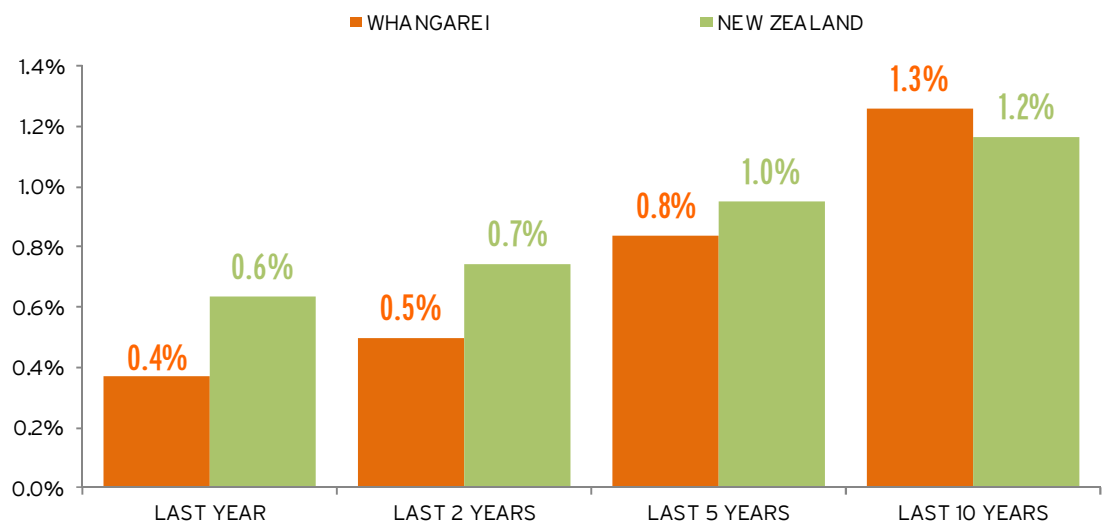


Table 24. Districts ranked by population growth

Rank	2011 to 2012	2010 to 2012	2007 to 2012	2002 to 2012
1	Selwyn	2.9%	Selwyn	3.5%
2	Hamilton City	1.8%	Queenstown-Lakes	2.5%
3	Hurunui	1.8%	Ashburton	2.0%
4	Queenstown-Lakes	1.7%	Hurunui	1.8%
5	Ashburton	1.7%	Waimakariri	1.7%
6	Auckland	1.5%	Hamilton City	1.7%
7	Waimakariri	1.2%	Auckland	1.6%
8	Wellington City	1.0%	Auckland	1.6%
9	Carterton	1.0%	Waikato	1.4%
10	Mackenzie	1.0%	Waikato	1.4%
11	Palmerston North	0.9%	Central Otago	1.2%
12	Nelson City	0.9%	Wellington City	1.2%
13	Central Otago	0.8%	Wellington City	1.2%
14	Dunedin City	0.7%	Palmerston North	1.0%
15	Southland	0.7%	Mackenzie	1.0%
16	Stratford	0.7%	Tasman	1.0%
17	Tasman	0.6%	Central Otago	1.0%
18	Waikato	0.6%	Western Bay of Plenty	0.9%
19	Tauranga City	0.6%	Porirua City	0.9%
20	Taupo	0.6%	Dunedin City	0.8%
21	Porirua City	0.6%	Waikato	0.8%
22	New Plymouth	0.5%	Waikato	0.8%
23	Buller	0.5%	Waikato	0.8%
24	Timaru	0.4%	Waikato	0.8%
25	Waimate	0.4%	Waikato	0.8%
26	Whangarei	0.4%	Waikato	0.8%
27	Manawatu	0.4%	Waikato	0.8%
28	Horowhenua	0.3%	Waikato	0.8%
29	Otorohanga	0.3%	Waikato	0.8%
30	Upper Hutt City	0.2%	Waikato	0.8%
31	Marlborough	0.2%	Waikato	0.8%
32	Waipa	0.2%	Waikato	0.8%
33	Gisborne	0.2%	Waikato	0.8%
34	Kapiti Coast	0.2%	Waikato	0.8%
35	Thames-Coromandel	0.0%	Waikato	0.8%
36	Hauraki	0.0%	Waikato	0.8%
37	Matamata-Piako	0.0%	Waikato	0.8%
38	Hastings	0.0%	Waikato	0.8%
39	Napier City	0.0%	Waikato	0.8%
40	South Taranaki	0.0%	Waikato	0.8%
41	Masterton	0.0%	Waikato	0.8%
42	Waitaki	0.0%	Waikato	0.8%
43	Far North	-0.2%	Waikato	0.8%
44	Invercargill City	-0.2%	Waikato	0.8%
45	Western Bay of Plenty	-0.2%	Waikato	0.8%
46	Kaipara	-0.3%	Waikato	0.8%
47	Whakatane	-0.3%	Waikato	0.8%
48	Rotorua	-0.3%	Waikato	0.8%
49	Lower Hutt City	-0.3%	Waikato	0.8%
50	South Wairarapa	-0.3%	Waikato	0.8%
51	Grey	-0.4%	Waikato	0.8%
52	Gore	-0.4%	Waikato	0.8%
53	South Waikato	-0.4%	Waikato	0.8%
54	Kawerau	-0.6%	Waikato	0.8%
55	Westland	-0.7%	Waikato	0.8%
56	Wanganui	-0.7%	Waikato	0.8%
57	Tararua	-0.8%	Waikato	0.8%
58	Waitomo	-0.9%	Waikato	0.8%
59	Central Hawke's Bay	-1.1%	Waikato	0.8%
60	Clutha	-1.1%	Waikato	0.8%
61	Christchurch City	-1.2%	Waikato	0.8%
62	Rangitikei	-1.4%	Waikato	0.8%
63	Kaikoura	-1.8%	Waikato	0.8%
64	Ruapehu	-1.9%	Waikato	0.8%
65	Wairoa	-2.5%	Waikato	0.8%
66	Opotiki	-2.7%	Waikato	0.8%
	New Zealand	0.6%	New Zealand	0.7%
			New Zealand	1.0%
			New Zealand	1.2%

- Total population in Whangarei increased by 0.4%pa between 2011 and 2012, which ranks it number 26 among the 66 districts for rate of growth.
- The highest ranking district was Selwyn which grew by 2.9% followed by Hamilton City (1.8 percentage points)
- Over the last two years Whangarei ranked number 28 with total population increasing by 0.5%pa between 2010 and 2012.
- Whangarei ranked number 20 over the last five years, with its population increasing by 0.8%pa between 2007 and 2012.
- Over a ten year period Whangarei ranked number 13 with its population increasing by 1.3%pa.

Figure 34. Population growth last 1, 2, 5 and 10 years

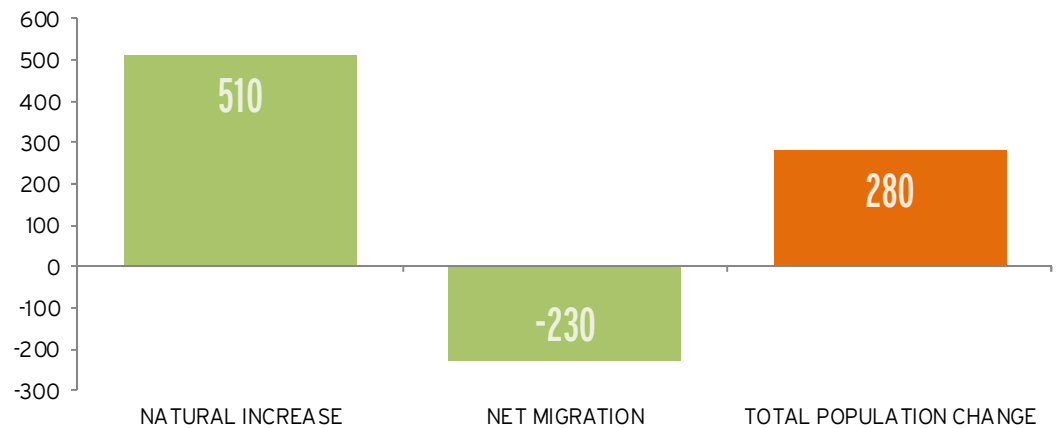


What is the source of Whangarei's population growth?

A region's population can grow through natural growth (births less deaths) and net migration (arrivals less departures). This section describes the relative contributions of these two sources to population growth in Whangarei.

- Whangarei's population increased by 280 people in the year to June 2012. This net increase was made up of net migration of -230 and natural increase of 510.

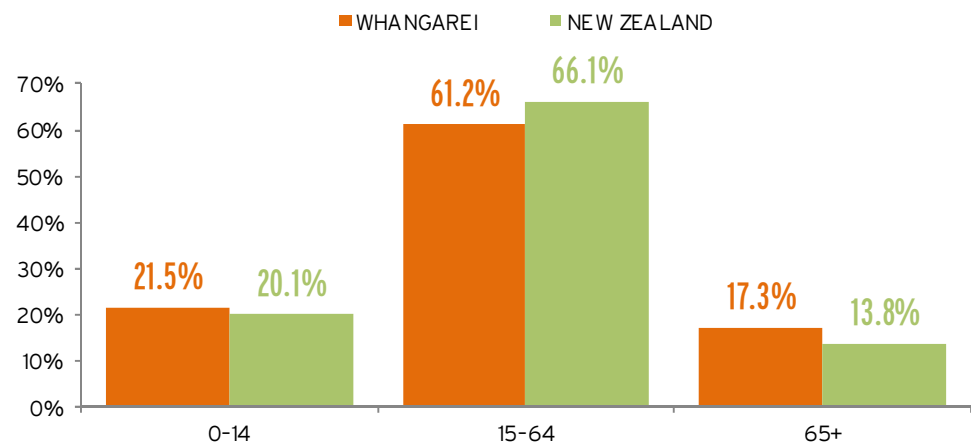
Figure 35. Source of population growth (year to June 2012)



What is the age structure of Whangarei's population?

- Whangarei's median age of 40.5 years in 2012 was significantly higher than the median age of the national population (37.0).
- In 2012, 61.2% of Whangarei's population was of working age (15-64). This was significantly lower than the proportion of the national population (66.1%).
- Whangarei had a significantly higher proportion (21.5%) of young people (0-14) than the country as a whole (20.1%) and a significantly higher proportion (17.3%) of people 65 years and older compared with the national (13.8%). Overall the dependency ratio in Whangarei (63.4%) was higher than in the national economy (51.3%). The dependency ratio expresses the number of persons outside of the working age as a proportion of the number of persons of working age (15 to 64 years).

Figure 36. Age composition of the population (year to June 2012)



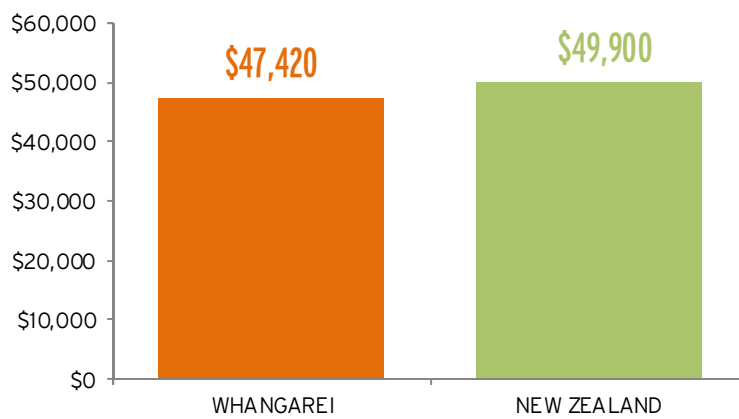
STANDARD OF LIVING

This section describes a few indicators of economic standard of living. It investigates average earnings, house prices and housing affordability. Note that due to data constraints earnings data are provided for the year to March 2011.

What are the median earnings in Whangarei?

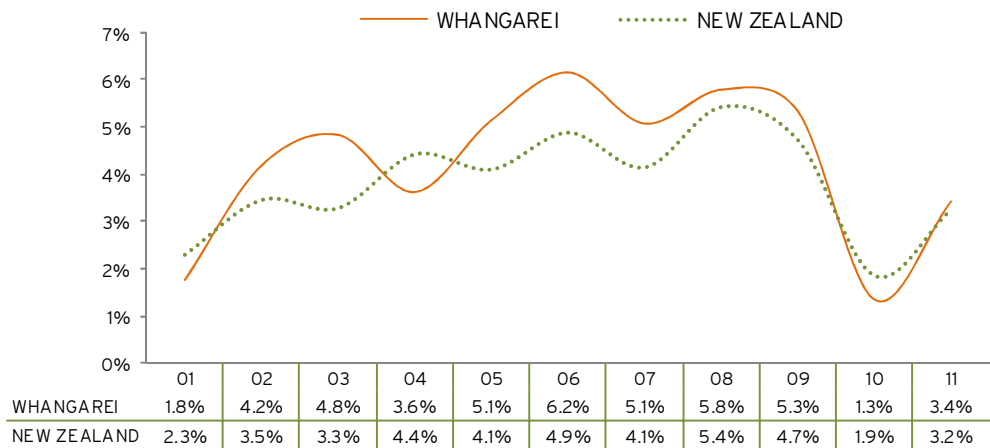
Income earned in the labour market is an important source of household income. This section contrasts Whangarei’s median annual earnings with the country as a whole.

Figure 37. Median annual earnings (year to March 2011)



- The median annual earnings in Whangarei was \$47,420 in the year to March 2011, which was lower than the national median of \$49,900.
- Median earnings in Whangarei increased by 3.4% over the year to March 2011 compared with an increase of 3.2% at the national level.
- Since 2001 earnings growth in Whangarei reached a maximum of 6.2% in 2006 and a minimum of 1.3% in 2010.

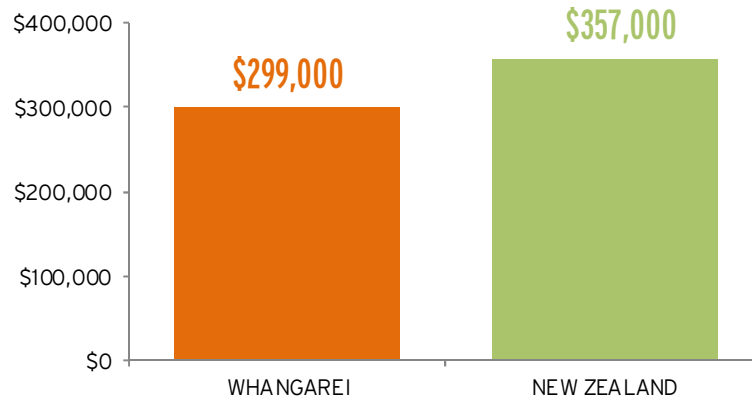
Figure 38. Earnings growth (2001-2011)



How do house prices in Whangarei compare?

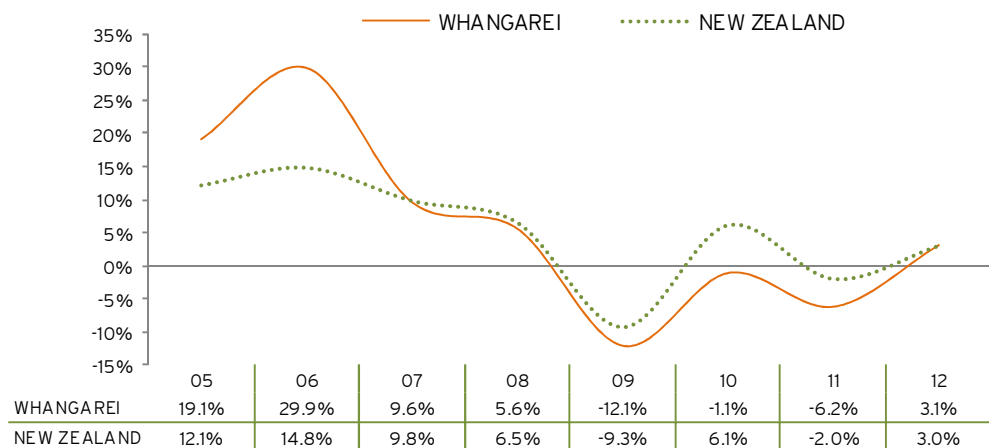
The cost of housing is a major component of household spending. This section describes the cost of housing in Whangarei relative to the rest of the country.

Figure 39. Median house price (year to March 2012)



- The median house price in Whangarei was \$299,000 in 2012, which was 16% lower than the national median of \$357,000.
- House prices in Whangarei increased by 3.1% over the year to March 2012 compared with an increase of 3.0% at the national level.
- Since 2005 house price growth in Whangarei reached a maximum of 29.9% in 2006 and a minimum of -12.1% in 2009.

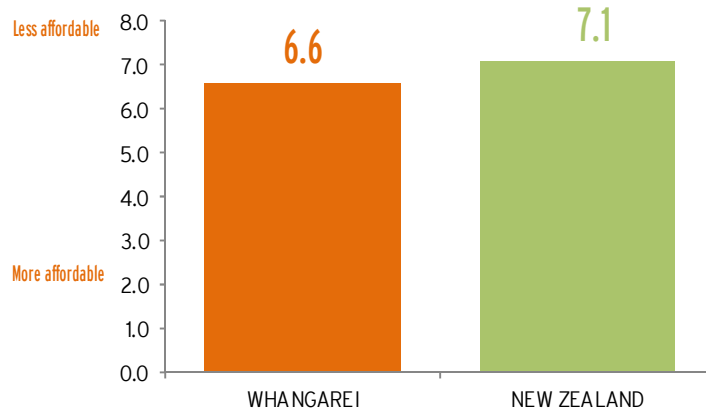
Figure 40. Annual median house price growth (2005-2012)



How affordable is housing in Whangarei?

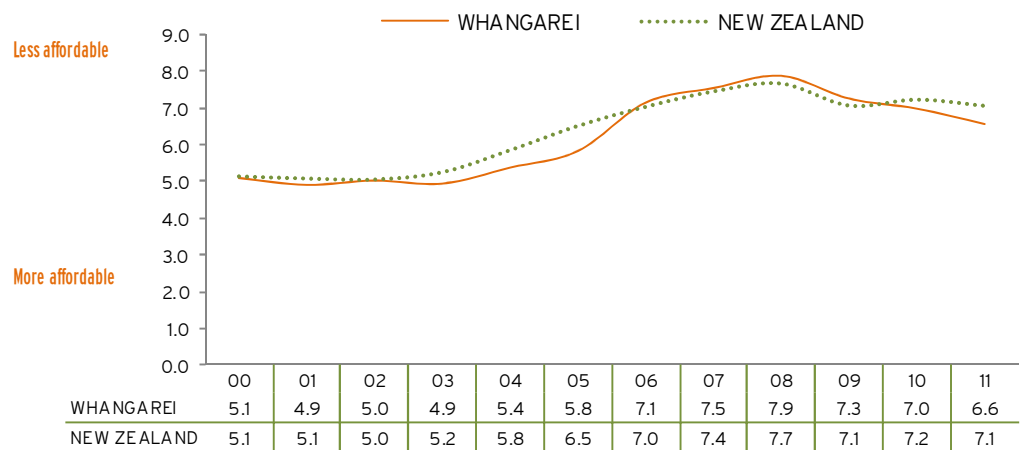
This section investigates the affordability of housing by comparing median house prices with average earnings. We have estimated a housing affordability index which is the ratio of the median house price to annual average earnings measured in the Linked Employer Employee Data. A higher ratio therefore indicates lower housing affordability.

Figure 41. Housing affordability index (year to March 2011)



- The housing affordability index in Whangarei was 6.6 in the year to March 2011, which was lower than the national index of 7.1. This means that housing is more affordable in Whangarei than in the country as a whole.
- Since 2000 housing in Whangarei has become more affordable relative to the national average level.

Figure 42. Housing affordability index (2001-2011)



TECHNICAL NOTES

Time period

This annual profile reports on March years (eg 2012 refers to the 12 months to March 2012) for all indicators except population. Population statistics are presented for the year to June.

Industrial classification

This report uses industry categories from the 2006 Australia New Zealand Standard Industrial Classification (ANZSIC). The ANZSIC is a hierarchical classification with four levels, namely divisions (the broadest level also referred to as 1-digit categories), subdivisions (3-digit), groups (4-digit) and classes (7-digit). There are approximately 500 7-digit industries.

Gross Domestic Product

Gross Domestic Product for each region and district is estimated by Infometrics. The methodology used in this current report differs from that used in previous regional economic profiles. A top down approach breaks national production-based GDP (published by Statistics New Zealand) down to TA level by applying TA shares to the national total. Each TA's share of industry output is based on the share of earnings measured in LEED. This captures differences in productivity between TAs and over time. GDP is measured in 1995/96 prices. Further details of this methodology can be obtained from Infometrics.

Employment by industry

Employment in this report is measured as an average of the four quarters making up each year.

Regional employment is estimated by Infometrics' Regional Industry Employment Model (RIEM). The model draws heavily on quarterly and annual Linked Employer Employee Data (LEED) and Business Demography (BD) series published by Statistics New Zealand. RIEM differs from BD in that it is a quarterly series (BD is annual) and it includes both employees and self-employed whereas BD only includes employees. Further details of this methodology can be obtained from Infometrics.

Industry sectors

The report uses four broad industry sectors: primary, secondary, tertiary and quaternary. The quaternary sector includes the higher value-adding, knowledge-based service industries which are: Information Media Services, Telecommunications, Internet and Library Services, Finance, Insurance and Superannuation Funds, Auxiliary Finance and Insurance Services, Professional, Scientific and Technical Services, Local Government Administration, Central Government Administration, Defense and Public Safety, Education and Training, and Health Care and Social Assistance.

Unemployment rate

Regional level unemployment rates are sourced from Statistics New Zealand's Household Labour Force Survey. Trends in the number of unemployment beneficiaries at TA level are used to break down regional unemployment rates to TA level.

Tourism-related sector

The tourism-related sector is defined as all 7-digit ANZSIC06 industries that are closely related to tourism. These include Accommodation (H440000), Cafes and Restaurants (H451100), Takeaway Food Services (H451200), Catering Services (H451300), Pubs, Taverns and Bars (H452000), Clubs (Hospitality) (H453000), Taxi and Other Road Transport (I462300), Rail Passenger Transport (I472000), Water Passenger Transport (I482000), Air

and Space Transport (I490000), Scenic and Sightseeing Transport (I501000), Travel Agency and Tour Arrangement Services (N722000).

Earnings

Earnings data are from the quarterly Linked Employer Employee Data. Average annual earnings are the sum of mean earnings for each quarter of full quarter jobs.

House prices

House price levels (dollar value) are sourced from REINZ. The levels are based on median sale prices for the month when the sale and purchase becomes unconditional.

Business Units

Data on the number of business units are sourced from the Business Demography statistics from Statistics New Zealand.

Population

Demographic statistics are sourced from Statistics New Zealand.