



Wellington Region



Economics put simply

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ECONOMY

The New Zealand economy in 2017

The New Zealand economy grew by 3.6% over the March 2017 year, following 3.6%pa growth the previous year.

Construction was the biggest contributor to growth, with value-added lifting just over 10%. The sector has benefited not only from higher levels of business activity, but population growth and relatively low interest rates have pushed up demand for new houses and commercial premises. However, capacity pressures have mounted.

Demand for professional services rose, with professional, scientific and technical services growing 5.1% over the March 2017 year. An aging population, coupled with strong migration flows, pushed up demand for health services. Health care and social assistance GDP increased by 6.3% over the year. Other services such as retail (5.2%), rental and hiring (3.3%), and finance (3.0%) also contributed significantly to growth.

Another record-breaking year for domestic and international visitor spending saw GDP for accommodation and food services increase 6.2%.

Value-added from agriculture, forestry and fishing slipped 0.5%, as conditions remained challenging for dairy farmers (-1.5%). Nevertheless, many other parts of the primary sector recorded growth, including forestry (4.0%), fishing and aquaculture (2.7%), poultry (4.2%), and horticulture and fruit growing (1.2%).

How fast has Wellington Region's economy grown?

This section measures economic performance in Wellington Region during the year to March 2017 and previous years. All GDP estimates are measured in constant 2010 prices.

- GDP in Wellington Region measured \$31,289m in the year to March 2017, up 2.5% from a year earlier. New Zealand's GDP increased by 3.6% over the same period.
- Economic growth in Wellington Region averaged 1.6%pa over the last 10 years compared with an average of 2.0%pa in the national economy.
- Growth in Wellington Region reached a high of 3.8% in 2007 and a low of -0.3% in 2012.
- Wellington Region accounted for 13.3% of national GDP in 2017.

Figure 1: GDP growth (year to Mar 2017)

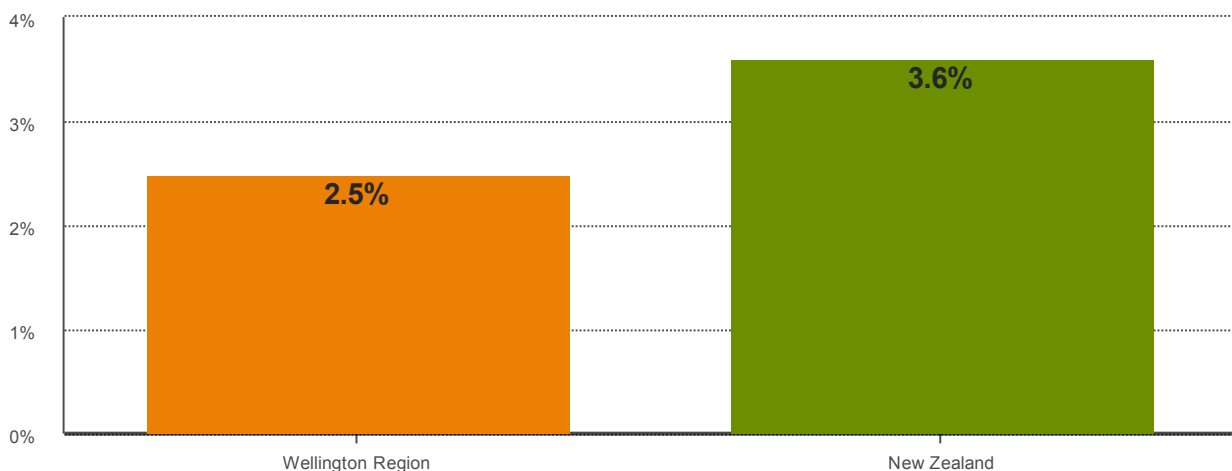


Figure 2: Annual average GDP growth (2000-2017)

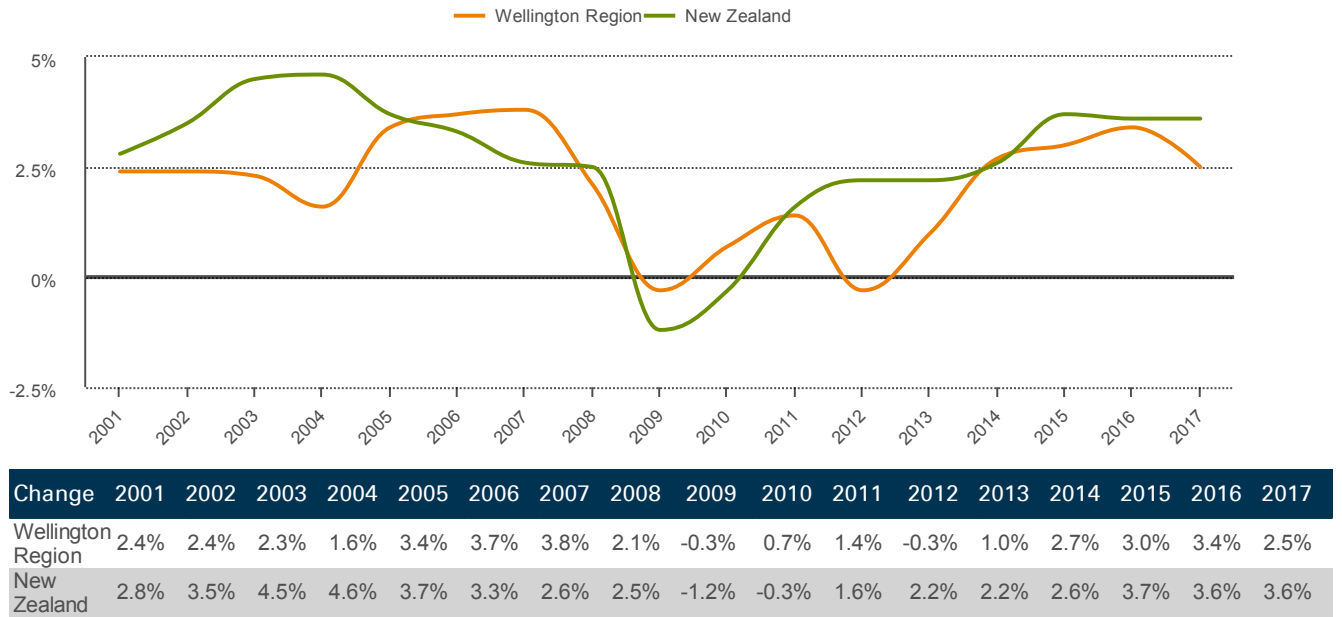
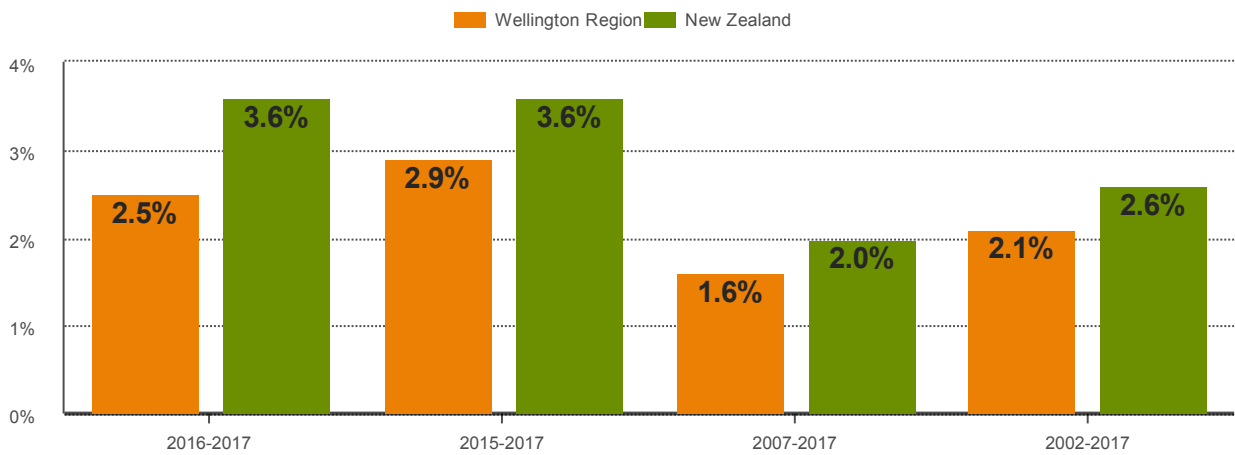


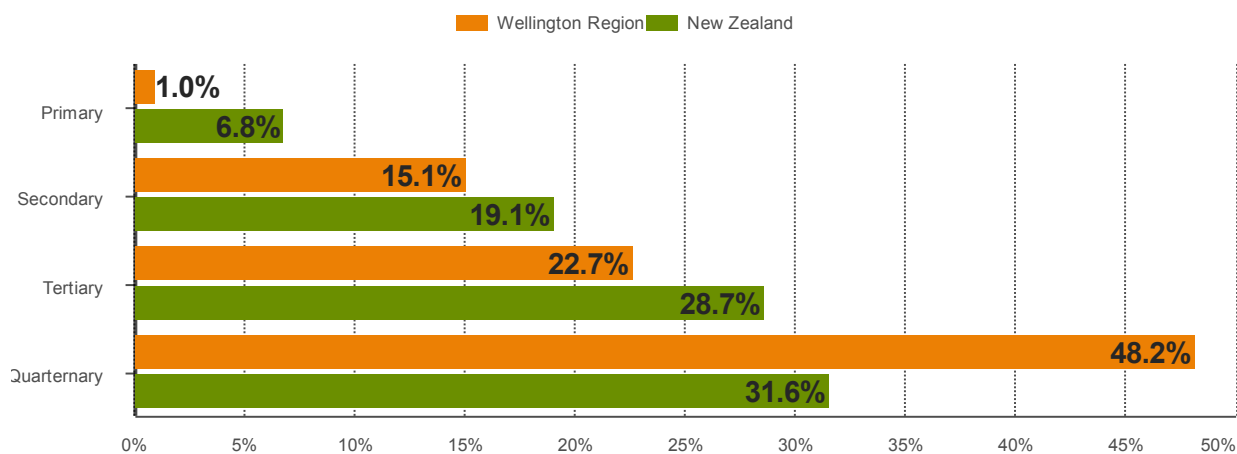
Figure 3: GDP growth over various time periods



What is the industrial structure of Wellington Region's economy?

This section describes the structure of the economy in terms of the broad sectors: primary, secondary, tertiary and quaternary. 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 quaternary sector includes the higher value-adding, knowledge-based service industries. A full definition of the sectors is given in the technical appendix.

Figure 4: Share of total GDP (2017)



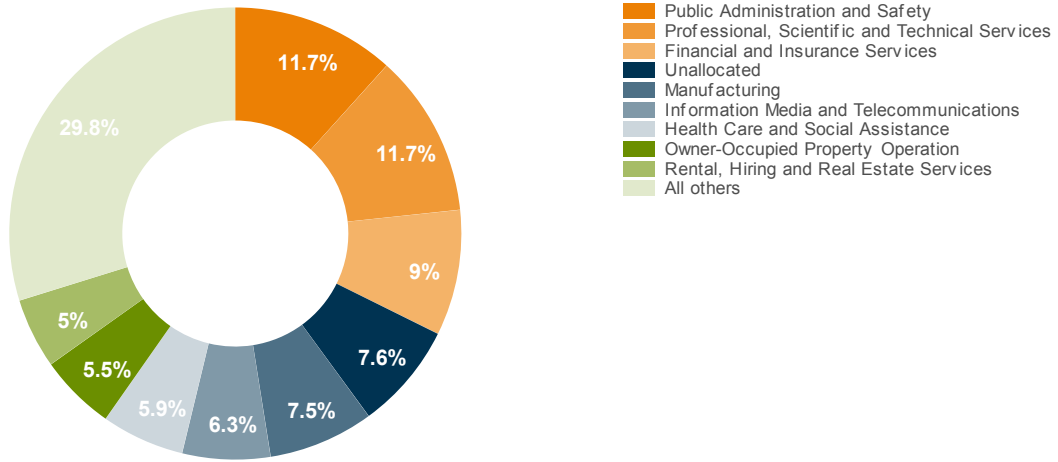
- Primary industries accounted for the smallest proportion in Wellington Region: 1.0% compared with 6.8% in the national economy.
- Secondary industries accounted for 15.1% compared with 19.1% in the national economy.
- Tertiary industries accounted for 22.7% compared with 28.7% in the national economy.
- Quarternary industries accounted for the largest proportion of GDP (48.2%) in Wellington Region, which is higher than in the national economy (31.6%).

Table 1: GDP by 1-digit industry (2017)

Industry	Wellington Region		New Zealand	
	Level	Share of total	Level	Share of total
Agriculture, Forestry and Fishing	\$257m	0.8%	\$12,940m	5.5%
Mining	\$57.2m	0.2%	\$3,079m	1.3%
Manufacturing	\$2,359m	7.5%	\$23,226m	9.9%
Electricity, Gas, Water and Waste Services	\$1,120m	3.6%	\$6,843m	2.9%
Construction	\$1,234m	3.9%	\$14,937m	6.3%
Wholesale Trade	\$929m	3.0%	\$11,769m	5.0%
Retail Trade	\$1,044m	3.3%	\$11,446m	4.9%
Accommodation and Food Services	\$579m	1.9%	\$5,030m	2.1%
Transport, Postal and Warehousing	\$1,102m	3.5%	\$10,607m	4.5%
Information Media and Telecommunications	\$1,970m	6.3%	\$8,603m	3.7%
Financial and Insurance Services	\$2,810m	9.0%	\$13,443m	5.7%
Rental, Hiring and Real Estate Services	\$1,571m	5.0%	\$16,463m	7.0%
Professional, Scientific and Technical Services	\$3,646m	11.7%	\$19,045m	8.1%
Administrative and Support Services	\$515m	1.6%	\$4,827m	2.0%
Public Administration and Safety	\$3,655m	11.7%	\$9,822m	4.2%
Education and Training	\$1,137m	3.6%	\$9,473m	4.0%
Health Care and Social Assistance	\$1,857m	5.9%	\$14,088m	6.0%
Arts and Recreation Services	\$656m	2.1%	\$3,338m	1.4%
Other Services	\$692m	2.2%	\$4,218m	1.8%
Owner-Occupied Property Operation	\$1,708m	5.5%	\$14,285m	6.1%
Unallocated	\$2,392m	7.6%	\$18,007m	7.6%
Total	\$31,289m	100%	\$235,489m	100%

- Among broad industries Public Administration and Safety was the largest in Wellington Region in 2017 accounting for 11.7% of total.
- The second largest was Professional, Scientific and Technical Services (11.7%) followed by Financial and Insurance Services (9.0%)

Figure 5: Share of total GDP (2017)



The table 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. Further information about the industrial classification is given in the Technical Notes at the end of the document.

- Among detailed industries Professional, Scientific & Tech Services was the largest in Wellington Region in 2017 accounting for 11.7% of total.
- The second largest was Central Gov Admin, Defence & Safety (11.1%) followed by Finance (6.6%)

Table 2: GDP by 54 industries (2017)

Industry	Wellington Region		New Zealand	
	Level	Share of total	Level	Share of total
Horticulture & Fruit Growing	\$22.8m	0.1%	\$1,221m	0.5%
Sheep, Beef Cattle & Grain Farming	\$90.2m	0.3%	\$2,769m	1.2%
Dairy Cattle Farming	\$59.2m	0.2%	\$5,257m	2.2%
Poultry, Deer & Other Livestock Farming	\$16.4m	0.1%	\$361m	0.2%
Forestry & Logging	\$29.5m	0.1%	\$1,432m	0.6%
Fishing & Aquaculture	\$8.64m	0.0%	\$325m	0.1%
Agric Support Services & Hunting	\$29.9m	0.1%	\$1,576m	0.7%
Mining	\$57.2m	0.2%	\$3,079m	1.3%
Meat & Meat Product Manufacturing	\$167m	0.5%	\$1,744m	0.7%
Seafood Processing	\$9.07m	0.0%	\$408m	0.2%
Dairy Product Manufacturing	\$41.3m	0.1%	\$1,331m	0.6%
Fruit, Cereal & Other Food Product Manu	\$262m	0.8%	\$2,015m	0.9%
Beverage & Tobacco Product Manu	\$214m	0.7%	\$1,921m	0.8%
Textile, Leather, Clothing, Footwear Manu	\$47.5m	0.2%	\$641m	0.3%
Wood Product Manufacturing	\$135m	0.4%	\$1,408m	0.6%
Pulp & Paper Product Manufacturing	\$67.9m	0.2%	\$776m	0.3%
Printing	\$91.9m	0.3%	\$592m	0.3%
Petroleum & Coal Product Manufacturing	\$519m	1.7%	\$1,079m	0.5%
Basic Chemical & Chemical Product Manu	\$102m	0.3%	\$1,339m	0.6%
Polymer Product & Rubber Product Manu	\$181m	0.6%	\$1,319m	0.6%
Non-Metallic Mineral Product Manu	\$118m	0.4%	\$1,188m	0.5%
Primary Metal & Metal Product Manu	\$17.5m	0.1%	\$617m	0.3%
Fabricated Metal Product Manufacturing	\$130m	0.4%	\$2,149m	0.9%
Transport Equipment Manufacturing	\$45.4m	0.1%	\$1,120m	0.5%
Machinery & Other Equipment Manu	\$152m	0.5%	\$2,898m	1.2%
Furniture & Other Manufacturing	\$57.9m	0.2%	\$681m	0.3%
Electricity & Gas Supply	\$944m	3.0%	\$5,640m	2.4%
Water, Sewerage & Waste Services	\$176m	0.6%	\$1,203m	0.5%
Building Construction	\$259m	0.8%	\$3,130m	1.3%
Heavy & Civil Engineering Construction	\$280m	0.9%	\$4,180m	1.8%
Construction Services	\$694m	2.2%	\$7,627m	3.2%
Wholesale Trade	\$929m	3.0%	\$11,769m	5.0%
Motor Vehicle, Parts & Fuel Retailing	\$125m	0.4%	\$1,639m	0.7%
Supermarket & Specialised Food Retailing	\$337m	1.1%	\$3,345m	1.4%
Other Store & Non Store Retailing	\$582m	1.9%	\$6,462m	2.7%
Accommodation & Food Services	\$579m	1.9%	\$5,030m	2.1%
Road Transport	\$383m	1.2%	\$3,738m	1.6%
Rail, Water, Air & Other Transport	\$276m	0.9%	\$2,219m	0.9%
Postal, Courier & Warehousing Services	\$443m	1.4%	\$4,650m	2.0%
Information Media Services	\$520m	1.7%	\$2,322m	1.0%
Telecomms, Internet & Library Services	\$1,450m	4.6%	\$6,281m	2.7%
Finance	\$2,059m	6.6%	\$8,787m	3.7%
Insurance & Superannuation Funds	\$367m	1.2%	\$2,492m	1.1%
Auxiliary Finance & Insurance Services	\$384m	1.2%	\$2,164m	0.9%
Rental & Hiring Services	\$190m	0.6%	\$2,577m	1.1%
Property Operators & Real Estate Services	\$1,380m	4.4%	\$13,886m	5.9%
Professional, Scientific & Tech Services	\$3,646m	11.7%	\$19,045m	8.1%
Administrative & Support Services	\$515m	1.6%	\$4,827m	2.0%
Local Government Administration	\$174m	0.6%	\$1,177m	0.5%
Central Gov Admin, Defence & Safety	\$3,481m	11.1%	\$8,645m	3.7%
Education & Training	\$1,137m	3.6%	\$9,473m	4.0%
Health Care & Social Assistance	\$1,857m	5.9%	\$14,088m	6.0%
Arts & Recreation Services	\$656m	2.1%	\$3,338m	1.4%
Other Services	\$692m	2.2%	\$4,218m	1.8%
Owner-Occupied Property Operation	\$1,708m	5.5%	\$14,285m	6.1%
Unallocated	\$2,392m	7.6%	\$18,007m	7.6%
Total	\$31,289m	100%	\$235,489m	100%

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 Wellington Region's economy taking into account their relative sizes.

- Professional, Scientific and Technical Services made the largest contribution to overall growth in Wellington Region between 2016 and 2017. The industry grew by 4.2% over the year and contributed 0.48 percentage points to the district's total growth of 2.5%.
- The next largest contributor was construction (0.40 percentage points) followed by health care and social assistance (0.38 percentage points).
- The largest detractor from growth over the year was Information Media and Telecommunications which declined by 3.6% and contributed -0.24 percentage points to the total growth of 2.5%. Transport, Postal and Warehousing (-0.11 percentage points) was the next largest detractor.

Table 3: 1-digit industries ranked by % point contribution to GDP growth

Industry	2016	2017	% point contribution to growth	Annual Growth
Professional, Scientific and Technical Services	3,498.4	3,645.8	0.5%	4.2%
Construction	1,112.8	1,233.5	0.4%	10.8%
Health Care and Social Assistance	1,741.3	1,857.0	0.4%	6.6%
Public Administration and Safety	3,570.4	3,654.9	0.3%	2.4%
Financial and Insurance Services	2,760.3	2,809.9	0.2%	1.8%
Arts and Recreation Services	612.9	656.5	0.1%	7.1%
Manufacturing	2,323.8	2,359.4	0.1%	1.5%
Other Services	658.0	691.6	0.1%	5.1%
Administrative and Support Services	484.6	515.0	0.1%	6.3%
Retail Trade	1,013.9	1,044.0	0.1%	3.0%
Accommodation and Food Services	553.7	579.5	0.1%	4.6%
Electricity, Gas, Water and Waste Services	1,097.5	1,120.4	0.1%	2.1%
Education and Training	1,124.9	1,136.6	0.0%	1.0%
Rental, Hiring and Real Estate Services	1,564.2	1,570.6	0.0%	0.4%
Mining	51.5	57.2	0.0%	10.9%
Wholesale Trade	927.7	928.8	0.0%	0.1%
Agriculture, Forestry and Fishing	259.0	256.6	0.0%	-0.9%
Transport, Postal and Warehousing	1,134.3	1,101.8	-0.1%	-2.9%
Information Media and Telecommunications	2,042.9	1,970.0	-0.2%	-3.6%
Owner-Occupied Property Operation	1,690.9	1,707.6	0.1%	1.0%
Unallocated	2,310.8	2,392.0	0.3%	3.5%
Total	30,534	31,289	2.5%	2.5%

Which detailed industries made the largest contribution to economic growth?

The following table shows a ranking of the detailed industries by their contribution to economic growth over the past year.

- Professional, Scientific & Tech Services made the largest contribution to overall growth in Wellington Region between 2016 and 2017. The industry grew by 4.2% over the year and contributed 0.48 percentage points to the district's total growth of 2.5%.
- The next largest contributor was health care & social assistance (0.38 percentage points) followed by central gov admin, defence & safety (0.26 percentage points).
- The largest detractor from growth over the year was Telecomms, Internet & Library Services which declined by 3.5% and contributed -0.17 percentage points to the total growth of 2.5%. Postal, Courier & Warehousing Services (-0.10 percentage points) was the next largest detractor.

Table 4: 54 industries ranked by percentage point contribution to growth

Industry	2016	2017	% point contribution to growth	Annual Growth
Professional, Scientific & Tech Services	3,498.4	3,645.8	0.5%	4.2%
Health Care & Social Assistance	1,741.3	1,857.0	0.4%	6.6%
Central Gov Admin, Defence & Safety	3,400.8	3,480.6	0.3%	2.3%
Construction Services	628.7	694.4	0.2%	10.4%
Finance	2,015.5	2,059.2	0.1%	2.2%
Arts & Recreation Services	612.9	656.5	0.1%	7.1%
Petroleum & Coal Product Manufacturing	475.5	518.9	0.1%	9.1%
Building Construction	223.8	259.0	0.1%	15.7%
Other Services	658.0	691.6	0.1%	5.1%
Administrative & Support Services	484.6	515.0	0.1%	6.3%
Auxiliary Finance & Insurance Services	354.6	383.8	0.1%	8.3%
Accommodation & Food Services	553.7	579.5	0.1%	4.6%
Heavy & Civil Engineering Construction	260.3	280.2	0.1%	7.6%
Electricity & Gas Supply	926.0	944.0	0.1%	1.9%
Supermarket & Specialised Food Retailing	320.4	336.9	0.1%	5.2%
Non-Metallic Mineral Product Manu	105.7	118.4	0.0%	12.1%
Education & Training	1,124.9	1,136.6	0.0%	1.0%
Other Store & Non Store Retailing	574.2	581.8	0.0%	1.3%
Road Transport	375.7	383.2	0.0%	2.0%
Fabricated Metal Product Manufacturing	122.5	129.9	0.0%	6.0%
Property Operators & Real Estate Services	1,374.3	1,380.4	0.0%	0.4%
Motor Vehicle, Parts & Fuel Retailing	119.4	125.3	0.0%	4.9%
Mining	51.5	57.2	0.0%	10.9%
Furniture & Other Manufacturing	52.6	57.9	0.0%	10.0%
Water, Sewerage & Waste Services	171.6	176.3	0.0%	2.8%
Local Government Administration	169.6	174.3	0.0%	2.8%
Wood Product Manufacturing	131.4	135.3	0.0%	3.0%
Printing	88.5	91.9	0.0%	3.9%
Forestry & Logging	28.1	29.5	0.0%	4.9%
Wholesale Trade	927.7	928.8	0.0%	0.1%
Machinery & Other Equipment Manu	151.1	152.1	0.0%	0.7%
Dairy Product Manufacturing	40.3	41.3	0.0%	2.5%
Seafood Processing	8.7	9.1	0.0%	4.3%
Poultry, Deer & Other Livestock Farming	16.2	16.4	0.0%	1.2%
Rental & Hiring Services	190.0	190.2	0.0%	0.1%
Sheep, Beef Cattle & Grain Farming	90.2	90.2	0.0%	0.0%
Fruit, Cereal & Other Food Product Manu	262.3	262.3	0.0%	0.0%
Agric Support Services & Hunting	30.3	29.9	0.0%	-1.5%
Fishing & Aquaculture	9.2	8.6	0.0%	-6.4%
Horticulture & Fruit Growing	23.8	22.8	0.0%	-4.2%
Pulp & Paper Product Manufacturing	69.2	67.9	0.0%	-1.9%
Dairy Cattle Farming	61.1	59.2	0.0%	-3.2%
Textile, Leather, Clothing, Footwear Manu	50.4	47.5	0.0%	-5.7%
Transport Equipment Manufacturing	50.0	45.4	0.0%	-9.1%
Primary Metal & Metal Product Manu	22.7	17.5	0.0%	-23.0%
Polymer Product & Rubber Product Manu	187.4	181.4	0.0%	-3.2%
Beverage & Tobacco Product Manu	220.3	214.0	0.0%	-2.8%
Basic Chemical & Chemical Product Manu	109.0	101.8	0.0%	-6.5%
Rail, Water, Air & Other Transport	284.7	275.6	0.0%	-3.2%
Meat & Meat Product Manufacturing	176.4	166.7	0.0%	-5.5%
Information Media Services	540.2	520.3	-0.1%	-3.7%
Insurance & Superannuation Funds	390.2	366.8	-0.1%	-6.0%
Postal, Courier & Warehousing Services	473.9	443.0	-0.1%	-6.5%
Telecomms, Internet & Library Services	1,502.8	1,449.7	-0.2%	-3.5%
Owner-Occupied Property Operation	1,690.9	1,707.6	0.1%	1.0%
Unallocated	2,310.8	2,392.0	0.3%	3.5%
Total	30,534	31,289	2.5%	2.5%

In which industries does Wellington Region 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.

The following table shows a ranking of 54 industries by their location quotients.

- The industries in which Wellington Region has the largest comparative advantages are Petroleum & Coal Product Manufacturing (location quotient = 3.6), Central Gov Admin, Defence & Safety (3.0), and Finance (1.8).

Table 5: Location Quotient 2017

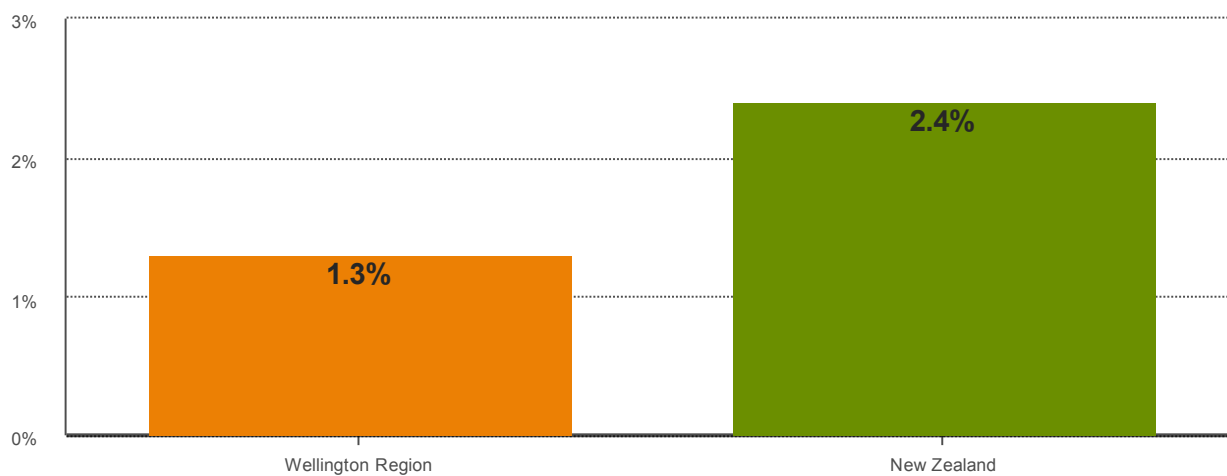
Industry	Wellington Region		New Zealand
	Location Quotient	Share of total GDP	Share of total GDP
Petroleum & Coal Product Manufacturing	3.6	1.7%	0.5%
Central Gov Admin, Defence & Safety	3.0	11.1%	3.7%
Finance	1.8	6.6%	3.7%
Telecomms, Internet & Library Services	1.7	4.6%	2.7%
Information Media Services	1.7	1.7%	1.0%
Arts & Recreation Services	1.5	2.1%	1.4%
Professional, Scientific & Tech Services	1.4	11.7%	8.1%
Auxiliary Finance & Insurance Services	1.3	1.2%	0.9%
Electricity & Gas Supply	1.3	3.0%	2.4%
Other Services	1.2	2.2%	1.8%
Printing	1.2	0.3%	0.3%
Local Government Administration	1.1	0.6%	0.5%
Insurance & Superannuation Funds	1.1	1.2%	1.1%
Water, Sewerage & Waste Services	1.1	0.6%	0.5%
Polymer Product & Rubber Product Manu	1.0	0.6%	0.6%
Health Care & Social Assistance	1.0	5.9%	6.0%
Fruit, Cereal & Other Food Product Manu	1.0	0.8%	0.9%
Rail, Water, Air & Other Transport	0.9	0.9%	0.9%
Education & Training	0.9	3.6%	4.0%
Accommodation & Food Services	0.9	1.9%	2.1%
Beverage & Tobacco Product Manu	0.8	0.7%	0.8%
Administrative & Support Services	0.8	1.6%	2.0%
Road Transport	0.8	1.2%	1.6%
Supermarket & Specialised Food Retailing	0.8	1.1%	1.4%
Non-Metallic Mineral Product Manu	0.8	0.4%	0.5%
Property Operators & Real Estate Services	0.7	4.4%	5.9%
Wood Product Manufacturing	0.7	0.4%	0.6%
Meat & Meat Product Manufacturing	0.7	0.5%	0.7%
Postal, Courier & Warehousing Services	0.7	1.4%	2.0%
Construction Services	0.7	2.2%	3.2%
Other Store & Non Store Retailing	0.7	1.9%	2.7%
Pulp & Paper Product Manufacturing	0.7	0.2%	0.3%
Furniture & Other Manufacturing	0.6	0.2%	0.3%
Building Construction	0.6	0.8%	1.3%
Wholesale Trade	0.6	3.0%	5.0%
Motor Vehicle, Parts & Fuel Retailing	0.6	0.4%	0.7%
Basic Chemical & Chemical Product Manu	0.6	0.3%	0.6%
Textile, Leather, Clothing, Footwear Manu	0.6	0.2%	0.3%
Rental & Hiring Services	0.6	0.6%	1.1%
Heavy & Civil Engineering Construction	0.5	0.9%	1.8%
Fabricated Metal Product Manufacturing	0.5	0.4%	0.9%
Machinery & Other Equipment Manu	0.4	0.5%	1.2%
Poultry, Deer & Other Livestock Farming	0.3	0.1%	0.2%
Transport Equipment Manufacturing	0.3	0.1%	0.5%
Sheep, Beef Cattle & Grain Farming	0.2	0.3%	1.2%
Dairy Product Manufacturing	0.2	0.1%	0.6%
Primary Metal & Metal Product Manu	0.2	0.1%	0.3%
Fishing & Aquaculture	0.2	0.0%	0.1%
Seafood Processing	0.2	0.0%	0.2%
Forestry & Logging	0.2	0.1%	0.6%
Agric Support Services & Hunting	0.1	0.1%	0.7%
Horticulture & Fruit Growing	0.1	0.1%	0.5%
Mining	0.1	0.2%	1.3%
Dairy Cattle Farming	0.1	0.2%	2.2%

EMPLOYMENT

How fast has employment grown in Wellington Region?

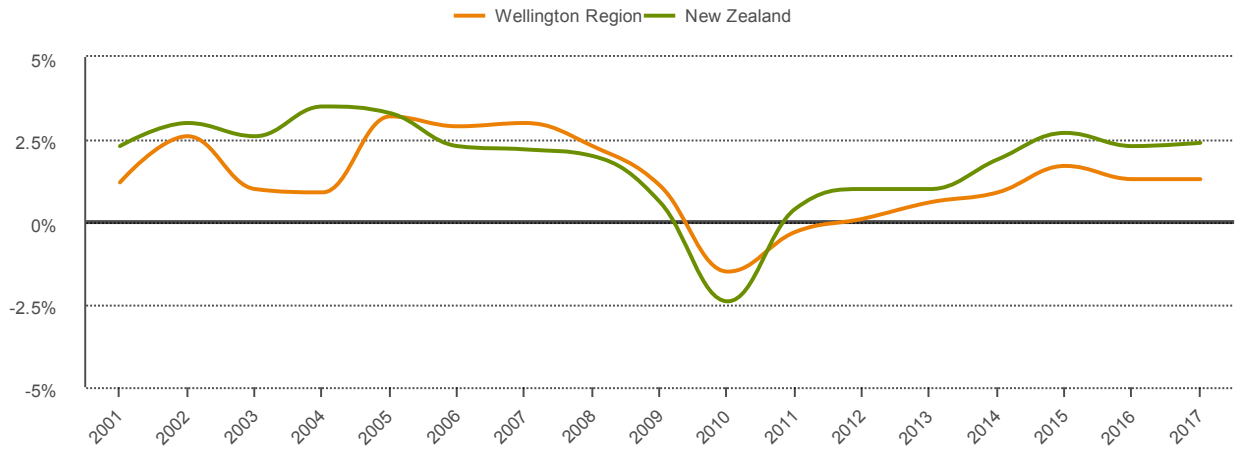
Employment growth provides new opportunities for the region's population to earn income and contribute to the region's economy. This section contrasts Wellington Region's recent performance in creating jobs with other regions in the country.

Figure 6: Employment growth (year to Mar 2017)



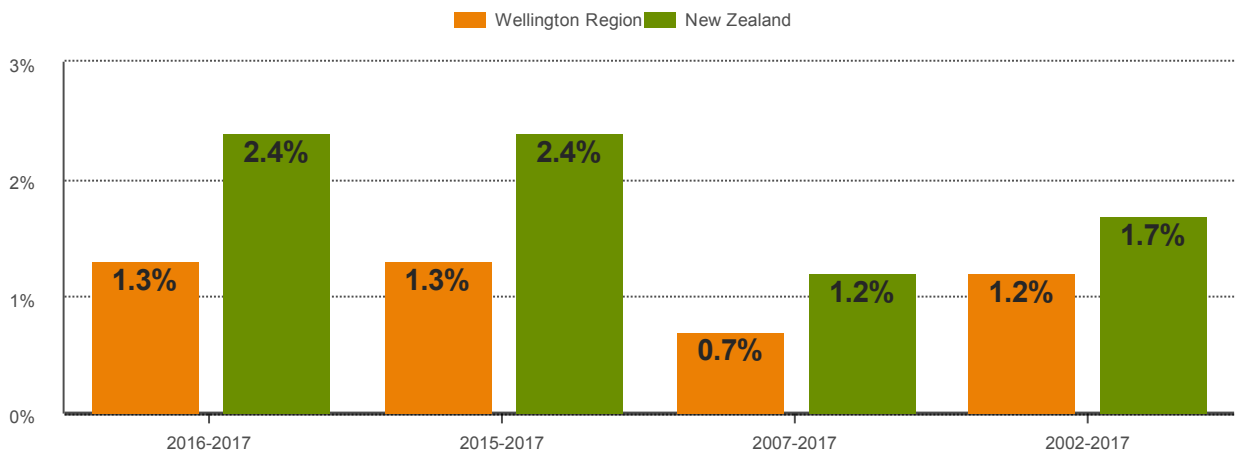
- Total employment in Wellington Region averaged 277,966 in the year to March 2017, up 1.3% from a year earlier. Employment in New Zealand increased by 2.4% over the same period.
- Employment growth in Wellington Region averaged 0.7%pa over the last 10 years compared with 1.2%pa in the national economy.
- Employment growth in Wellington Region reached a high of 3.2% in 2005 and a low of -1.5% in 2010.

Figure 7: Annual average employment growth



Change	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Wellington Region	1.2%	2.6%	1.0%	0.9%	3.2%	2.9%	3.0%	2.3%	1.1%	-1.5%	-0.3%	0.1%	0.6%	0.9%	1.7%	1.3%	1.3%
New Zealand	2.3%	3.0%	2.6%	3.5%	3.3%	2.3%	2.2%	2.0%	0.6%	-2.4%	0.4%	1.0%	1.0%	1.9%	2.7%	2.3%	2.4%

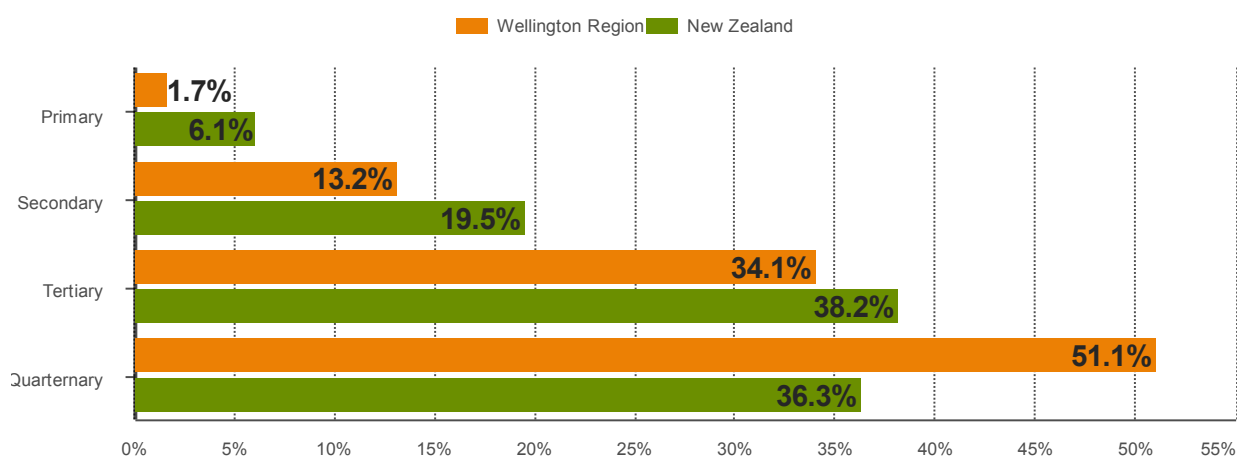
Figure 8: Employment growth over various time periods



What is the industrial structure of employment in Wellington Region?

This section describes the structure of the labour market in terms of the primary, secondary, tertiary and quaternary 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 produces manufactured and other processed goods. The tertiary sector includes the lower value-adding service industries while the quaternary sector includes the higher value-adding, knowledge-based service industries. A list of industries making up the quaternary sector is given in the technical appendix.

Figure 9: Employment by broad sector (2017)



- Primary accounted for 1.7% in Wellington Region compared with 6.1% in New Zealand.
- Secondary accounted for 13.2% in Wellington Region compared with 19.5% in New Zealand.
- Tertiary accounted for 34.1% in Wellington Region compared with 38.2% in New Zealand.
- Quaternary industries accounted for the largest proportion of employment (51.1%) in Wellington Region, which is higher than in New Zealand (36.3%).

Which are the largest employing industries in Wellington Region?

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

Table 6: 1-digit industries ranked by size of employment (2017)

Industry	Wellington Region		New Zealand	
	Level	Share of total	Level	Share of total
Agriculture, Forestry and Fishing	4,038	1.5%	140,452	5.8%
Mining	549	0.2%	5,647	0.2%
Manufacturing	13,933	5.0%	233,757	9.7%
Electricity, Gas, Water and Waste Services	2,075	0.7%	15,695	0.7%
Construction	20,760	7.5%	220,190	9.1%
Wholesale Trade	8,828	3.2%	119,716	5.0%
Retail Trade	22,238	8.0%	222,038	9.2%
Accommodation and Food Services	18,815	6.8%	161,349	6.7%
Transport, Postal and Warehousing	8,881	3.2%	100,709	4.2%
Information Media and Telecommunications	8,004	2.9%	42,603	1.8%
Financial and Insurance Services	12,197	4.4%	63,939	2.7%
Rental, Hiring and Real Estate Services	4,930	1.8%	58,328	2.4%
Professional, Scientific and Technical Services	39,791	14.3%	229,917	9.5%
Administrative and Support Services	13,296	4.8%	121,001	5.0%
Public Administration and Safety	31,285	11.3%	112,555	4.7%
Education and Training	23,430	8.4%	188,236	7.8%
Health Care and Social Assistance	27,235	9.8%	236,735	9.8%
Arts and Recreation Services	6,684	2.4%	46,100	1.9%
Other Services	10,995	4.0%	91,194	3.8%
Total	277,966	100%	2,410,161	100%

- Among broad industries Professional, Scientific and Technical Services was the largest in Wellington Region in 2017 accounting for 14.3% of total.
- The second largest was Public Administration and Safety (11.3%) followed by Health Care and Social Assistance (9.8%)

The table on the following page shows the 50 detailed industries among the approximately 500 7-digit ANZSIC industry categories which employ the highest number of people in Wellington Region.

- Professional, Scientific and Technical Services was the largest 7-digit industry in Wellington Region in 2017 employing 39,791 persons and accounting for 14.3% of total employment in the district. By contrast this industry accounted for 9.5% of total employment in New Zealand.
- The second largest employing industries were public administration and safety (31,285) followed by health care and social assistance (27,235).

Table 7: 50 largest employing 7-digit ANZSIC industries (2017)

Rank	Industry	Wellington Region		New Zealand
		Jobs	% of total	% of total
1	Central Government Administration	16,127	5.8%	1.3%
2	Computer Systems Design and Related Services	11,282	4.1%	1.8%
3	Cafes and Restaurants	8,167	2.9%	2.9%
4	Hospitals (except Psychiatric Hospitals)	7,490	2.7%	2.9%
5	Banking	6,909	2.5%	0.9%
6	Management Advice and Other Consulting Services	6,700	2.4%	1.6%
7	Supermarket and Grocery Stores	6,564	2.4%	2.4%
8	Higher Education	5,693	2.0%	1.5%
9	Primary Education	5,513	2.0%	2.1%
10	Corporate Head Office Management Services	4,964	1.8%	1.1%
11	Other Allied Health Services	3,993	1.4%	1.4%
12	Aged Care Residential Services	3,948	1.4%	1.4%
13	House Construction	3,778	1.4%	1.8%
14	Takeaway Food Services	3,654	1.3%	1.2%
15	Secondary Education	3,475	1.3%	1.5%
16	Accommodation	3,203	1.2%	1.4%
17	Accounting Services	3,200	1.2%	1.0%
18	Employment Placement and Recruitment Services	3,055	1.1%	0.5%
19	Engineering Design and Engineering Consulting Services	3,037	1.1%	1.1%
20	Other Social Assistance Services	2,906	1.0%	0.8%
21	Buildings Cleaning Services	2,871	1.0%	1.1%
22	Legal Services	2,855	1.0%	0.8%
23	Preschool Education	2,719	1.0%	1.1%
24	Labour Supply Services	2,680	1.0%	1.3%
25	Police Services	2,671	1.0%	0.5%
26	Regulatory Services	2,496	0.9%	0.3%
27	Defence	2,491	0.9%	0.5%
28	Local Government Administration	2,376	0.9%	0.9%
29	Real Estate Services	2,268	0.8%	1.0%
30	Electrical Services	2,181	0.8%	0.9%
31	Adult, Community and Other Education n.e.c.	2,057	0.7%	0.5%
32	Pubs, Taverns and Bars	1,976	0.7%	0.6%
33	Hairdressing and Beauty Services	1,974	0.7%	0.7%
34	Other Auxiliary Finance and Investment Services	1,920	0.7%	0.4%
35	Road Freight Transport	1,901	0.7%	1.3%
36	Justice	1,878	0.7%	0.2%
37	Other Interest Group Services n.e.c.	1,865	0.7%	0.5%
38	Hardware and Building Supplies Retailing	1,824	0.7%	0.8%
39	Child Care Services	1,794	0.6%	0.6%
40	General Practice Medical Services	1,766	0.6%	0.7%
41	Department Stores	1,716	0.6%	0.7%
42	Other Residential Care Services	1,716	0.6%	0.6%
43	Clothing Retailing	1,705	0.6%	0.7%
44	Other Heavy and Civil Engineering Construction	1,676	0.6%	0.8%
45	Other Administrative Services n.e.c.	1,633	0.6%	0.5%
46	Painting and Decorating Services	1,604	0.6%	0.6%
47	Wired Telecommunications Network Operation	1,565	0.6%	0.3%
48	Scientific Research Services	1,513	0.5%	0.3%
49	Plumbing Services	1,477	0.5%	0.6%
50	Technical and Vocational Education and Training	1,449	0.5%	0.4%
	All other industries total	103,691	37.3%	49.5%
	Total	277,966	100%	100%

Which industries have created the most jobs?

The section investigates which industries have created and lost the most number of jobs in Wellington Region. 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 8: 1-digit industries ranked by number of jobs created

Industry	2016	2017	Change	Annual Growth
Construction	19,748	20,760	1,011	5.1%
Professional, Scientific and Technical Services	38,882	39,791	909	2.3%
Accommodation and Food Services	17,960	18,815	855	4.8%
Public Administration and Safety	30,881	31,285	404	1.3%
Education and Training	23,097	23,430	333	1.4%
Arts and Recreation Services	6,378	6,684	306	4.8%
Administrative and Support Services	13,071	13,296	225	1.7%
Health Care and Social Assistance	27,016	27,235	219	0.8%
Rental, Hiring and Real Estate Services	4,809	4,930	121	2.5%
Electricity, Gas, Water and Waste Services	1,984	2,075	92	4.6%
Retail Trade	22,160	22,238	79	0.4%
Other Services	10,929	10,995	66	0.6%
Information Media and Telecommunications	7,973	8,004	31	0.4%
Mining	529	549	20	3.7%
Agriculture, Forestry and Fishing	4,066	4,038	-28	-0.7%
Wholesale Trade	8,902	8,828	-74	-0.8%
Manufacturing	14,189	13,933	-256	-1.8%
Financial and Insurance Services	12,551	12,197	-354	-2.8%
Transport, Postal and Warehousing	9,270	8,881	-388	-4.2%
Total	274,396	277,966	3,570	1.3%

- Construction made the largest contribution to employment growth in Wellington Region between 2016 and 2017 with the industry adding 1,011 jobs.
- The next largest contributor was Professional, Scientific and Technical Services (909 jobs) followed by Accommodation and Food Services (855 jobs).
- The largest detractor from growth over the year was Transport, Postal and Warehousing in which employment declined by 388.

The table 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 15 shows the 50 detailed industries that made the lowest contribution to job creation over the same period.

- Computer Systems Design and Related Services was the largest creator of jobs in Wellington Region between 2016 and 2017 generating an additional 403 positions.
- This was followed by Cafes and Restaurants, which added 376 jobs over the same period.
- Postal Services was the largest detractor of jobs in Wellington Region between 2016 and 2017 losing 212 positions.
- This was followed by Financial Asset Investing, which lost 177 jobs over the same period.

Table 9: The 50 seven-digit industries that created the most jobs between 2016 and 2017

Rank	Industry	Jobs		Change 2016 - 2017	% of total 2017
		2016	2017		
1	Computer Systems Design and Related Services	10,879	11,282	403	4.1%
2	Cafes and Restaurants	7,792	8,167	376	2.9%
3	House Construction	3,462	3,778	316	1.4%
4	Justice	1,570	1,878	308	0.7%
5	Other Residential Care Services	1,482	1,716	233	0.6%
6	Accommodation	2,976	3,203	227	1.2%
7	Employment Placement and Recruitment Services	2,832	3,055	223	1.1%
8	Takeaway Food Services	3,432	3,654	222	1.3%
9	Higher Education	5,476	5,693	217	2.0%
10	Labour Supply Services	2,474	2,680	207	1.0%
11	Health and Fitness Centres and Gymnasias Operation	562	713	151	0.3%
12	Supermarket and Grocery Stores	6,415	6,564	149	2.4%
13	Adult, Community and Other Education n.e.c.	1,938	2,057	120	0.7%
14	Architectural Services	1,140	1,259	119	0.5%
15	Non-Residential Building Construction	1,291	1,397	107	0.5%
16	Electrical Services	2,081	2,181	99	0.8%
17	Management Advice and Other Consulting Services	6,607	6,700	94	2.4%
18	Regulatory Services	2,406	2,496	90	0.9%
19	Corporate Head Office Management Services	4,877	4,964	88	1.8%
20	Commission Based Wholesaling	586	671	86	0.2%
21	On Selling Electricity and Electricity Market Operation	187	272	85	0.1%
22	Child Care Services	1,710	1,794	84	0.6%
23	Other Auxiliary Finance and Investment Services	1,837	1,920	83	0.7%
24	Aged Care Residential Services	3,867	3,948	81	1.4%
25	Wired Telecommunications Network Operation	1,489	1,565	76	0.6%
26	Accounting Services	3,127	3,200	73	1.2%
27	Religious Services	1,199	1,270	71	0.5%
28	Other Construction Services n.e.c.	765	831	65	0.3%
29	Other Public Order and Safety Services	119	183	64	0.1%
30	Buildings Cleaning Services	2,807	2,871	64	1.0%
31	Sports and Physical Recreation Venues, Grounds and Facilities Operation	797	858	61	0.3%
32	Pubs, Taverns and Bars	1,917	1,976	59	0.7%
33	Legal Services	2,798	2,855	57	1.0%
34	Dental Services	843	900	56	0.3%
35	Other Store-Based Retailing n.e.c.	1,127	1,181	54	0.4%
36	Postproduction Services and Other Motion Picture and Video Activities	1,362	1,415	53	0.5%
37	Carpentry Services	499	551	52	0.2%
38	Plumbing Services	1,426	1,477	51	0.5%
39	Site Preparation Services	833	881	48	0.3%
40	Other Food Products Manufacturing n.e.c.	605	653	48	0.2%
41	Preschool Education	2,671	2,719	48	1.0%
42	Other Gambling Activities	454	501	48	0.2%
43	Pathology and Diagnostic Imaging Services	457	503	47	0.2%
44	Central Government Administration	16,081	16,127	46	5.8%
45	Residential Property Operators	569	614	45	0.2%
46	Local Government Administration	2,331	2,376	45	0.9%
47	General Line Groceries Wholesaling	371	415	44	0.1%
48	Sport and Physical Recreation Administrative Service	629	670	41	0.2%
49	Other Telecommunications Services	146	186	40	0.1%
50	Other Heavy and Civil Engineering Construction	1,638	1,676	38	0.6%
	All other industries	149,459	147,469	-1,991	53.1%
	Total	274,396	277,966	3,570	100%

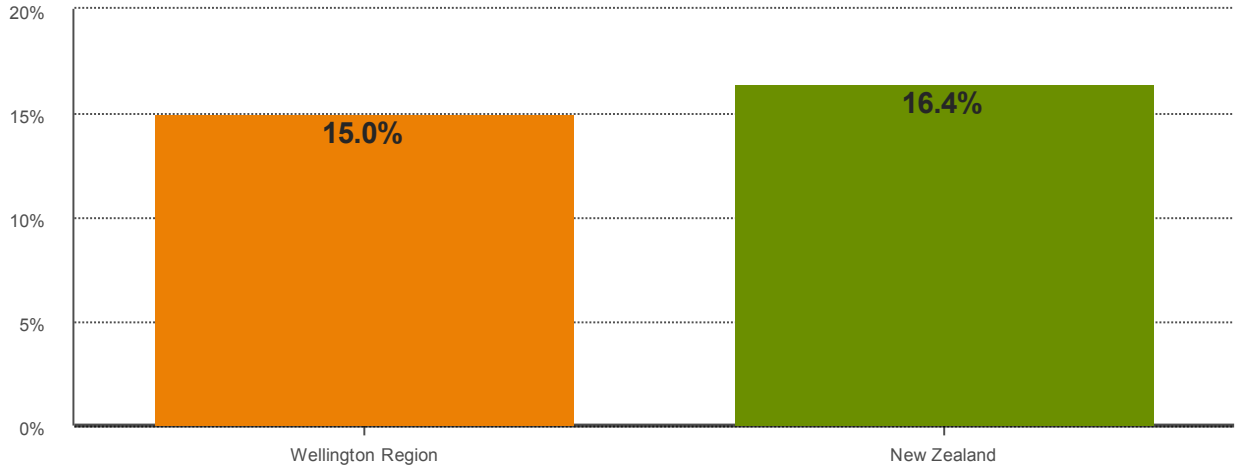
Table 10: The 50 seven-digit industries that lost the most jobs between 2016 and 2017

Rank	Industry	Jobs		Change 2016 - 2017	% of total 2017
		2016	2017		
1	Postal Services	829	617	-212	0.2%
2	Financial Asset Investing	499	322	-177	0.1%
3	Call Centre Operation	535	360	-175	0.1%
4	General Insurance	749	579	-169	0.2%
5	Other Health Care Services n.e.c.	748	593	-155	0.2%
6	Data Processing and Web Hosting Services	645	505	-140	0.2%
7	Other Allied Health Services	4,113	3,993	-121	1.4%
8	Department Stores	1,835	1,716	-118	0.6%
9	Defence	2,604	2,491	-114	0.9%
10	Clothing Retailing	1,816	1,705	-111	0.6%
11	Life Insurance	946	837	-109	0.3%
12	Water Passenger Transport	601	510	-91	0.2%
13	Hospitals (except Psychiatric Hospitals)	7,570	7,490	-80	2.7%
14	Travel Agency and Tour Arrangement Services	716	647	-69	0.2%
15	Other Warehousing and Storage Services	352	284	-68	0.1%
16	Meat Processing	865	802	-63	0.3%
17	Scientific Testing and Analysis Services	714	652	-62	0.2%
18	Combined Primary and Secondary Education	852	792	-60	0.3%
19	Rail Passenger Transport	405	346	-59	0.1%
20	Educational Support Services	1,014	957	-57	0.3%
21	Professional and Scientific Goods Wholesaling	251	197	-54	0.1%
22	Electronic (except Domestic Appliance) and Precision Equipment Repair and Maintenance	206	161	-45	0.1%
23	Other Transport Support Services n.e.c.	404	359	-45	0.1%
24	Other Polymer Product Manufacturing	174	129	-45	0.0%
25	Natural Fibre Textile Manufacturing	247	209	-38	0.1%
26	Cleaning Compound Manufacturing	121	83	-38	0.0%
27	Parking Services	98	60	-38	0.0%
28	Other Grocery Wholesaling	907	870	-37	0.3%
29	Railway Rolling Stock Manufacturing and Repair Services	238	201	-36	0.1%
30	Sheep Farming (Specialised)	473	438	-36	0.2%
31	Catering Services	1,433	1,399	-33	0.5%
32	Amusement and Other Recreation Activities n.e.c.	176	143	-33	0.1%
33	Office Administrative Services	1,061	1,029	-32	0.4%
34	Other Interest Group Services n.e.c.	1,897	1,865	-32	0.7%
35	Fossil Fuel Electricity Generation	223	191	-32	0.1%
36	Computer and Computer Peripherals Wholesaling	272	242	-30	0.1%
37	Iron and Steel Casting	64	35	-28	0.0%
38	Video and Other Electronic Media Rental	114	86	-28	0.0%
39	Radio Broadcasting	433	406	-26	0.1%
40	Footwear Retailing	492	466	-25	0.2%
41	Rail Freight Transport	132	107	-25	0.0%
42	Other Professional, Scientific and Technical Services n.e.c.	669	644	-25	0.2%
43	Newspaper Publishing	600	576	-24	0.2%
44	Credit Reporting and Debt Collection Services	105	81	-24	0.0%
45	Dairy Cattle Farming	656	633	-22	0.2%
46	Other Goods Wholesaling n.e.c.	737	717	-20	0.3%
47	Other Administrative Services n.e.c.	1,653	1,633	-20	0.6%
48	Structural Steel Erection Services	60	40	-20	0.0%
49	Corrugated Paperboard and Paperboard Container Manufacturing	166	146	-20	0.1%
50	Agricultural and Construction Machinery Wholesaling	145	126	-19	0.0%
	All other industries	231,784	238,496	6,713	85.8%
	Total	274,396	277,966	3,570	100%

What proportion of the workforce is self-employed in Wellington Region?

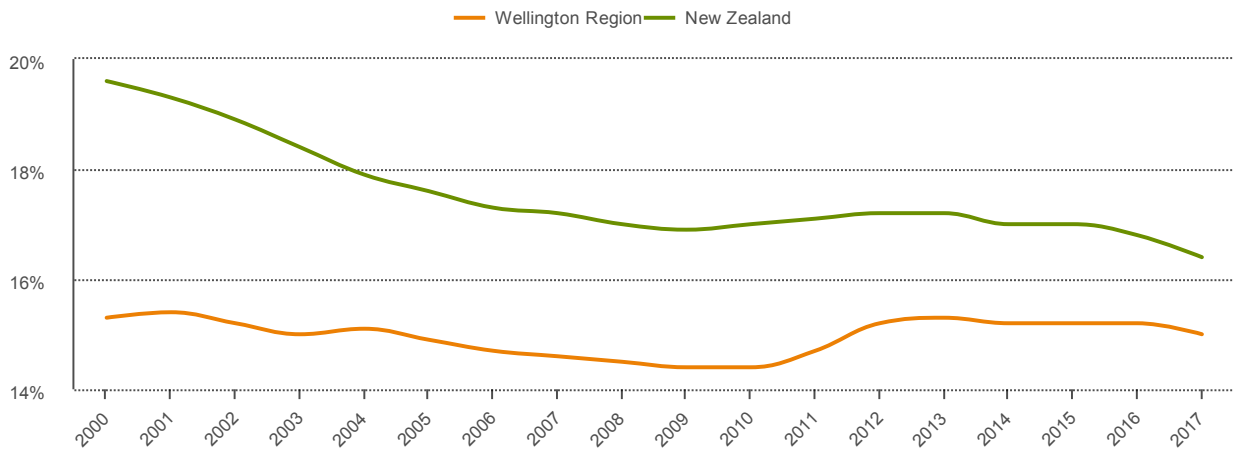
Self-employment makes up a sizeable proportion of total employment in New Zealand although it declined through the economic boom years and stabilised since the recession. This section contrasts self-employment in Wellington Region with the national economy.

Figure 10: Self employment rate, 2017



- Self-employed workers accounted for 15.0% of the workforce in Wellington Region in 2017, which was a lower rate than in the national economy (16.4%)
- A total of 41,784.0 workers were self-employed in Wellington Region in 2017.

Figure 11: Self employment rate



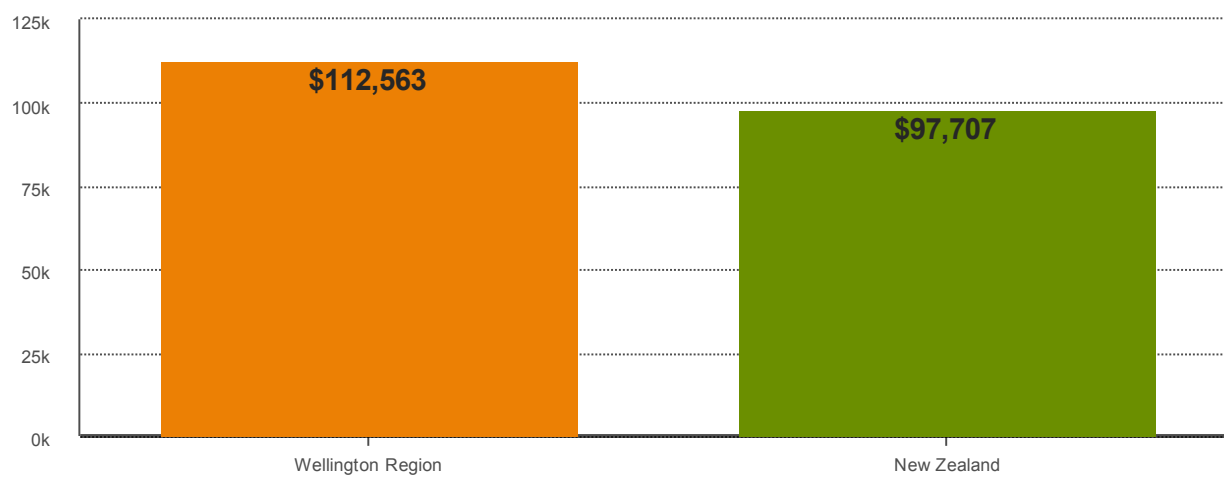
Level	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Wellington Region	15.4%	15.2%	15.0%	15.1%	14.9%	14.7%	14.6%	14.5%	14.4%	14.4%	14.7%	15.2%	15.3%	15.2%	15.2%	15.2%	15.0%
New Zealand	19.3%	18.9%	18.4%	17.9%	17.6%	17.3%	17.2%	17.0%	16.9%	17.0%	17.1%	17.2%	17.2%	17.0%	17.0%	17.0%	16.4%

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.

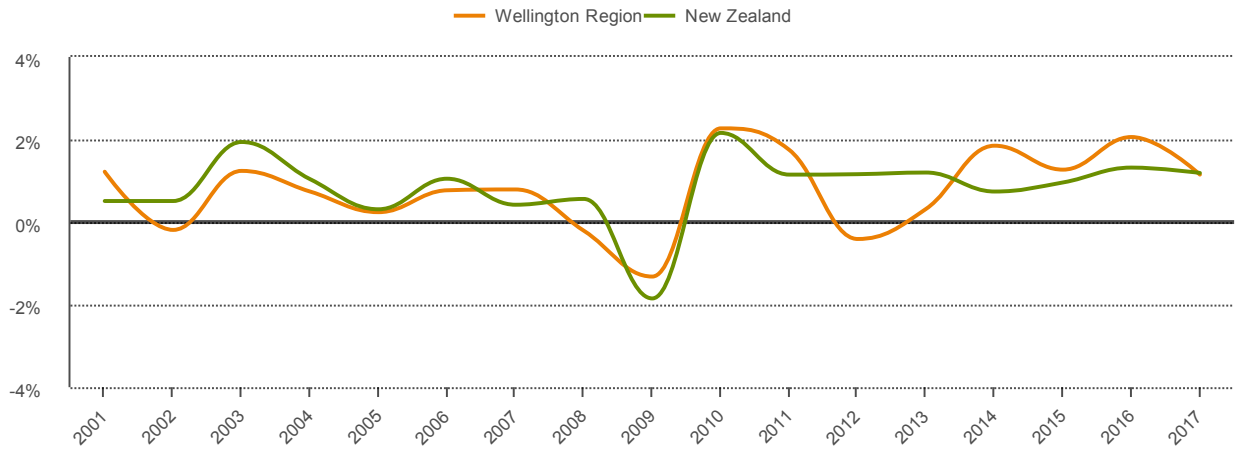
This section describes Wellington Region's productivity level during the year to March 2017 and previous years. Productivity is measured by GDP per employee (in constant 2010 prices).

Figure 12: Productivity 2017



- GDP per employee in Wellington Region measured \$112,563 in the year to March 2017, which was 15% higher than in New Zealand.
- Productivity in Wellington Region increased by 1.2% from a year earlier compared with an increase of 1.2% in New Zealand).
- Productivity growth in Wellington Region averaged 0.9%pa over the last ten years compared with an average of 0.9%pa in New Zealand.

Figure 13: Productivity growth



Change	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Wellington Region	1.2%	-0.2%	1.2%	0.7%	0.2%	0.8%	0.8%	-0.2%	-1.3%	2.3%	1.7%	-0.4%	0.3%	1.9%	1.3%	2.1%	1.2%
New Zealand	0.5%	0.5%	1.9%	1.0%	0.3%	1.0%	0.4%	0.6%	-1.9%	2.2%	1.1%	1.2%	1.2%	0.7%	1.0%	1.3%	1.2%

What are the most productive industries in Wellington Region

This section ranks industries according to their level of GDP per employee in Wellington Region. 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 17 below ranks broad industries by GDP per employee in Wellington Region 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 11: 1-digit industries ranked by productivity (2017)

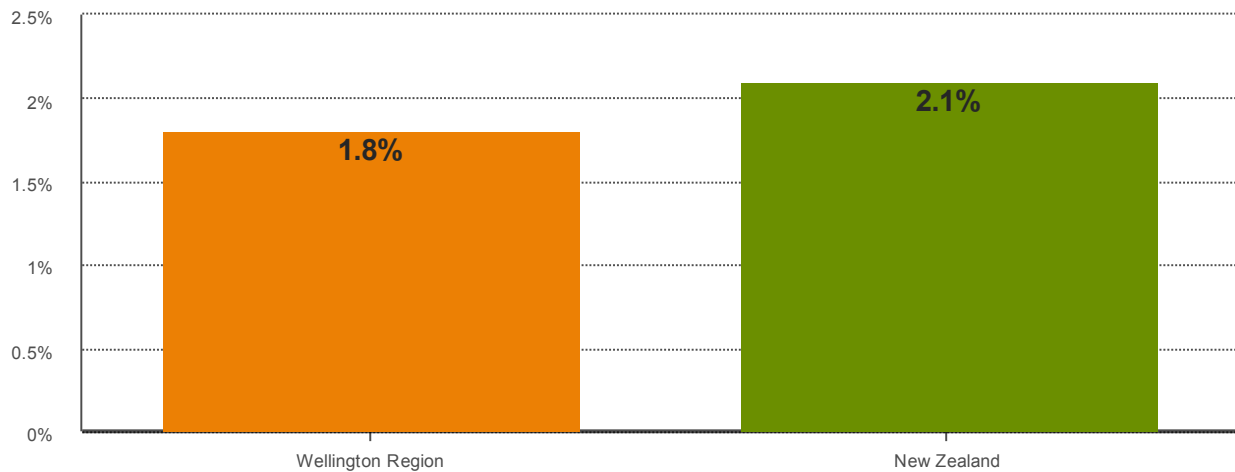
Industry	Productivity		Capital intensity
	Wellington Region	New Zealand	New Zealand
Electricity, Gas, Water and Waste Services	539,807	436,006	0.80
Rental, Hiring and Real Estate Services	318,557	282,250	0.84
Information Media and Telecommunications	246,122	201,934	0.56
Financial and Insurance Services	230,370	210,247	0.52
Manufacturing	169,342	99,360	0.39
Transport, Postal and Warehousing	124,056	105,323	0.42
Public Administration and Safety	116,824	87,264	0.17
Wholesale Trade	105,211	98,308	0.40
Mining	104,088	545,219	0.79
Arts and Recreation Services	98,213	72,408	0.42
Professional, Scientific and Technical Services	91,625	82,834	0.24
Health Care and Social Assistance	68,185	59,510	0.12
Agriculture, Forestry and Fishing	63,540	92,131	0.63
Other Services	62,902	46,253	0.20
Construction	59,419	67,837	0.23
Education and Training	48,510	50,325	0.24
Retail Trade	46,946	51,550	0.31
Administrative and Support Services	38,738	39,892	0.17
Accommodation and Food Services	30,797	31,175	0.26
Total	112,563	97,707	

BUSINESS GROWTH

How fast did the number of business units grow in Wellington Region?

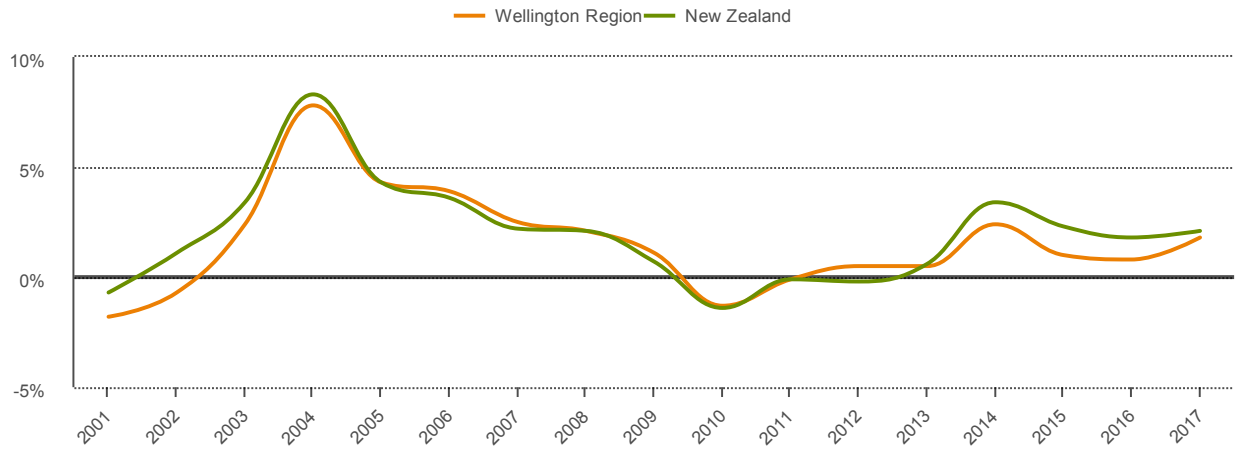
Growth in the number of business units is an indicator of entrepreneurial activity. It indicates an environment in which entrepreneurs are prepared to take risks to start new ventures. This section contrasts Wellington Region's recent performance in business unit growth with other regions in the country.

Figure 14: Business unit growth (year to Mar 2017)



- A total of 55,698 business units were recorded in Wellington Region in 2017, up 1.8% from a year earlier.
- The number of business units in New Zealand increased by 2.1% over the same period.
- Growth in the number of business units in Wellington Region averaged 0.9%pa over the past 10 years compared with 1.1%pa in the national economy.
- Business unit growth in Wellington Region varied from a high of 7.8% in 2004 to a low of -1.8% in 2001.

Figure 15: Annual average business unit growth



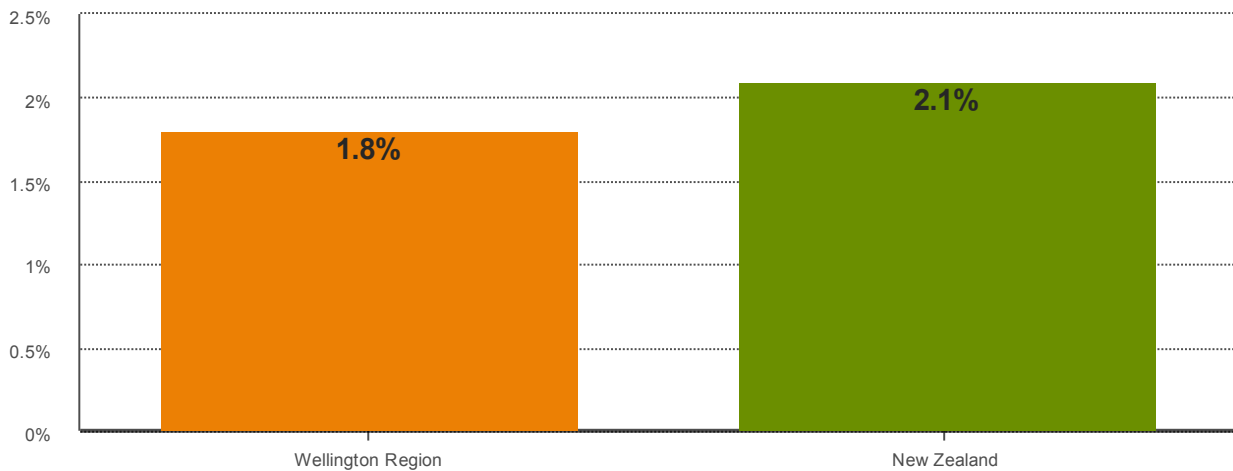
Change	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Wellington Region	-1.8%	-0.7%	2.4%	7.8%	4.3%	3.9%	2.5%	2.1%	1.1%	-1.3%	-0.1%	0.5%	0.5%	2.4%	1.0%	0.8%	1.8%
New Zealand	-0.7%	1.1%	3.4%	8.3%	4.3%	3.6%	2.2%	2.1%	0.7%	-1.4%	-0.1%	-0.2%	0.6%	3.4%	2.3%	1.8%	2.1%

POPULATION GROWTH

How fast has Wellington Region's population grown?

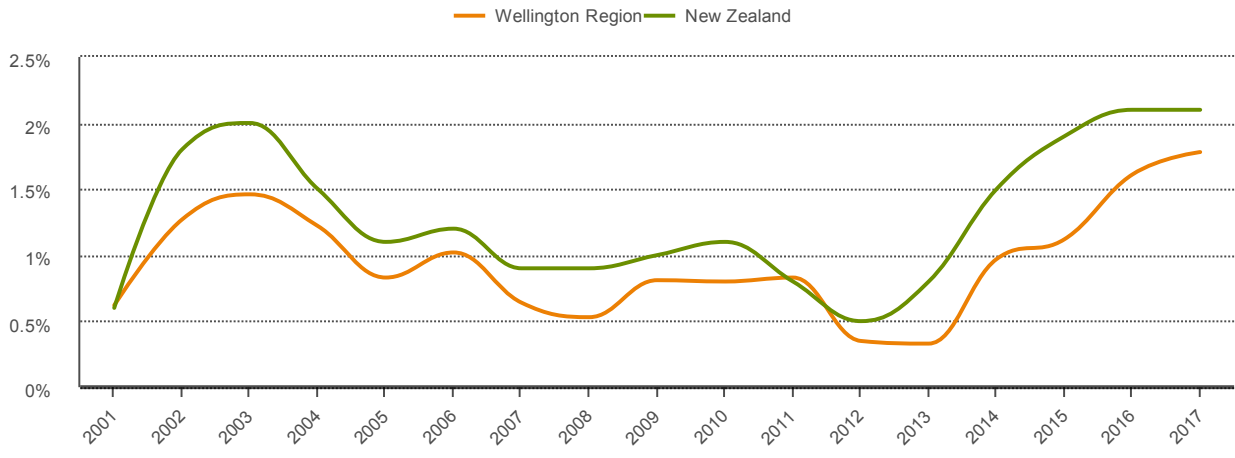
Population growth is an indicator of a region's attractiveness as a place to live and work. A strong regional economy with plentiful job opportunities will help a region retain its population and attract new residents from other regions and abroad. This section contrasts Wellington Region's recent population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

Figure 16: Population growth (year to Jun 2017)



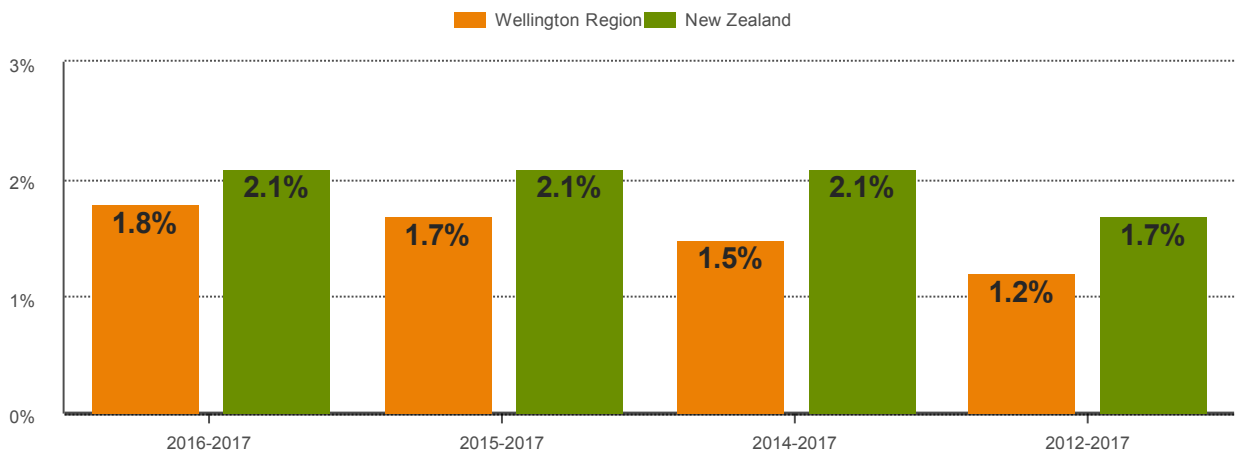
- Wellington Region's population was 513,900 in 2017, up 1.8% from a year earlier. New Zealand's total population grew by 2.1% over the same period.
- Population growth in Wellington Region averaged 1.2%pa over the last 5 years compared with 1.7%pa in New Zealand.
- Since 2000 growth in Wellington Region reached a high of 1.8%pa in 2017 and a low of 0.3%pa in 2013.

Figure 17: Annual population growth



Change	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Wellington Region	0.6%	1.3%	1.5%	1.2%	0.8%	1.0%	0.6%	0.5%	0.8%	0.8%	0.8%	0.4%	0.3%	1.0%	1.1%	1.6%	1.8%
New Zealand	0.6%	1.8%	2.0%	1.5%	1.1%	1.2%	0.9%	0.9%	1.0%	1.1%	0.8%	0.5%	0.8%	1.5%	1.9%	2.1%	2.1%

Figure 18: Population growth last 1,2,3 and 5 years

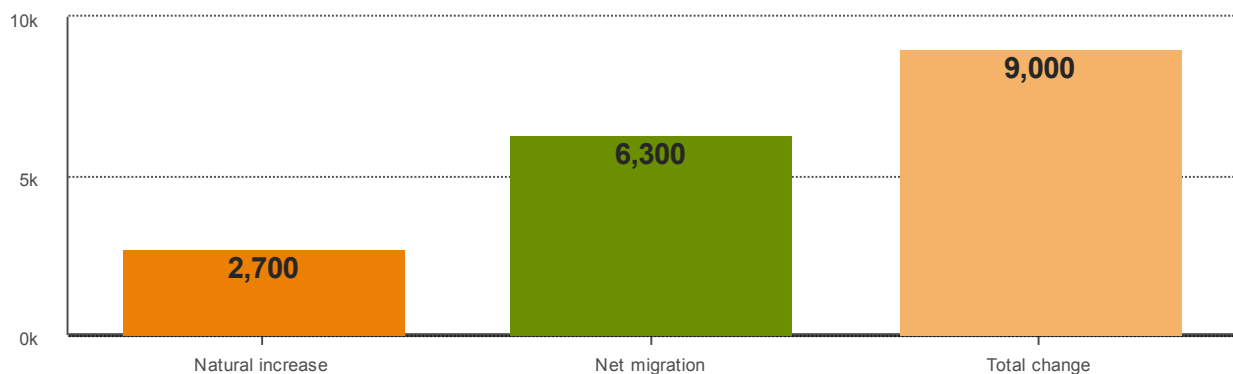


What is the source of Wellington Region's population growth?

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 Wellington Region.

- Wellington Region's population increased by 9,000 people in the year to June 2017. This net increase was made up of net migration of 6,300 and natural increase of 2,700.

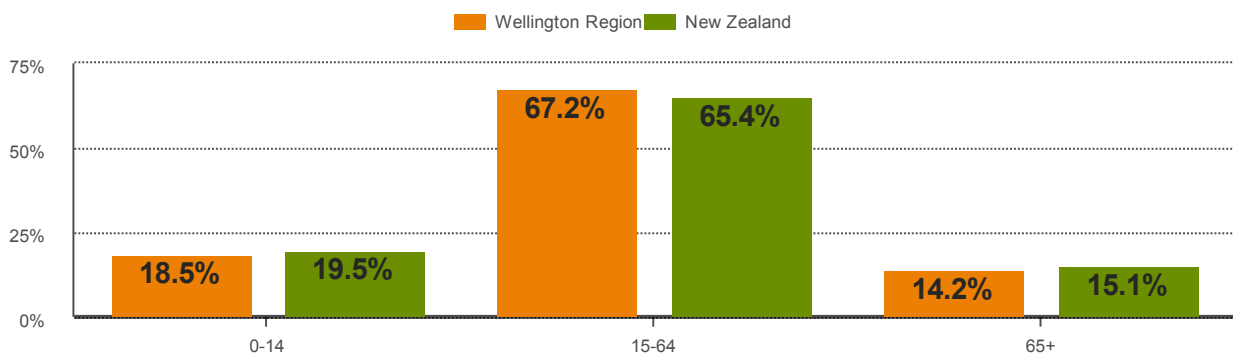
Figure 19: Source of population growth (year to June 2017)



What is the age structure of Wellington Region's population?

- In 2017, 67.2% of Wellington Region's population was of working age (15-64). This was significantly higher than the proportion of the national population (65.4%).
- Wellington Region had a slightly lower proportion (18.5%) of young people (0-14) than the country as a whole (19.5%) and a significantly lower proportion (14.2%) of people 65 years and older compared with New Zealand (15.1%).
- Overall the dependency ratio in Wellington Region (48.7%) was lower than in the national economy (52.8%). 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 20: Age composition of the population (year to June 2017)



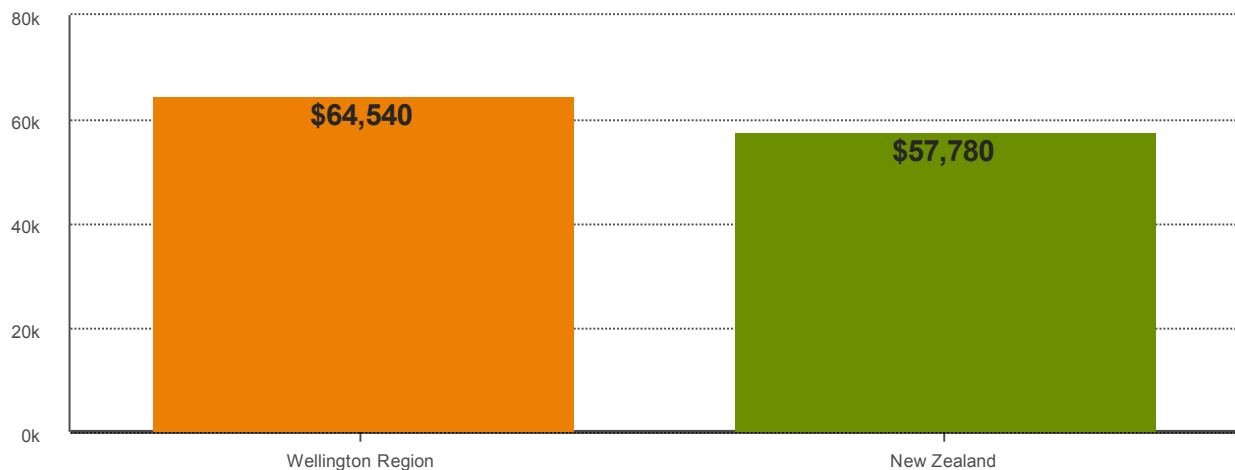
STANDARD OF LIVING

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 2016.

What are the mean earnings in Wellington Region?

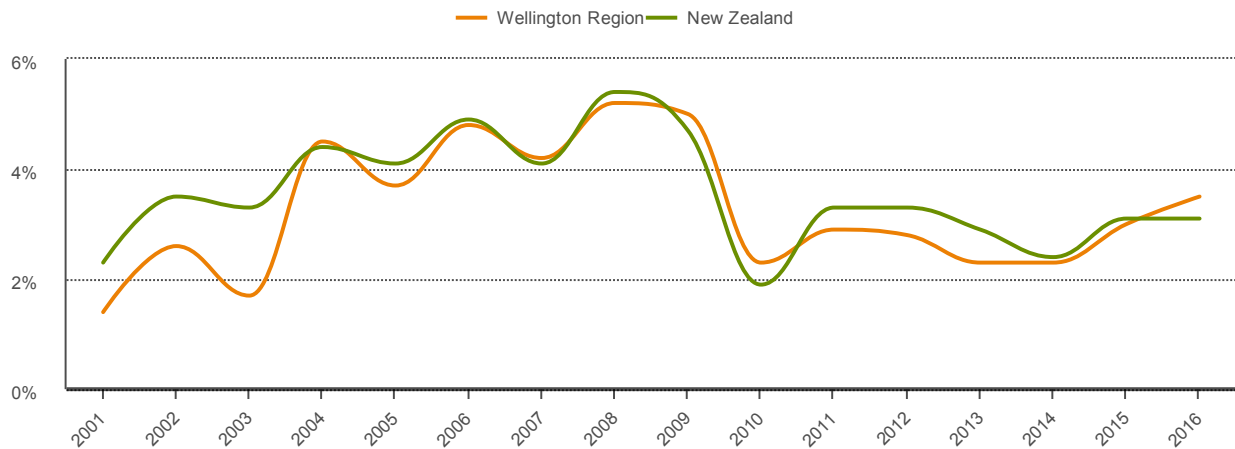
Income earned in the labour market is an important source of household income. This section contrasts Wellington Region's mean annual earnings with the country as a whole.

Figure 21: Earnings, 2016



- Mean annual earnings in Wellington Region was \$64,540 in the year to March 2016, which was higher than the New Zealand mean of \$57,780.
- Mean earnings in Wellington Region increased by 3.5% over the year to March 2016 compared with an increase of 3.1% in New Zealand.
- Over the last ten years earnings growth in Wellington Region reached a maximum of 5.2% in 2008 and a minimum of 1.4% in 2001.

Figure 22: Annual earnings growth



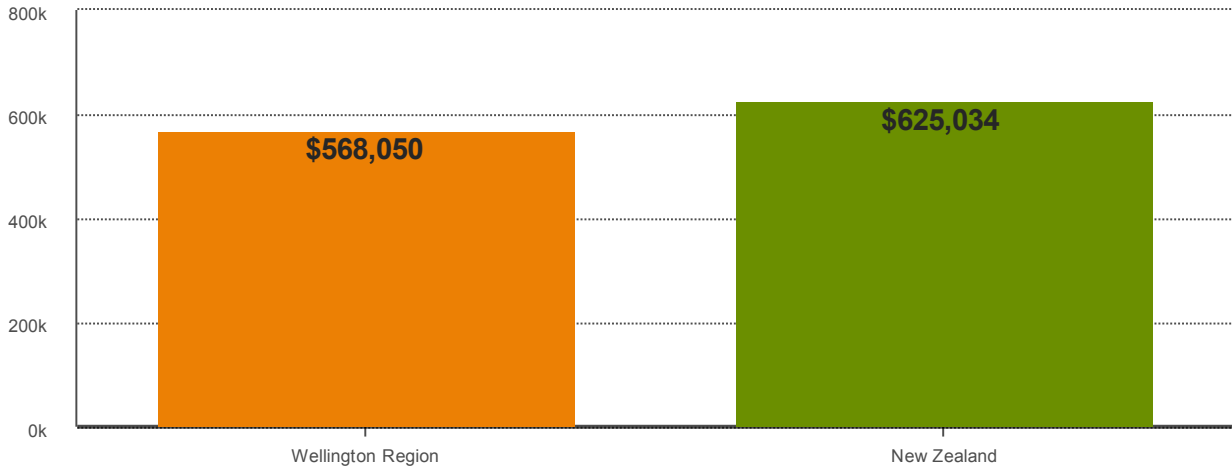
Change	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Wellington Region	1.4%	2.6%	1.7%	4.5%	3.7%	4.8%	4.2%	5.2%	5.0%	2.3%	2.9%	2.8%	2.3%	2.3%	3.0%	3.5%
New Zealand	2.3%	3.5%	3.3%	4.4%	4.1%	4.9%	4.1%	5.4%	4.7%	1.9%	3.3%	3.3%	2.9%	2.4%	3.1%	3.1%

- Mean annual earnings in Wellington Region was \$64,540 in the year to March 2016, which was higher than the New Zealand mean of \$57,780.
- Mean earnings in Wellington Region increased by 3.5% over the year to March 2016 compared with an increase of 3.1% in New Zealand.
- Over the last ten years earnings growth in Wellington Region reached a maximum of 5.2% in 2008 and a minimum of 1.4% in 2001.

How do house prices in Wellington Region compare?

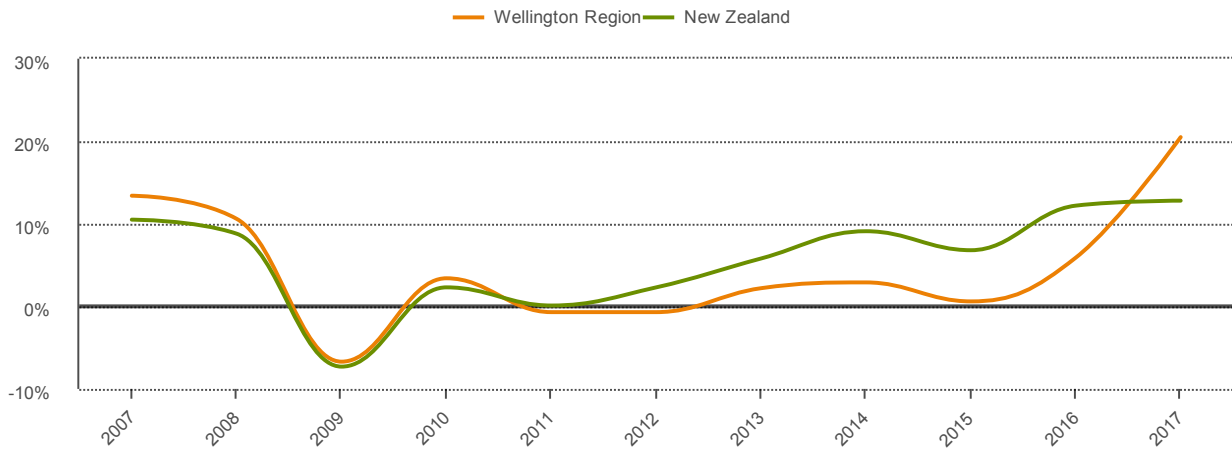
The cost of housing is a major component of household spending. This section describes the cost of housing in Wellington Region relative to the rest of the country.

Figure 23: Average current house value, 2017



- The Average current house value in Wellington Region was \$568,050 in 2017, which was lower than the New Zealand median of \$625,034.
- House price growth in Wellington Region was 20% for the year to March 2017. Growth was stronger than in New Zealand (13%).

Figure 24: Annual Average current house value growth

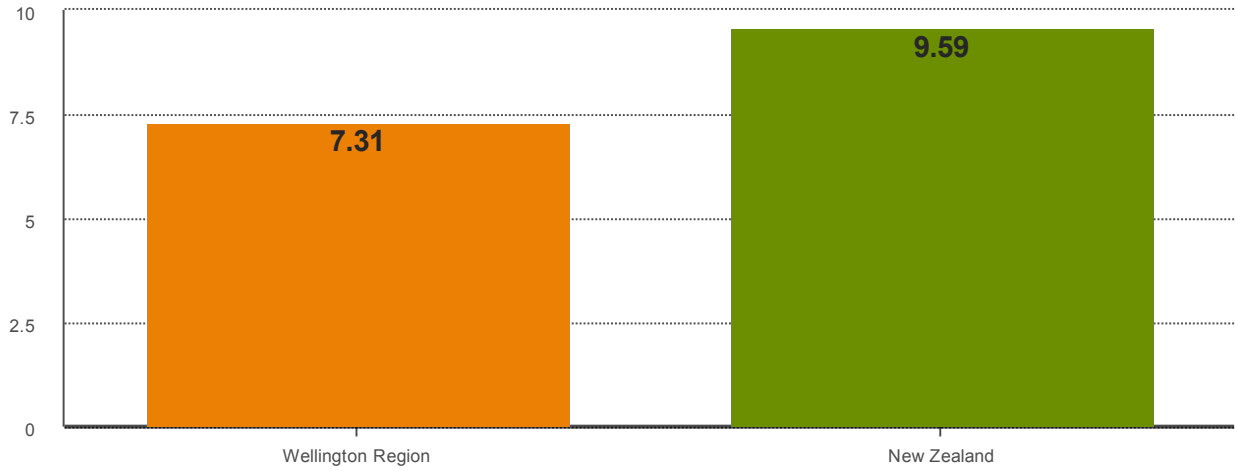


Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Wellington Region	13.4%	10.6%	-6.7%	3.4%	-0.7%	-0.7%	2.2%	2.9%	0.6%	5.9%	20.5%
New Zealand	10.5%	8.8%	-7.3%	2.3%	0.1%	2.3%	5.8%	9.1%	6.8%	12.2%	12.8%

How affordable is housing in Wellington Region?

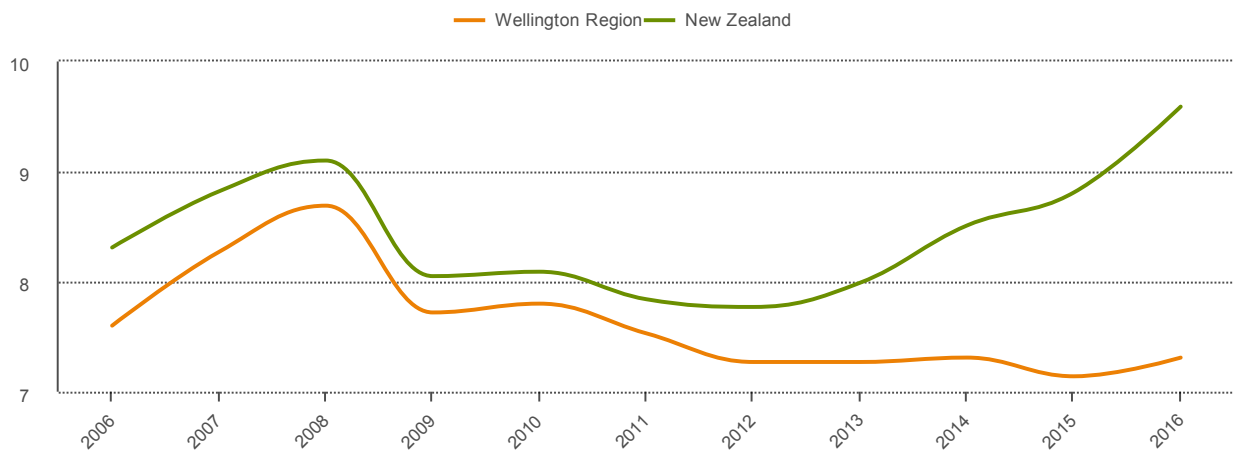
This section investigates the affordability of housing by comparing Average current house values with average earnings. We have estimated a housing affordability index which is the ratio of the Average current house value to annual average earnings measured in the Linked Employer Employee Data. A higher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

Figure 25: Housing affordability index 2016



- The housing affordability index in Wellington Region was 7.3 in the year to March 2016, which was lower than New Zealand's index of 9.6. This means that housing is more affordable in Wellington Region than in New Zealand.

Figure 26: Housing affordability



Level	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Wellington Region	8.3	8.7	7.7	7.8	7.5	7.3	7.3	7.3	7.1	7.3
New Zealand	8.8	9.1	8.1	8.1	7.8	7.8	8.0	8.5	8.8	9.6

WORKFORCE AND SKILLS

How do skill levels in Wellington Region compare with New Zealand?

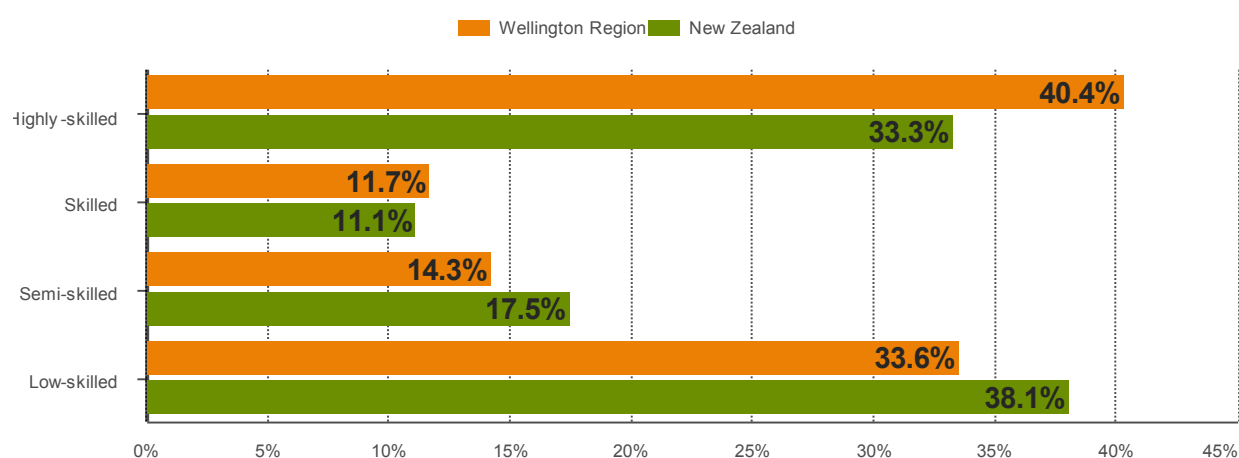
A region that can offer high skilled jobs can generally offer a higher standard of living to its residents. It is also has a better chance of retaining its residents and attracting new skills. This section contrasts the skill levels required by jobs in Wellington Region with those required in the national economy. The broad skill categories used are defined in the technical section at the end of the report.

Table 12: Employment by broad skill level 2017

Skill level	Wellington Region		New Zealand	
	Jobs	% of total	Jobs	% of total
Highly-skilled	112,331	40.4%	802,782	33.3%
Skilled	32,567	11.7%	267,788	11.1%
Semi-skilled	39,747	14.3%	421,918	17.5%
Low-skilled	93,321	33.6%	917,673	38.1%
Total	277,966	100%	2,410,161	100%

- Approximately 40% of Wellington Region's workforce was employed in highly skilled occupations in 2017. This is higher than in New Zealand (33%).
- Approximately 34% of Wellington Region's workforce was employed in low-skilled occupations in 2017. This is lower than in New Zealand 38%.

Figure 27: Employment by broad skill level, 2017



What is the occupational structure of employment in Wellington Region?

This section describes the types of occupations that are employed in Wellington Region. The following graph shows the distribution of employment across broad occupational categories (1-digit occupations).

- Professionals accounted for the largest share of employment (30%) in Wellington Region, which is higher than New Zealand (24%).
- Managers accounted for the second largest share of employment (16%) in Wellington Region, which is lower than New Zealand (18%).
- Machinery operators and drivers accounted for the lowest share of employment (16%) in Wellington Region, which is lower than New Zealand (18%).

Figure 28: Employment by broad occupation, 2017

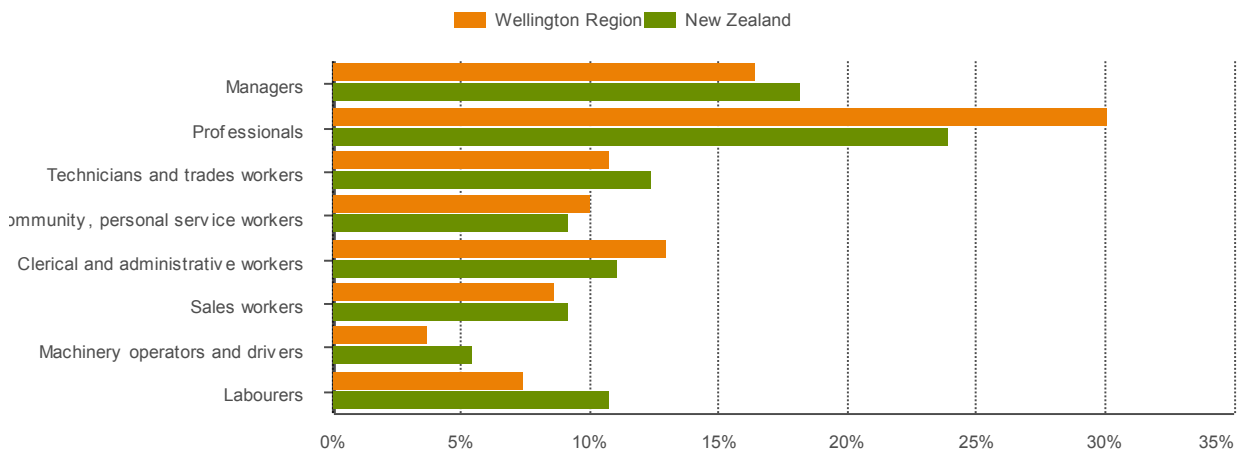


Table 13: Employment by 2-digit occupation (2017)

Occupation	Wellington Region		New Zealand	
	Employment	% of total	Employment	% of total
Specialist Managers	23,209	8.3%	197,910	8.2%
Business, HR & Marketing Professionals	20,986	7.5%	125,286	5.2%
Education Professionals	17,700	6.4%	141,627	5.9%
Sales Assistants & Salespersons	12,188	4.4%	119,105	4.9%
Health Professionals	11,079	4.0%	97,012	4.0%
ICT Professionals	11,026	4.0%	56,594	2.3%
Hospitality, Retail & Service Managers	10,377	3.7%	89,516	3.7%
Design, Engineering, Science Professionals	9,945	3.6%	81,123	3.4%
Chief Execs, General Managers, Legislators	9,609	3.5%	84,620	3.5%
Carers & Aides	9,555	3.4%	79,800	3.3%
Legal, Social & Welfare Professionals	9,414	3.4%	51,450	2.1%
Sales Representatives & Agents	8,811	3.2%	74,327	3.1%
Office Managers & Program Administrators	7,579	2.7%	61,791	2.6%
Numerical Clerks	6,861	2.5%	44,172	1.8%
General Clerical Workers	6,426	2.3%	48,155	2.0%
Engineering, ICT & Science Technicians	5,908	2.1%	46,395	1.9%
Construction Trades Workers	5,789	2.1%	58,003	2.4%
Other Clerical & Administrative Workers	5,681	2.0%	40,995	1.7%
Other Labourers	5,505	2.0%	65,330	2.7%
Hospitality Workers	5,451	2.0%	48,202	2.0%
Cleaners & Laundry Workers	5,246	1.9%	50,760	2.1%
Protective Service Workers	5,097	1.8%	30,956	1.3%
Road & Rail Drivers	4,720	1.7%	51,874	2.2%
Food Trades Workers	4,569	1.6%	40,955	1.7%
Sports & Personal Service Workers	4,549	1.6%	38,310	1.6%
Automotive & Engineering Trades Workers	4,373	1.6%	60,954	2.5%
Other Technicians & Trades Workers	4,245	1.5%	37,102	1.5%
Inquiry Clerks & Receptionists	4,002	1.4%	34,485	1.4%
Arts & Media Professionals	3,595	1.3%	22,533	0.9%
Health & Welfare Support Workers	3,035	1.1%	24,052	1.0%
Personal Assistants & Secretaries	3,005	1.1%	20,693	0.9%
Electrotech & Telecoms Trades Workers	2,989	1.1%	29,794	1.2%
Sales Support Workers	2,934	1.1%	27,351	1.1%
Factory Process Workers	2,830	1.0%	46,901	1.9%
Clerical & Office Support Workers	2,647	1.0%	17,836	0.7%
Machine & Stationary Plant Operators	2,469	0.9%	33,317	1.4%
Farmers & Farm Managers	2,452	0.9%	65,566	2.7%
Farm, Forestry & Garden Workers	2,398	0.9%	52,453	2.2%
Food Preparation Assistants	2,268	0.8%	19,332	0.8%
Skilled Animal & Horticultural Workers	2,233	0.8%	25,009	1.0%
Construction & Mining Labourers	2,189	0.8%	24,457	1.0%
Storepersons	1,723	0.6%	22,223	0.9%
Mobile Plant Operators	1,301	0.5%	21,833	0.9%
Total employment	277,966	100%	2,410,161	100%

Employment in knowledge intensive industries in Wellington Region

Knowledge intensive industries are those in which the generation and exploitation of knowledge play the predominant part in the creation of wealth. These sectors represent an increasing share of the New Zealand economy's output and employment, and will most likely be the source of the future productivity growth.

An industry is defined as knowledge-intensive if it meets two criteria: at least 25 per cent of the workforce is qualified to degree level and at least 30 per cent of the workforce is in professional, managerial and scientific and technical occupations. Further details of the definition are providing in the technical notes at the end of the report.

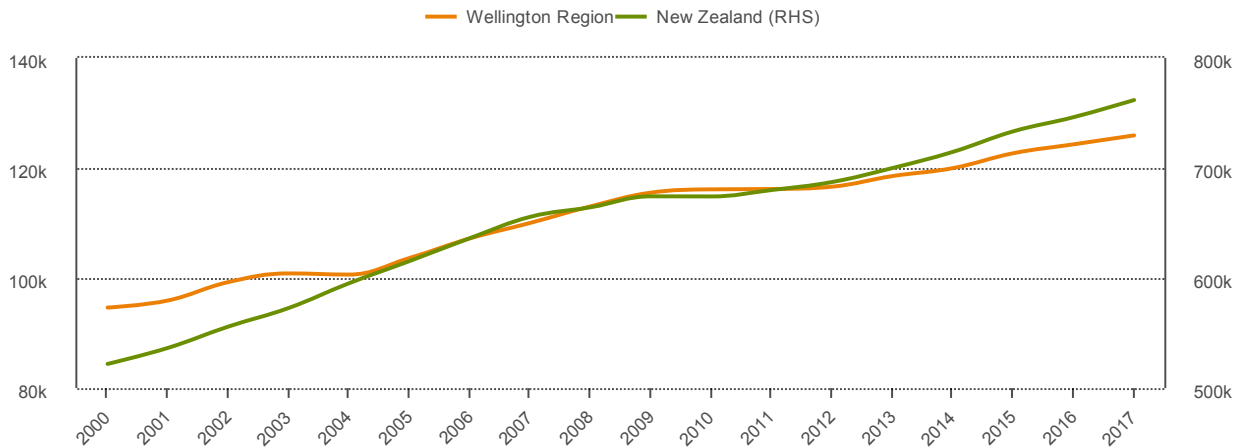
This section describes employment in knowledge intensive industries in Wellington Region.

Table 14: Employment in knowledge intensive industries (2017)

	Employment in KI industries 2017	KI employment as share of total employment 2017	Annual growth in KI employment 2017	Annual average growth in KI employment 2007-2017
Wellington Region	125,918	45%	1.3%	1.4%
New Zealand	761,730	32%	2.1%	1.5%

- During 2017, there were 125,918 jobs in Wellington Region's knowledge intensive industries. At 45% of total employment, this was higher than in New Zealand (32%).
- During the year March 2017, growth in employment in knowledge intensive industries was 1.3%, compared with a change of 2.1% in New Zealand.

Figure 29: Employment in knowledge intensive industries



What are the top knowledge intensive industries in Wellington Region?

Table 15: Top 30 knowledge intensive industries in Wellington Region, 2017

Rank	Industry	Wellington Region		New Zealand	
		Employment	% of total employment	Employment	% of total employment
1	Central Government Administration	16,127	5.8%	31,761	1.3%
2	Computer Systems Design and Related Services	11,282	4.1%	42,335	1.8%
3	Hospitals (except Psychiatric Hospitals)	7,490	2.7%	69,876	2.9%
4	Management Advice and Other Consulting Services	6,700	2.4%	38,064	1.6%
5	Higher Education	5,693	2.0%	35,577	1.5%
6	Primary Education	5,513	2.0%	51,799	2.1%
7	Corporate Head Office Management Services	4,964	1.8%	26,595	1.1%
8	Other Allied Health Services	3,993	1.4%	32,694	1.4%
9	Secondary Education	3,475	1.3%	35,030	1.5%
10	Accounting Services	3,200	1.2%	24,162	1.0%
11	Employment Placement and Recruitment Services	3,055	1.1%	13,027	0.5%
12	Engineering Design and Engineering Consulting Services	3,037	1.1%	26,645	1.1%
13	Legal Services	2,855	1.0%	18,555	0.8%
14	Regulatory Services	2,496	0.9%	6,310	0.3%
15	Local Government Administration	2,376	0.9%	22,805	0.9%
16	Adult, Community and Other Education n.e.c.	2,057	0.7%	12,278	0.5%
17	Other Auxiliary Finance and Investment Services	1,920	0.7%	9,169	0.4%
18	Justice	1,878	0.7%	3,776	0.2%
19	Other Interest Group Services n.e.c.	1,865	0.7%	12,543	0.5%
20	General Practice Medical Services	1,766	0.6%	15,771	0.7%
21	Other Administrative Services n.e.c.	1,633	0.6%	12,525	0.5%
22	Wired Telecommunications Network Operation	1,565	0.6%	7,185	0.3%
23	Scientific Research Services	1,513	0.5%	8,015	0.3%
24	Technical and Vocational Education and Training	1,449	0.5%	10,381	0.4%
25	Postproduction Services and Other Motion Picture and Video Activities	1,415	0.5%	1,872	0.08%
26	Religious Services	1,270	0.5%	9,239	0.4%
27	Architectural Services	1,259	0.5%	9,127	0.4%
28	Business and Professional Association Services	1,115	0.4%	2,460	0.1%
29	Pharmaceutical, Cosmetic and Toiletry Goods Retailing	1,069	0.4%	10,960	0.5%
30	Libraries and Archives	1,026	0.4%	3,932	0.2%

Which qualifications are in demand in Wellington Region?

This section examines the types of qualifications, in terms of NZQA level and field of study, that are in demand in Wellington Region. The demand for qualifications is derived from our estimates of the demand for occupations by using assumptions about the types of qualifications which are ideally required for each occupation. Thus our estimates do not describe the educational profile of the region's workforce but rather the type of qualifications that are ideally required in the region. Further details are provided in the technical notes at the end.

Table 16: Employment by level of qualification and field of study in Wellington Region

Field of study	Certificate (level 1-3)	Certificate (level 4)	Diploma (level 5-6)	Degree (level 7+)	Total
Number					
Natural and Physical Sciences	4,078	833	1,994	7,266	14,171
Information Technology	3,701	439	1,329	6,761	12,230
Engineering and Related Technologies	14,193	11,419	5,220	12,891	43,723
Architecture and Building	4,851	8,531	1,786	3,522	18,690
Agriculture, Environmental and Related Studies	3,932	1,909	824	2,085	8,750
Health	7,429	1,599	3,063	14,150	26,241
Education	5,173	844	1,482	13,474	20,974
Management and Commerce	22,472	4,439	8,008	23,921	58,840
Society and Culture	13,356	3,096	5,345	19,677	41,475
Creative Arts	6,642	1,643	1,709	7,341	17,336
Food, Hospitality and Personal Services	7,493	4,994	1,807	1,242	15,536
Totals	93,321	39,747	32,567	112,331	277,965
% of total					
Natural and Physical Sciences	1.5%	0.3%	0.7%	2.6%	5.1%
Information Technology	1.3%	0.2%	0.5%	2.4%	4.4%
Engineering and Related Technologies	5.1%	4.1%	1.9%	4.6%	15.7%
Architecture and Building	1.7%	3.1%	0.6%	1.3%	6.7%
Agriculture, Environmental and Related Studies	1.4%	0.7%	0.3%	0.7%	3.1%
Health	2.7%	0.6%	1.1%	5.1%	9.4%
Education	1.9%	0.3%	0.5%	4.8%	7.5%
Management and Commerce	8.1%	1.6%	2.9%	8.6%	21.2%
Society and Culture	4.8%	1.1%	1.9%	7.1%	14.9%
Creative Arts	2.4%	0.6%	0.6%	2.6%	6.2%
Food, Hospitality and Personal Services	2.7%	1.8%	0.6%	0.4%	5.6%
Totals	33.6%	14.3%	11.7%	40.4%	100%

- The greatest demand in Wellington Region in 2017 was for qualifications at the level of Degree (level 7+). Approximately 40% of all positions in Wellington Region required this level of qualification.
- By field of study, the highest demand was for Management and Commerce. Approximately 21% of all positions in Wellington Region required this field of study.

Table 17: Change in employment by level of qualification and field of study in Wellington Region 2007 - 2017

Field of study	Certificate (level 1-3)	Certificate (level 4)	Diploma (level 5-6)	Degree (level 7+)	Total
Absolute change					
Natural and Physical Sciences	-306	10	212	1,518	1,434
Information Technology	-339	-1	117	2,369	2,146
Engineering and Related Technologies	-868	-670	250	2,542	1,254
Architecture and Building	-63	-68	314	589	772
Agriculture, Environmental and Related Studies	-276	18	118	330	190
Health	-132	60	776	2,865	3,569
Education	-123	-39	329	2,260	2,426
Management and Commerce	-2,079	-223	1,353	3,915	2,966
Society and Culture	-604	39	1,106	2,561	3,102
Creative Arts	-538	-42	232	1,413	1,064
Food, Hospitality and Personal Services	-141	749	170	178	956
Totals	-5,470	-167	4,976	20,540	19,879
annual average % change					
Natural and Physical Sciences	-0.7%	0.1%	1.1%	2.4%	1.1%
Information Technology	-0.9%	0.0%	0.9%	4.4%	1.9%
Engineering and Related Technologies	-0.6%	-0.6%	0.5%	2.2%	0.3%
Architecture and Building	-0.1%	-0.1%	2.0%	1.8%	0.4%
Agriculture, Environmental and Related Studies	-0.7%	0.1%	1.6%	1.7%	0.2%
Health	-0.2%	0.4%	3.0%	2.3%	1.5%
Education	-0.2%	-0.5%	2.5%	1.9%	1.2%
Management and Commerce	-0.9%	-0.5%	1.9%	1.8%	0.5%
Society and Culture	-0.4%	0.1%	2.3%	1.4%	0.8%
Creative Arts	-0.8%	-0.3%	1.5%	2.2%	0.6%
Food, Hospitality and Personal Services	-0.2%	1.6%	1.0%	1.6%	0.6%
Totals	-0.6%	0.0%	1.7%	2.0%	100%

- The number of positions in Wellington Region requiring a Degree (level 7+) increased by 20,540 between 2007 and 2017, ranking it as the qualification level with the largest absolute increase in demand.
- By field of study, Health experienced the highest increase in demand between 2007 and 2017. The number of positions requiring this field of study increased by 3,569 over the 10 year period.

TOURISM

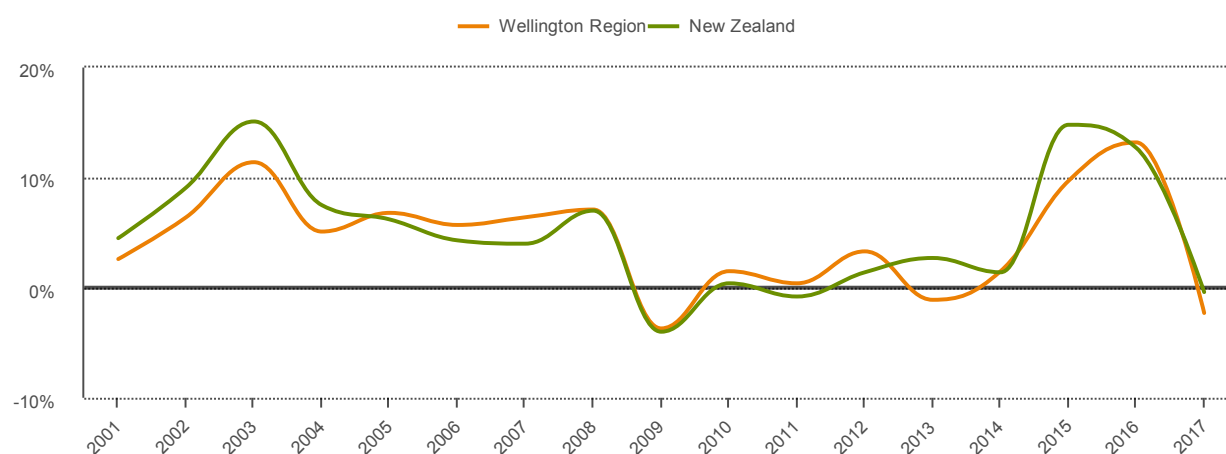
Tourism has grown rapidly in New Zealand since 2000. Not only has the number of overseas tourist arrivals increased substantially, but the level of domestic tourism has also expanded rapidly as spending on leisure by New Zealand residents increased. This section describes the contribution of tourism to Wellington Region's economy.

Tourism GDP

Table 18: Tourism GDP (2001-2017)

Year	Wellington Region		New Zealand	
	Level	Change	Level	Change
2000	\$629m		\$5,714m	
2001	\$645m	2.6%	\$5,970m	4.5%
2002	\$686m	6.4%	\$6,512m	9.1%
2003	\$764m	11.4%	\$7,492m	15.1%
2004	\$804m	5.1%	\$8,055m	7.5%
2005	\$858m	6.8%	\$8,555m	6.2%
2006	\$907m	5.7%	\$8,925m	4.3%
2007	\$965m	6.4%	\$9,284m	4.0%
2008	\$1,034m	7.1%	\$9,936m	7.0%
2009	\$996m	-3.7%	\$9,540m	-4.0%
2010	\$1,011m	1.5%	\$9,582m	0.4%
2011	\$1,015m	0.4%	\$9,503m	-0.8%
2012	\$1,048m	3.3%	\$9,635m	1.4%
2013	\$1,037m	-1.1%	\$9,896m	2.7%
2014	\$1,053m	1.5%	\$10,032m	1.4%
2015	\$1,156m	9.7%	\$11,518m	14.8%
2016	\$1,308m	13.2%	\$12,978m	12.7%
2017	\$1,278m	-2.3%	\$12,930m	-0.4%

Figure 30: Annual average tourism GDP growth (2001-2017)



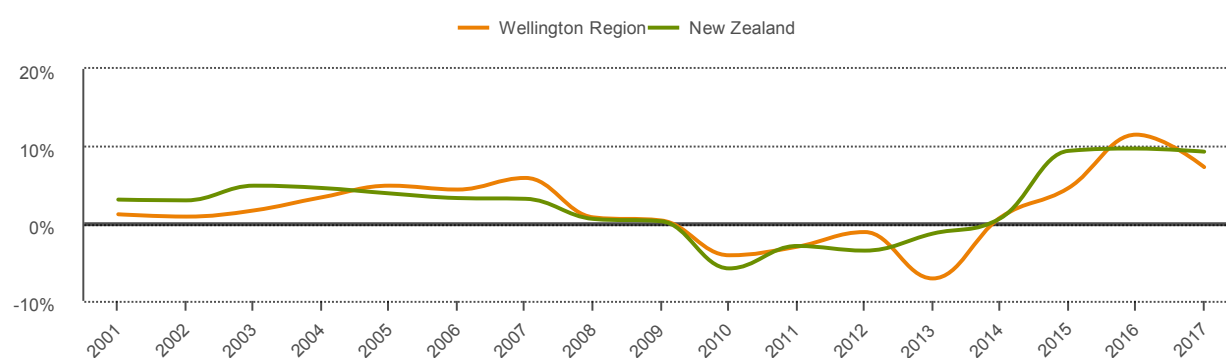
- The tourism industry contributed \$1,278m towards GDP in Wellington Region in 2017. This amounted to 4.1% of the Wellington Region's economic output in 2017, up from 3.6% ten years ago.
- Economic output in Wellington Region's tourism industry declined by -2.3% in 2017, compared with a -0.4% decline in New Zealand.
- Growth in the industry in Wellington Region has averaged 2.8% over the last ten years, compared with 3.4% in New Zealand.

Tourism Employment

Table 19: Tourism employment (2001-2017)

Year	Wellington Region		New Zealand	
	Level	Change	Level	Change
2000	17,365		153,942	
2001	17,566	1.2%	158,751	3.1%
2002	17,722	0.9%	163,440	3.0%
2003	18,031	1.7%	171,423	4.9%
2004	18,643	3.4%	179,373	4.6%
2005	19,562	4.9%	186,321	3.9%
2006	20,425	4.4%	192,507	3.3%
2007	21,621	5.9%	198,687	3.2%
2008	21,789	0.8%	199,935	0.6%
2009	21,881	0.4%	200,445	0.3%
2010	20,993	-4.1%	188,727	-5.8%
2011	20,371	-3.0%	183,330	-2.9%
2012	20,151	-1.1%	176,985	-3.5%
2013	18,730	-7.1%	174,762	-1.3%
2014	18,881	0.8%	176,043	0.7%
2015	19,757	4.6%	192,504	9.4%
2016	22,026	11.5%	211,089	9.7%
2017	23,644	7.3%	230,793	9.3%

Figure 31: Annual average tourism employment growth (2001-2017)



- The tourism industry employed an average of 23,644 people in Wellington Region in 2017. This amounted to 8.5% of the Wellington Region's total employment in 2017, up from 8.4% in 2007.
- Employment growth in the industry in New Zealand has averaged 0.9% over the last ten years, compared with 1.5% in New Zealand.
- Employment in the tourism industry increased by 7.3% in 2017, compared with a 9.3% increase in New Zealand.

TECHNICAL NOTES

Time period

This economic profile reports on March years (eg. 2017 refers to the 12 months to March 2017) for all indicators except population (as at June), dairy sector statistics (May year), and government social service expenditure and beneficiary data (June years).

Gross Domestic Product

Gross Domestic Product (GDP) measures the value economic units add to their inputs. It should not be confused with revenue or turnover. A company's value adding is broadly equivalent to its sales revenue less the cost of materials (eg steel for making motor cars) and services (eg telecommunications) purchased from other firms.

Total GDP is calculated by summing the value added to all goods and services for final consumption – i.e. it does not include the value added to goods and services used as intermediate inputs for the production of other goods as this would result in double counting. As a result, GDP estimates should not be confused with revenue/turnover/gross output.

In this profile Gross Domestic Product for each region and territorial authority (TA) is estimated by Infometrics. A top down approach breaks national production-based GDP (published by Statistics New Zealand) down to territorial authority 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 the Linked Employer Employee Data (LEED), which is, in turn, based on taxation data. This approach captures differences in productivity between TAs and changes in productivity over time. Our estimates are benchmarked on regional GDP published by Statistics New Zealand

GDP is measured in constant 2010 prices .

Prices

In this profile, we present all GDP estimates in constant 2010 prices. GDP presented in constant prices is sometimes referred to as real GDP. By using constant prices we remove the distractionary effect of inflation. It enables us to meaningfully compare GDP from one year to the next.

Industrial classification

This profile 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.

This profile also uses a grouping of 54 industries. These are the industries used by Statistics New Zealand in the national accounts.

Unallocated

Unallocated items include taxes levied on the purchaser rather than the producing industry (such as GST, import duties, and taxes on capital transactions), and items that cannot easily be allocated to a specific industry (such as the seasonal adjustment balancing item). A seasonal adjustment balancing item is necessary to ensure that the sum of all seasonally adjusted industries can be reconciled with total GDP.

Broad economic sectors

The primary sector extracts or harvests products from the earth and includes agriculture, forestry, fishing, and mining. The secondary sector produces manufactured and other processed goods and includes manufacturing, electricity, gas and water, and construction. The tertiary sector includes all service industries that are not knowledge intensive, such as retail trade, and food and accommodation services. The quaternary sector includes knowledge intensive service industries. 'Other' includes owner occupied property operation and unallocated activity.

Employment by industry

Employment is measured as an average of the four quarters making up each year. The unit of measurement is filled jobs.

Regional employment numbers are from Infometrics' Regional Industry Employment Model (RIEM). The model draws heavily on quarterly and annual Linked Employer Employee Data (LEED) published by Statistics New Zealand. RIEM differs from data from Business Demography in that it is a quarterly series (BD is annual) and it includes both employees and self-employed, whereas BD only includes employees.

Self-employment

Self-employment rates are from Annual Linked Employer Employee Data (LEED).

Employment by occupation

Employment in each industry is converted to occupational employment using the relationship between industry and occupational employment observed in various Population Censuses. The Population Census measures the occupational composition of employment in each industry and how this changes over time. Occupations conform to the categories used in the Australian New Zealand Standard Classification of Occupations (ANZSCO).

Productivity

Productivity measures the efficiency of production. In this profile, we measure productivity as GDP per filled job (ie. The amount of economic activity generated on average by each filled job). One needs to be aware that labour is only one input into production. The output of each employee may differ across industries in a region due to differing access to machinery, technology, and land. Therefore, productivity comparisons should only be made in circumstances where it is reasonable to assume that capital intensity will be broadly the same – for example, when looking at productivity within an industry over a limited-time period, or when comparing productivity of a particular industry with that same industry in another region.

Earnings

Earnings data comes from the quarterly Linked Employer Employee Data published by Statistics New Zealand. LEED publishes the mean earnings of full quarter jobs for each quarter. Full quarter jobs may include full time and part time jobs. Earnings include overtime and lump sum payments. We sum the mean earnings for the four quarters making up the year to arrive at an estimate of average annual earnings.

House prices

House value (dollar value) are sourced from QVNZ. The levels used are average current values. An average current value is the average (mean) value of all developed residential properties in the area based on the latest house value index from QVNZ. It is not an average or median sales price, as both of those figures only measure what happens to have sold in the period. These average current values are affected by the underlying value of houses (including those not on the market) and are quality adjusted based on the growth in each house's price between sales.

Population

The estimated resident population is an estimate of all people who usually live in that area at a given date. Visitors from elsewhere in New Zealand or from overseas are excluded.

The estimated resident population at 30 June 2013 is based on the 2013 census usually resident population count, adjusted for:

- net census undercount (based on the 2013 Post-enumeration Survey)
- residents temporarily overseas on census night
- births, deaths, and net migration between census night and the date of the estimate
- reconciliation with demographic estimates at ages 0–9 years.

The estimated resident population is not directly comparable with the census usually resident population count because of these adjustments.

The estimated resident population is sourced from Statistics New Zealand.

Dependency ratio

The dependency ratio is the number of under 15 year olds and over 65 year olds as a ratio of the rest of the population (working age).

Business Units

Data on the number of businesses is sourced from the Business Demography statistics from Statistics New Zealand. Businesses are measured by geographic units, which represent a business location engaged in one, or predominantly one, kind of economic activity at a single physical site or base (eg. a factory, a farm, a shop, an office, etc). All non-trading or dormant enterprises, as well as enterprises outside of New Zealand, are excluded from business demography statistics.

A significant number of enterprises are recorded as having zero employment. Enterprises in the zero employee count size category may have:

- working owners who don't draw a wage from their business
- labour provided by other businesses or contractors
- business activity that requires no labour (eg. holding company).

Only business units that are economically significant enterprises are included. To be regarded as economically significant they must meet at least one of the following criteria:

- annual expenses or sales subject to GST of more than \$30,000
- 12-month rolling mean employee count of greater than three
- part of a group of enterprises
- registered for GST and involved in agriculture or forestry
- over \$40,000 of income recorded in the IR10 annual tax return (this includes some units in residential property leasing and rental).