

Trends

Winter 2024

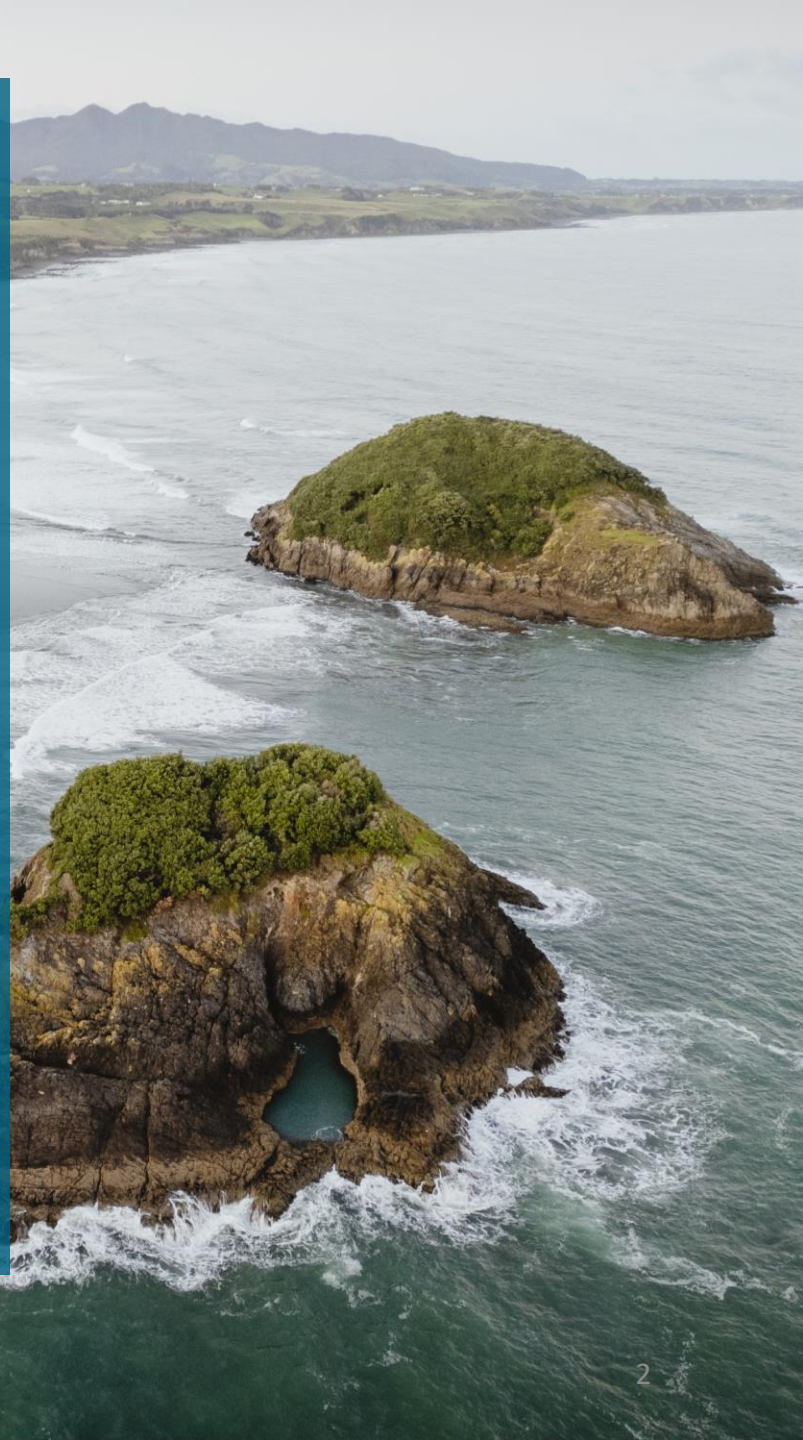
Taranaki Facts & Figures



venture
TARANAKI
Te Puna Umanga

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WELCOME

Taranaki Trends is a bi-annual publication covering a wide range of national and regional economic measures, which helps Taranaki enterprises, stakeholders, and researchers stay updated on key information and the state of the local economy to support informed decision-making.

The latest Taranaki Trends highlights the region's economic performance during the March 2024 quarter. Economic growth is reflected in key indicators such as regional GDP (provisionally down 0.3%), consumer spending (up 3.3%), and a spotlight on our resilient labour supply with a slight increase in filled jobs (2.1%) and comparatively low unemployment rate (3.6%).

This publication also takes a deep dive into the latest population growth and demography based on Census 2023 data. It includes current and outlook inflation, stable official cash rate, impacts on the housing market and construction industry, along with an analysis of visitor spend by category.

This publication also includes insights into the international trade landscape, utilising research that was conducted in November 2023 to better understand our region's trade needs, to help Taranaki businesses succeed on the global stage.



Economic Snapshot

Indicator	Taranaki Region		New Zealand	
Annual Average % change by quarter from March 2023 to March 2024				
Population(Census 2023)*	7.2%	▲	6.3%	▲
Gross domestic product (provisional)	-0.3	▼	0.2%	▲
Consumer spending	3.3%	▲	2.8%	▲
Filled Jobs Growth Rate	2.1%	▲	2.9%	▲
Unemployment rate	3.6%	▲	4.0 %	▲
Median house price **	7.5%	▲	1.3%	▼
House sales volumes**	16.8%	▲	6.8%	▲
Residential consents number	-34.0%	▼	-24.9%	▼
Non-residential consents value	8.2%	▲	-1.1%	▼
Tourism spend***	5.9%	▲	2.0%	▲

*Percentage change (between 2018 and 2023)


**Percentage change (May 2024 compared to a year earlier)

***Percentage change (Year to end May 2024 compared to same period of time last year)

Population and dwellings change by region

Taranaki Spotlight

126,015
Resident
Population



87,000
New Plymouth District
29,025
South Taranaki District
10,149
Stratford District

Taranaki Dwellings

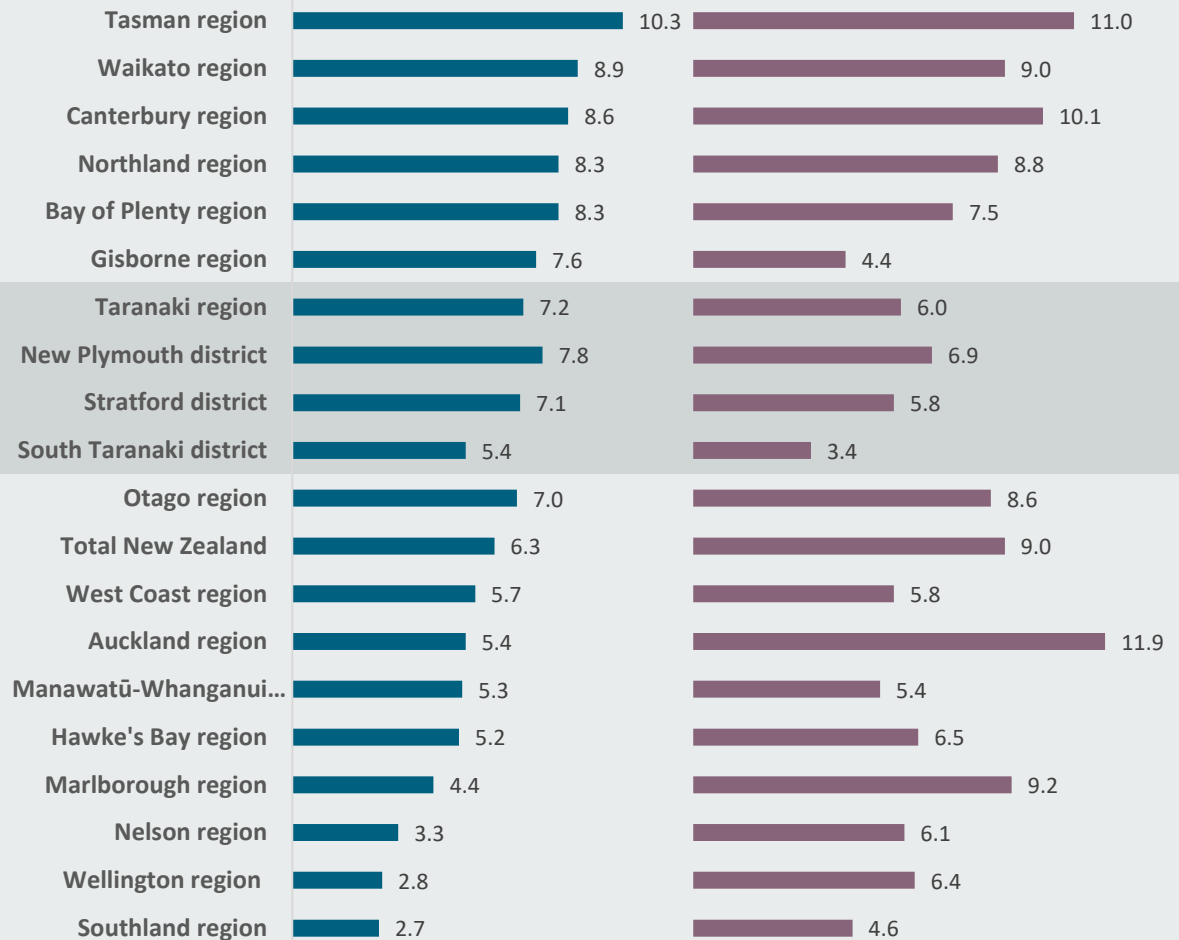
52,992
Total Dwelling Count



36,246
New Plymouth District
12,480
South Taranaki District
4,353
Stratford District

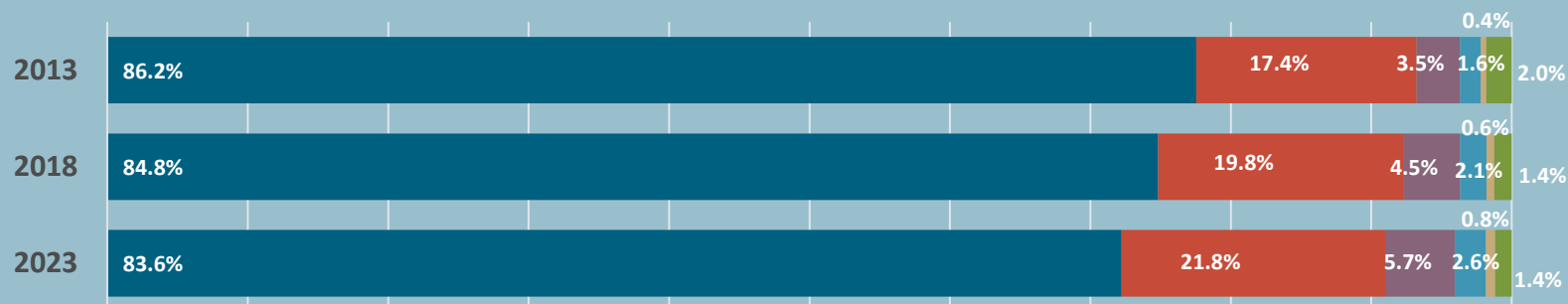
Population and dwelling growth rate 2018-2023

■ Population ■ Dwelling count

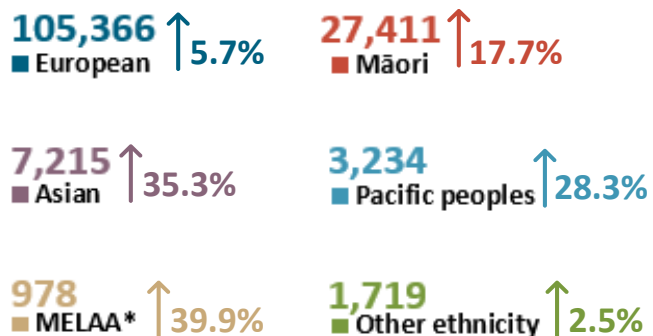


Ethnic groups in Taranaki

Taranaki Population by Ethnic Groups¹

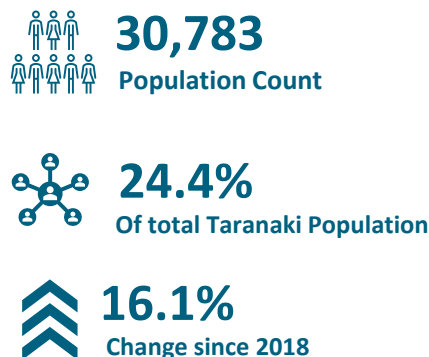


Population Count 2023



Percentage change since 2018 census

Māori Descent**



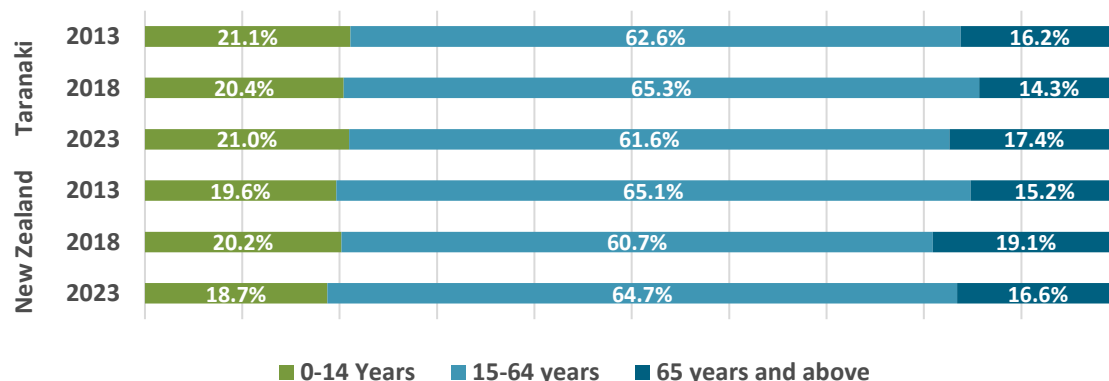
Taranaki is a diverse community with a growing number of many ethnic groups, partially due to international migration, following the national trend. The percentage of people of Māori descent in Taranaki has risen from 22.5% to 24.4% in 2023 (an increase from 26,505 to 30,783).

MELAA* represents Middle Eastern/Latin American/African

**The term Māori descent is based on a genealogical or biological concept, rather than on cultural affiliation to the Māori ethnic group.

Age groups in Taranaki

Age composition change in Taranaki



Taranaki Highlights

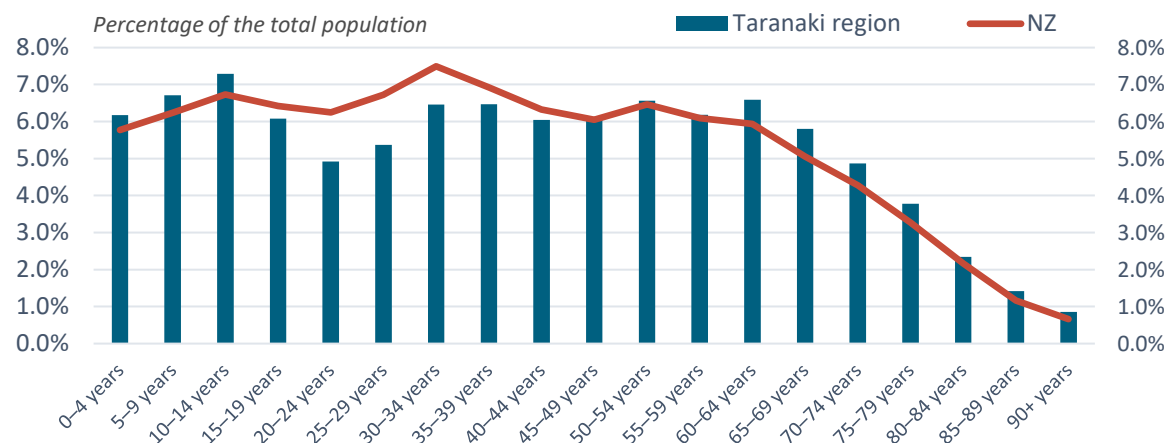
The proportion of young people (0-14 years) in Taranaki was 21.0%, which is higher than the national level of 18.7%.

The proportion of people 65 years and above was 17.4% in Taranaki, higher than the national level at 16.6%.

The proportion of working age group (15-64 years) in Taranaki was 61.6%, this is lower than the national level at 64.7%.

The working-age population count has grown by 5.7% in Taranaki, slightly higher than the national growth rate of 5.5%.

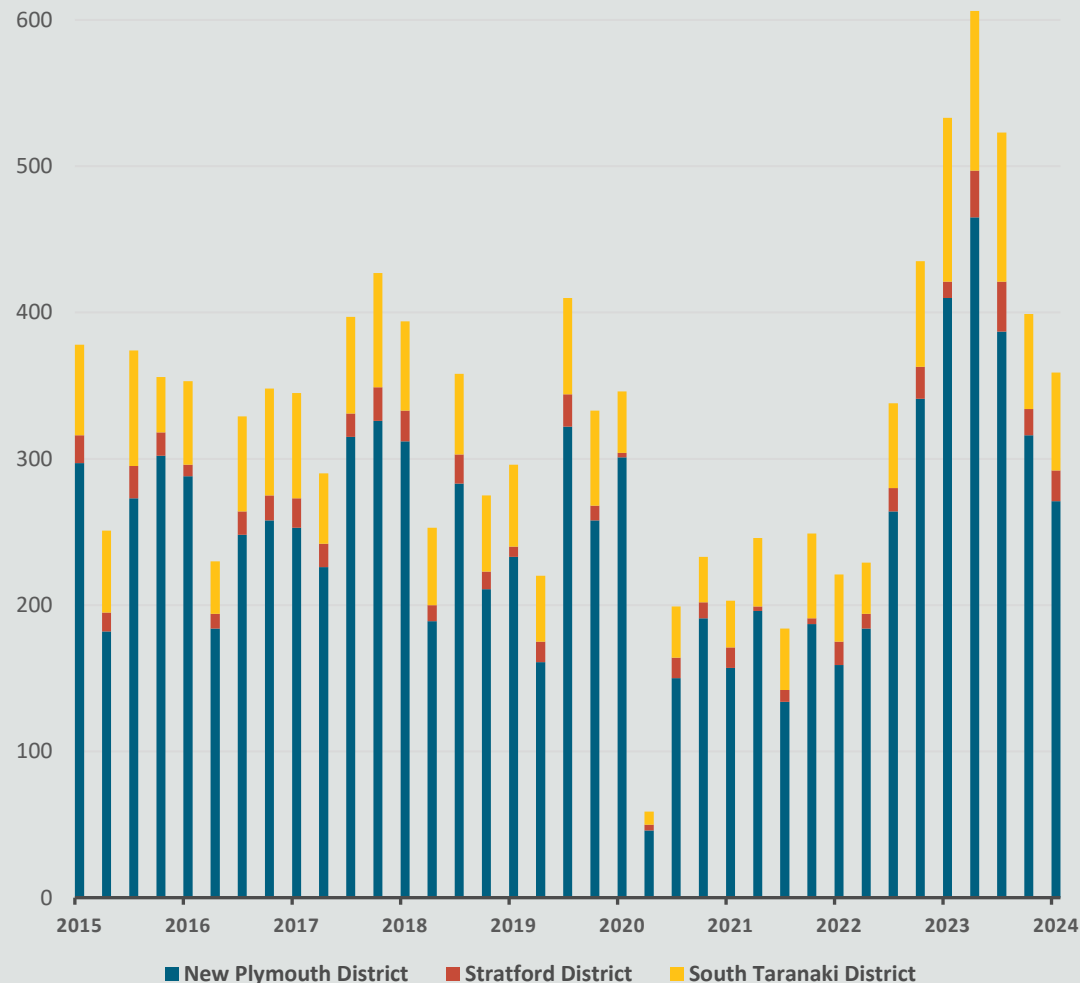
Age composition Taranaki vs New Zealand



Source: Stats NZ, May 2024

International migration in Taranaki

International Migration Number by quarter – arrivals² only

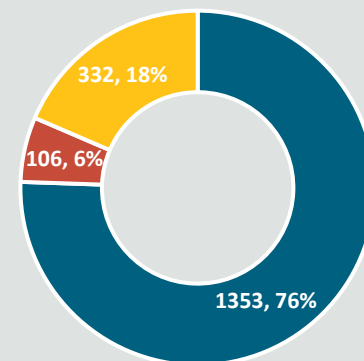


1,791
Annual international
migration number
year end Apr 2024



Up 10.2%
Annual international
migration growth
year end Apr 2024

Annual migration numbers
(year to end Apr 2024)



■ New Plymouth District
■ Stratford District
■ South Taranaki District

Economy – Gross Domestic Product (GDP)

GDP³ Annual Change Taranaki Highlights

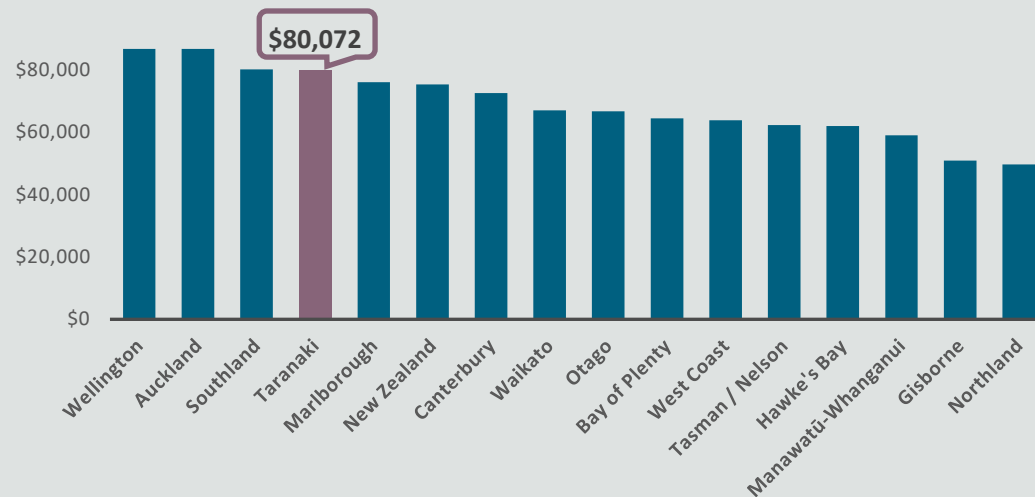
 **\$10,241M**
2023 Provisional GDP

 **Up 5.5%**
Annual percentage

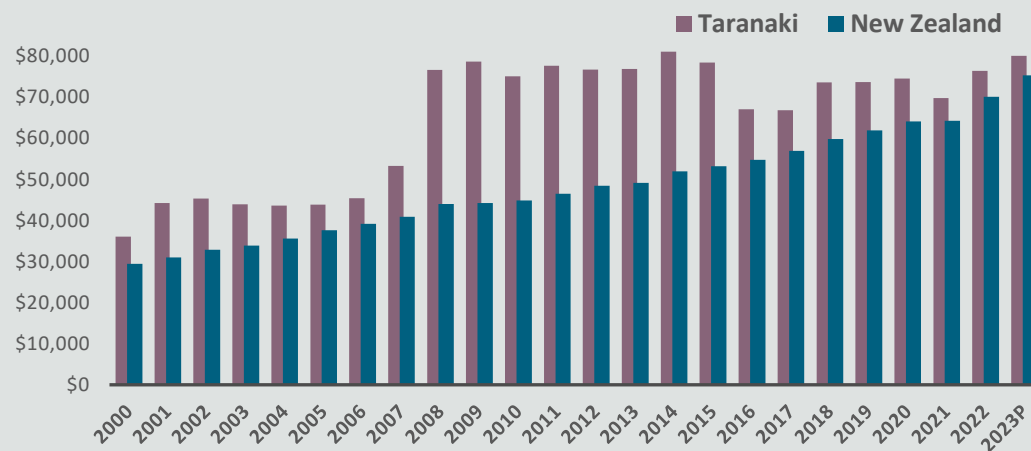
 **\$80,072**
GDP per capita

GDP in Taranaki measured \$10,241 million in the year to March 2023, up 5.5% from a year earlier, and is a 2.6% share of the national GDP.

Regional GDP per capita, Year ended March 2023



GDP per capita* Taranaki vs New Zealand



*Population based on year ended June 2023.

Economy – Gross Domestic Product(GDP)

GDP Quarterly update⁴ Taranaki highlights

The latest estimated provisional GDP was \$10,143 million in Taranaki for the year to March 2024 quarter (based on 2023 prices).

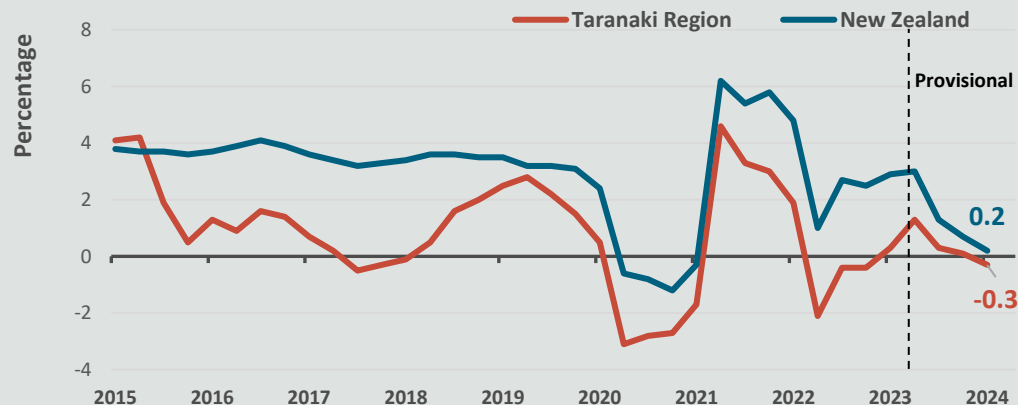
GDP in Taranaki was provisionally down 0.3% for the year to March 2024, compared to a year earlier. The decline was greater than New Zealand (0.2% growth).

Regional economic conditions remain low, with spending and investment growing slowly. Higher interest rates continue to impact business activities.

Annual GDP level in Taranaki by quarter



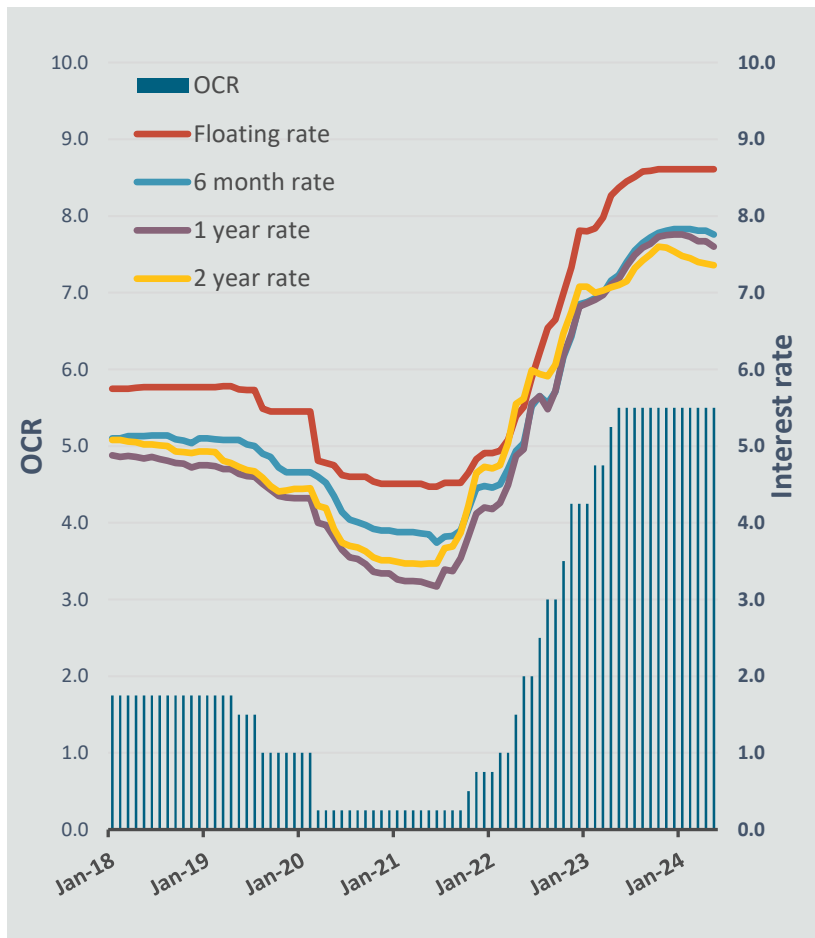
Annual average GDP percentage change in Taranaki by quarter



Monetary Policy Statement

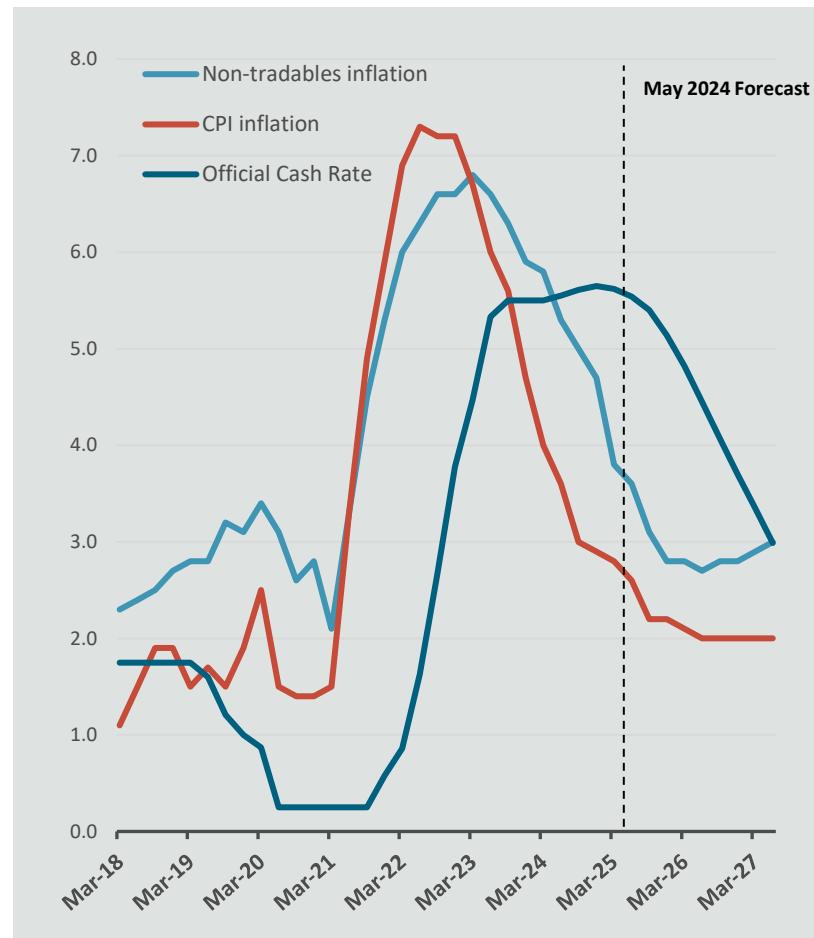
Historical Monthly Rate

Interest rate and Official cash rate in percentage



Quarterly Outlook

Inflation rate and Official cash rate in Percentage



Source: RBNZ May 2024

Consumer Spend

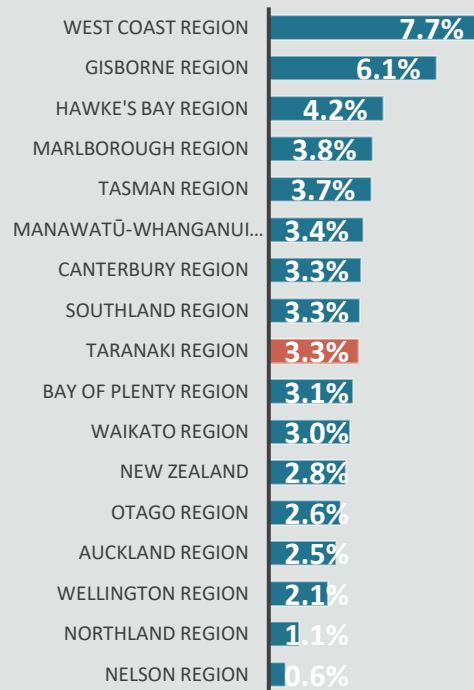
Taranaki Highlights



\$1.8B

Annual Card Spending*

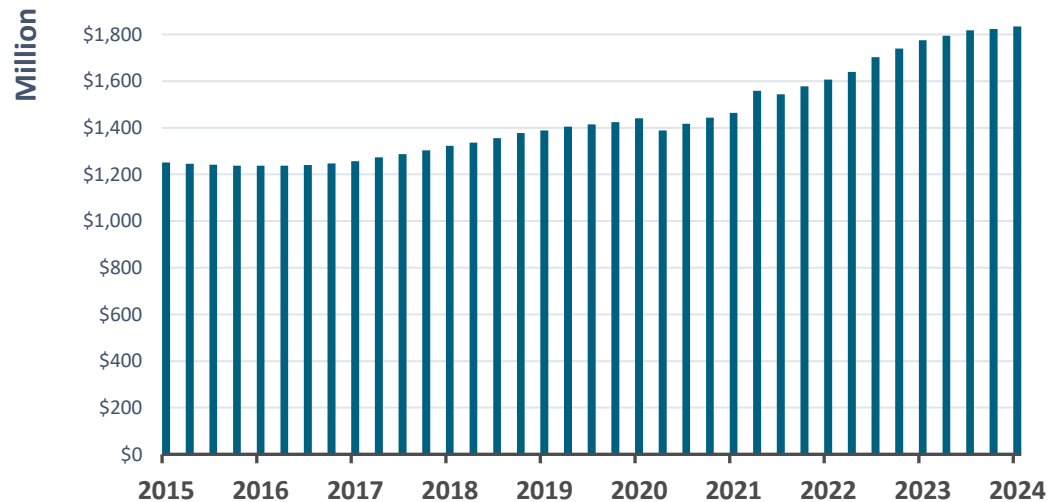
Regional Comparison



Note: Consumer spend data - Year to end Mar 2024 compared to same period to Mar 2023.

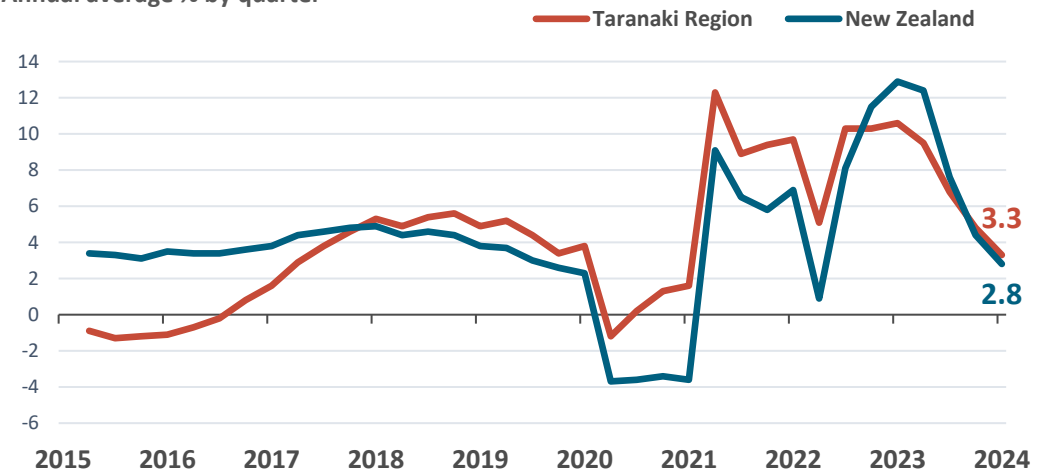
Consumer Spend⁵ in Taranaki

Annual level by quarter



Consumer Spend⁵ Growth

Annual average % by quarter



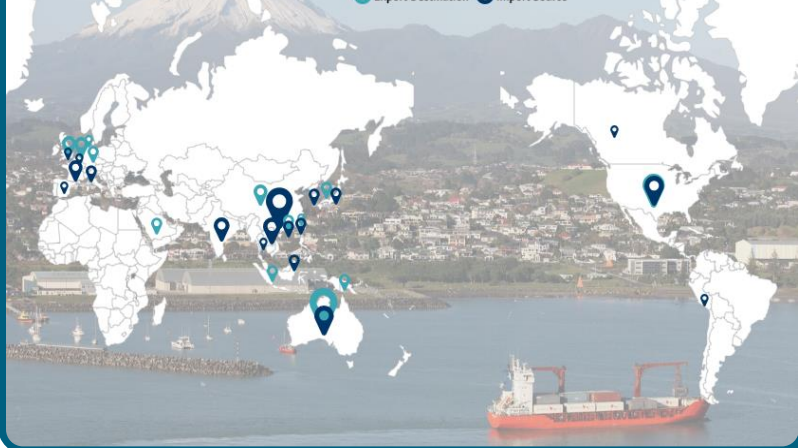
Source: Infometrics, May 2024

Export and Import in Taranaki

Where in the World?

A snapshot of which country Taranaki businesses are trading with:*

● Export Destination ● Import Source



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Performance and Outlook

(Export earnings vs Import values)



In November 2023, Venture Taranaki undertook an International Trade Survey involving 35 local exporters and 15 importers. This aimed to better understand our region's trade landscape and help Taranaki businesses succeed on the global stage.

The summary report and interactive insights can be accessed [here](#).

Taranaki Top* Trading Products

Export



Timber



Machine and related materials



Food and beverage



Consultant and services

Import



Machine and related materials

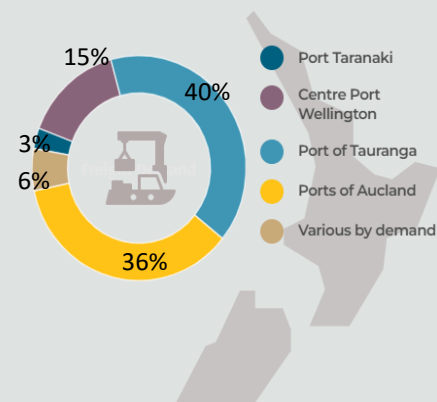
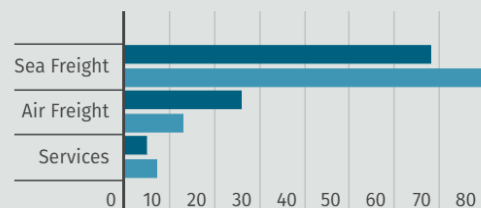


Transport equipment and parts



Plastics and rubber materials

Transportation and Logistics



*The top products are based upon the primary or secondary products or services identified to and from certain countries.

Employment

Taranaki Spotlight



16,065

Total Business Count
by Apr 2024



56,159

Total Filled Job
By Apr 2024



3.3 %

Unemployment rate
by Mar 2024 quarter
Lower than NZ at 4.7



9.2%

Underutilisation rate
by Mar 2024 quarter
Lower than NZ at 11.4



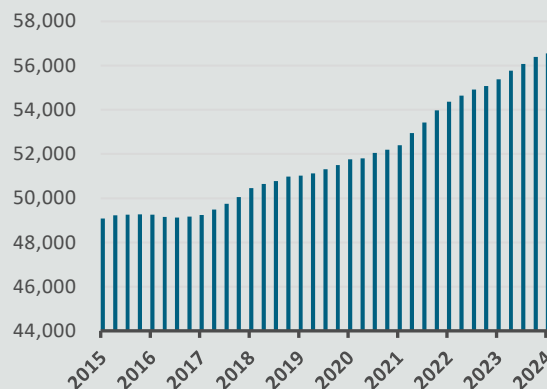
11.9%

NEET rate (15-24 years)
by Mar 2024 quarter
Lower than NZ at 14.1

Source: StatsNZ, May 2024

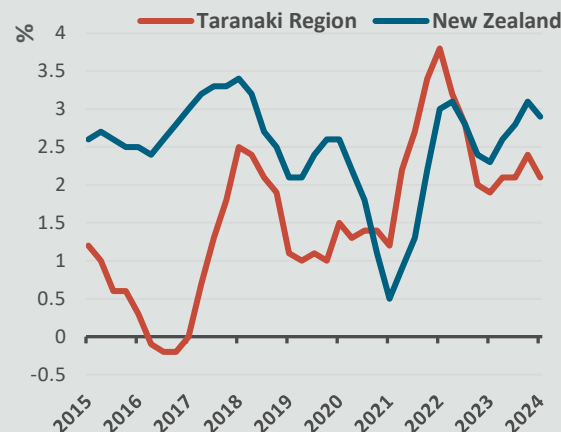
Filled Jobs(place of residence)⁶

Annual level by quarter



Filled Jobs Growth Rate

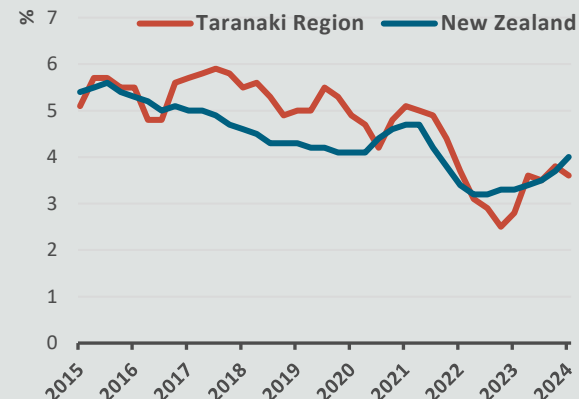
Annual average percentage by quarter



Source: Infometrics, May 2024

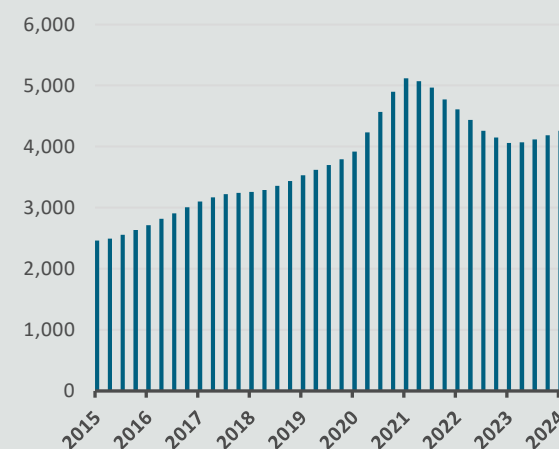
Unemployment Rate⁷

Annual average rate by quarter



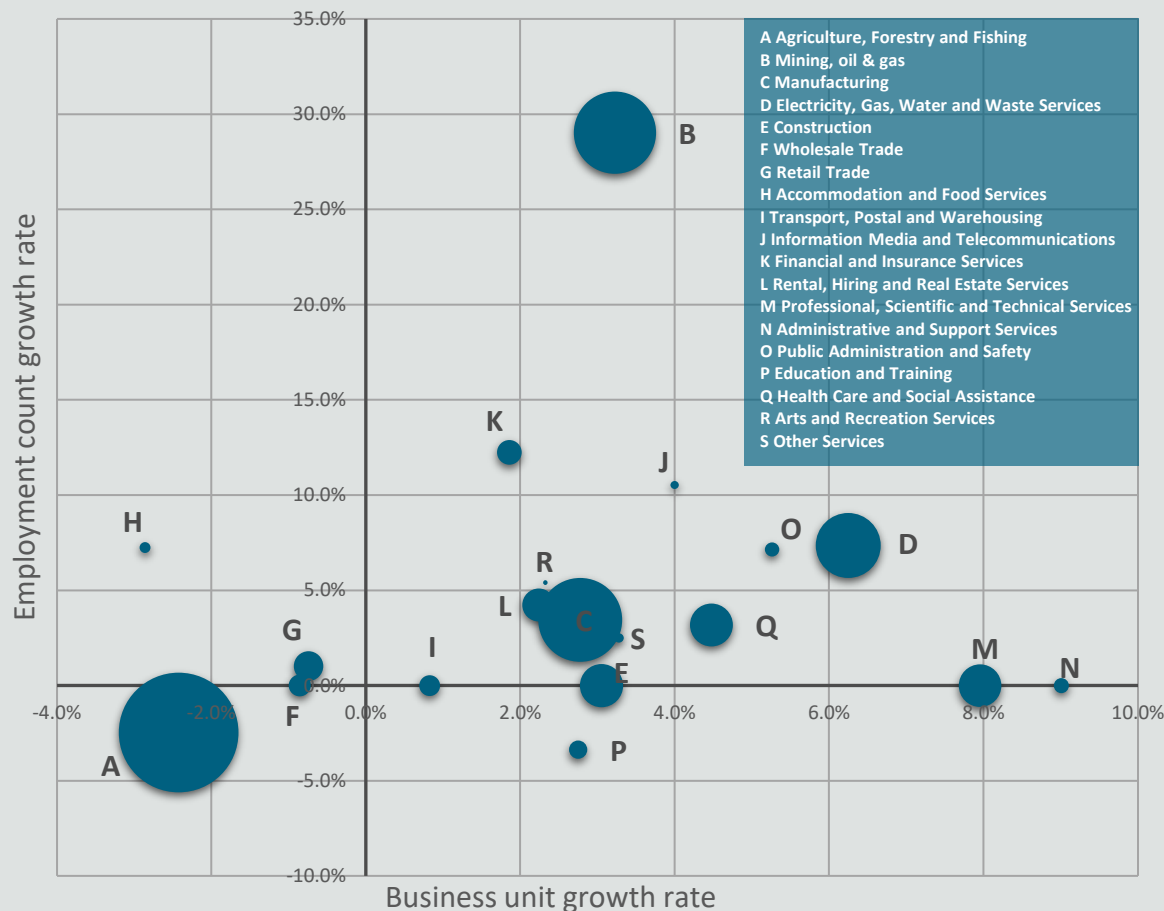
Jobseeker Support Recipients⁸

Annual average number by quarter



Businesses and Employment Count Change

Taranaki Business Unit and Employment Count Change⁹ 2023 vs 2022



The bubble size represents the proportion that industry sector takes in overall Taranaki GDP

Taranaki Spotlight

Top 3 Growth in Businesses Unit

363



Administrative and
Support Services

1,221



Professional, Scientific
and Technical Services

51



Electricity, Gas, Water
and Waste Services

Top 3 Growth in Employment

1,200



Mining, oil & gas

1,221



Financial and Insurance
Services

420



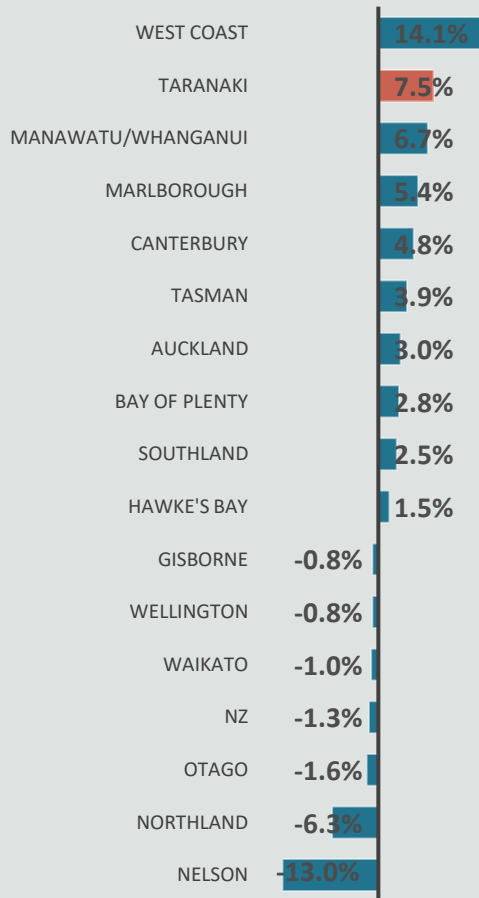
Information Media and
Telecommunications

*Total number of business units and
employment count by industry.*

Housing Market

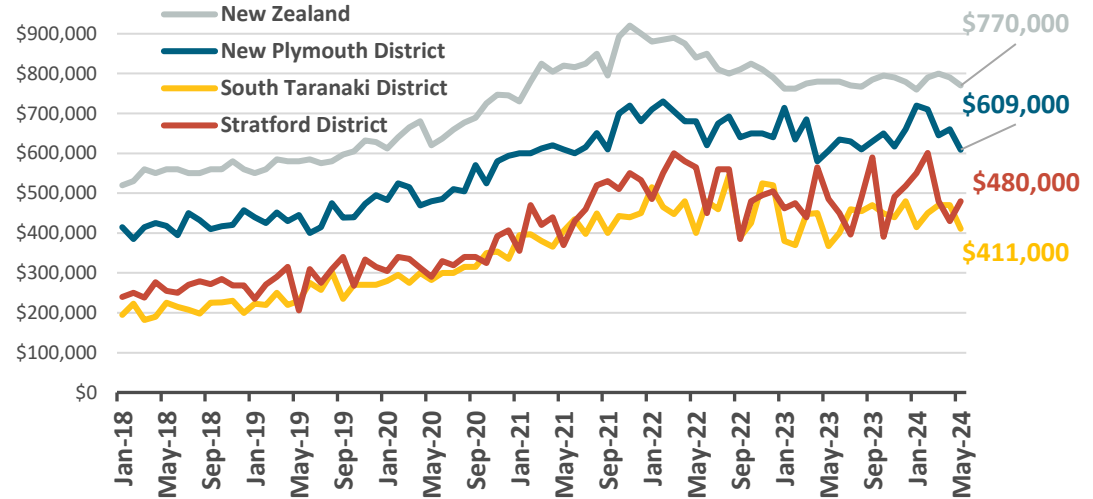
Regional Comparison

(Annual median house price change May 2024)



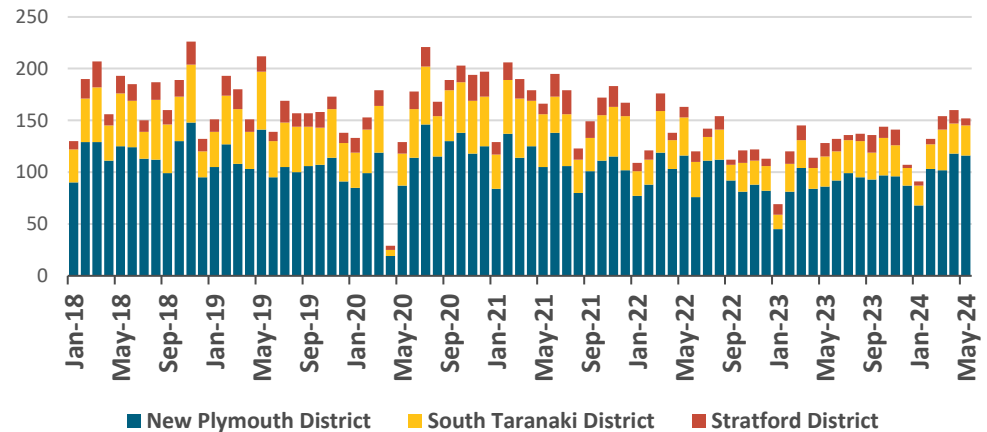
Median House Price by District

Monthly median prices



Sales Count by District

Monthly sales number



Housing and Rental Affordability

Affordable housing and rental accommodation is important, especially for lower-income households where high costs relative to income can be associated with financial difficulty and the risk of having insufficient income to meet basic needs such as food, clothing, transport, and healthcare.

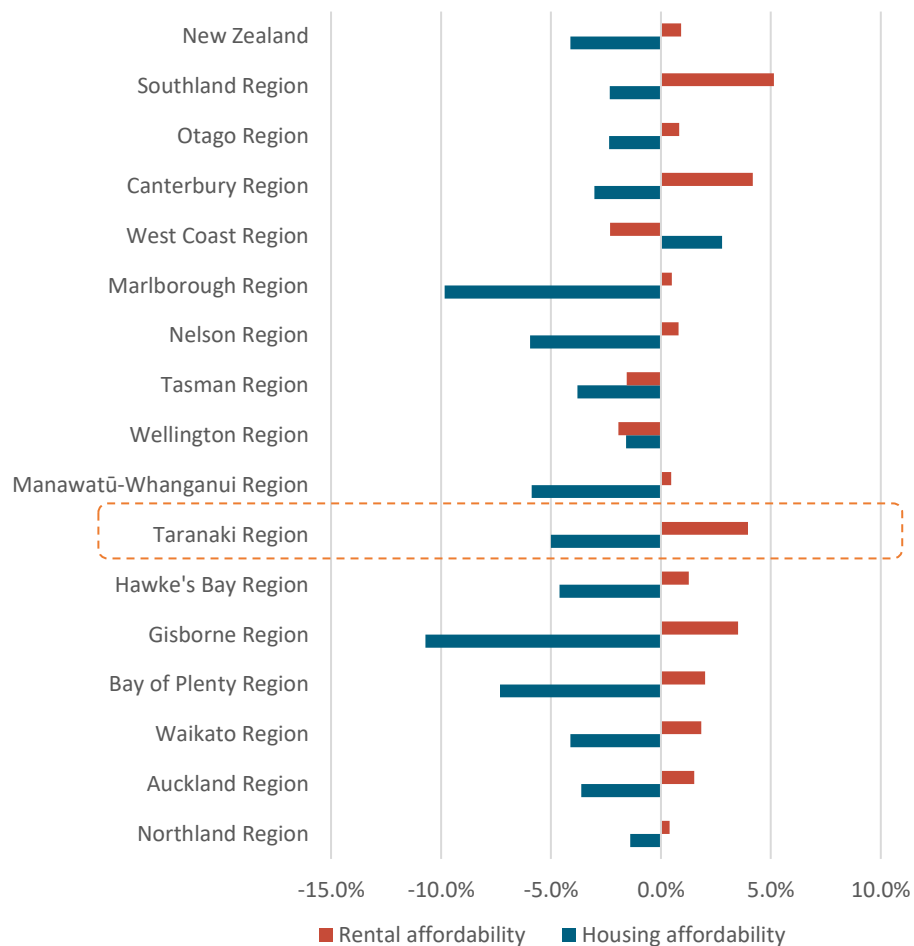
Housing affordability in Taranaki improved on average between March 2023 and March 2024.

Housing affordability also improved in New Zealand over the same period.

However, rental affordability in Taranaki deteriorated during this period to March 2024.

Affordability Index¹⁰ Percentage Change

(Mar 2024 compared to Mar 2023)



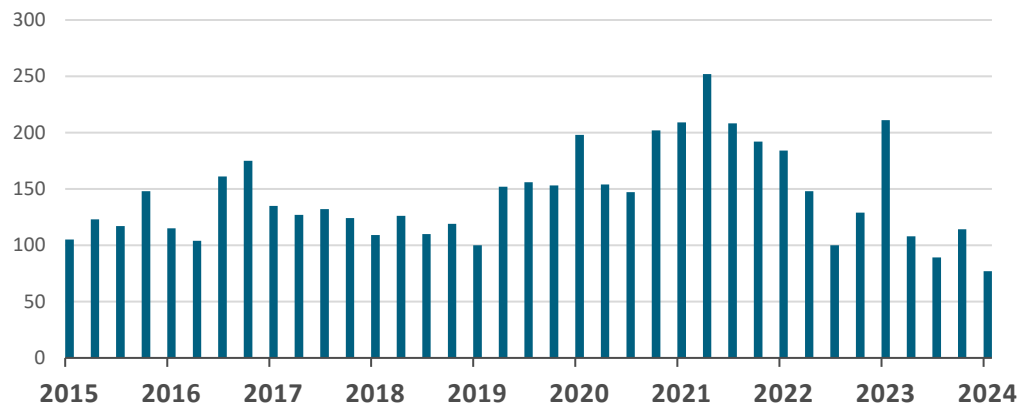
Source: Infometrics May 2024

Note: Index change increase represents that the affordability within the area has declined.

Residential Building Consents

Residential Consents¹¹ in Taranaki

Quarterly number



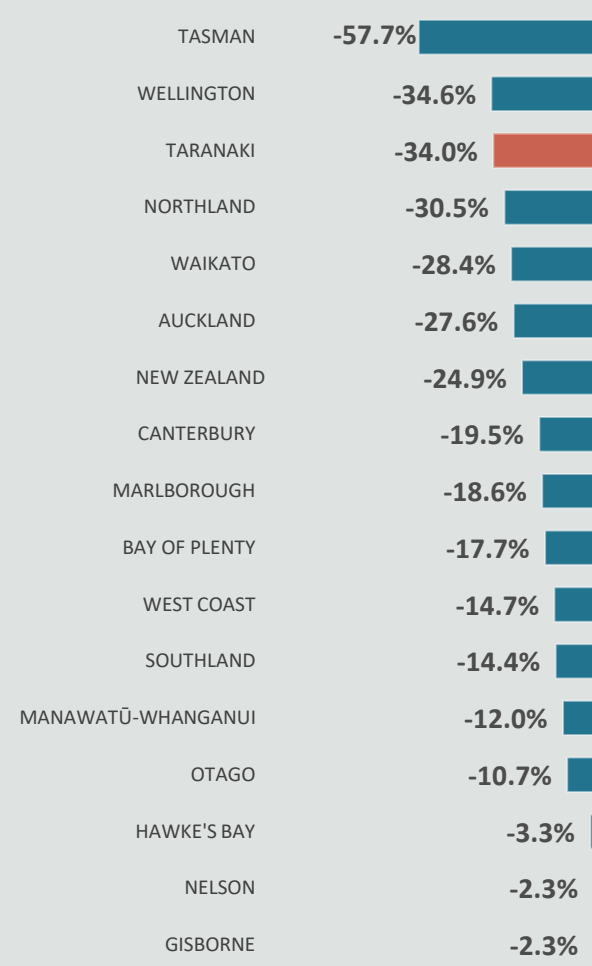
A total of 77 new residential building consents were issued in Taranaki in the March 2024 quarter, compared with 211 in the same quarter last year (a 34% decrease year-on-year).

This compares to a decrease of 24.9% in New Zealand over the same period.

Source: Infometrics May 2024

Regional Comparison

(Annual average number change)

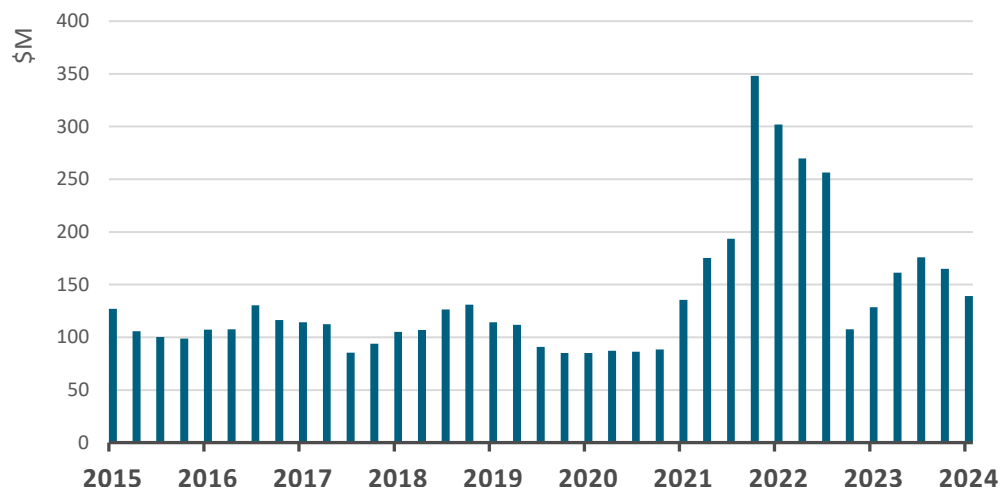


Note: Residential Consents data - Year to end Mar 2024 compared to same period to Mar 2023.

Non-residential Building Consents

Non-residential consents¹¹ in Taranaki

Annual running total value



Non-residential building consents to the value of \$139.1 million were issued in Taranaki during the year to March 2024. This compares to the ten-year annual average of \$135.8 million.

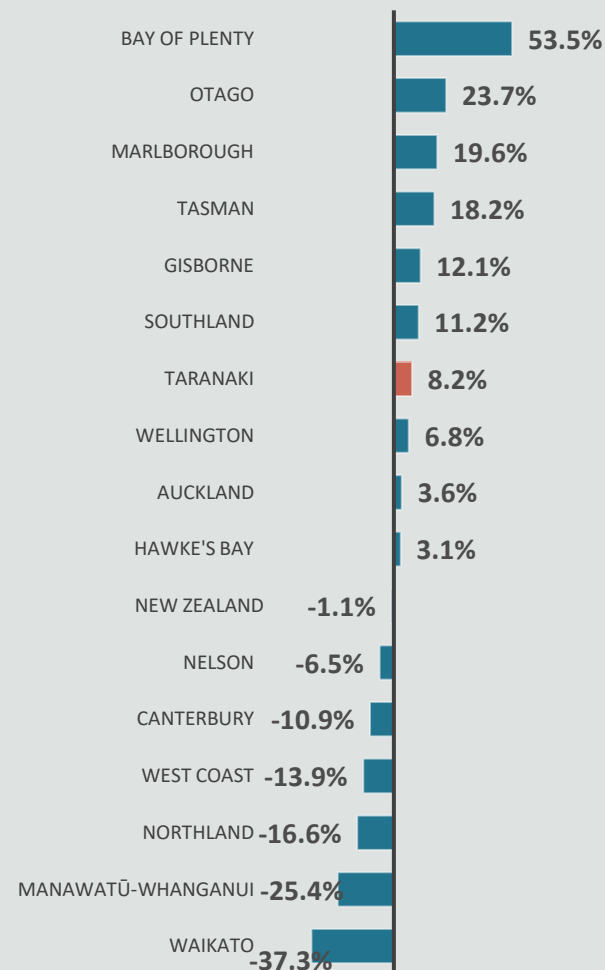
The value of consents in Taranaki increased by 8.2% over the year to March 2024, compared to a year earlier.

In comparison, the value of consents decreased by 1.1% in New Zealand over the same period.

Source: Infometrics May 2024

Regional comparison

(Annual average value change)

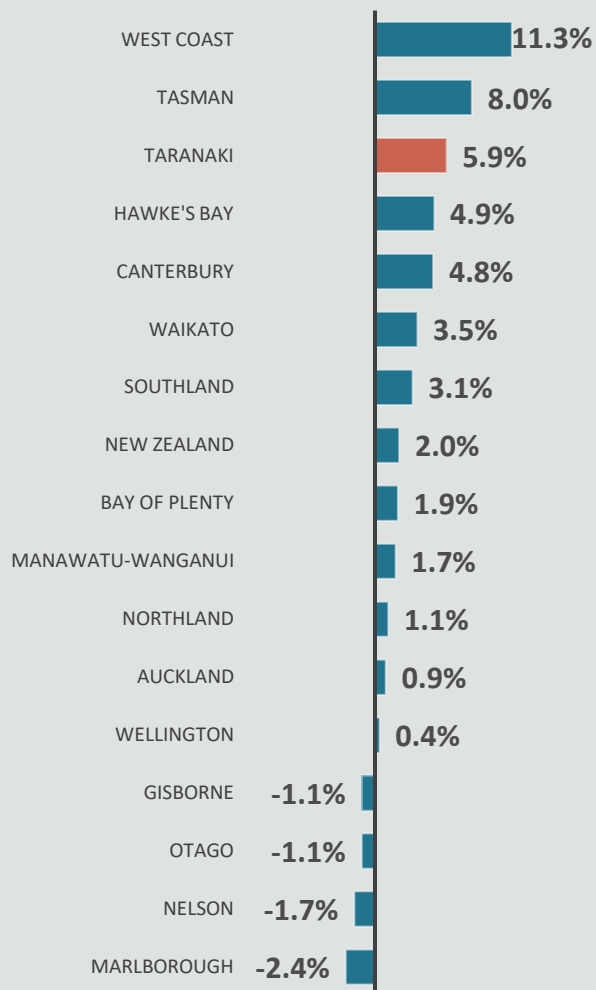


Note: Residential Consents data - Year to end Mar 2024 compared to same period to Mar 2023.

Tourism Spend

Regional comparison

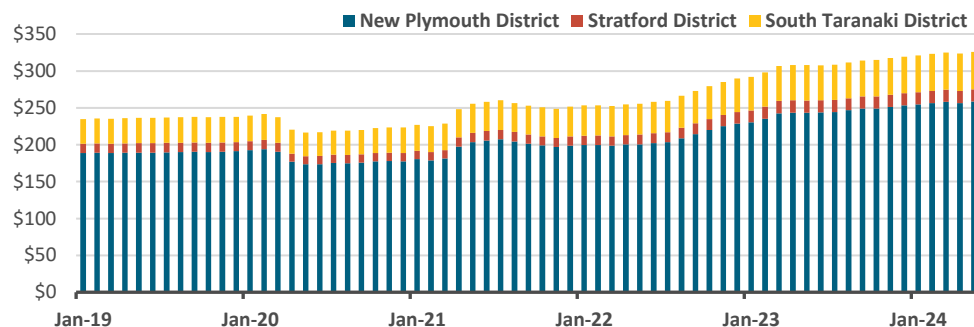
(Annual total growth to year end May 2024)



Source: MBIE June 2024

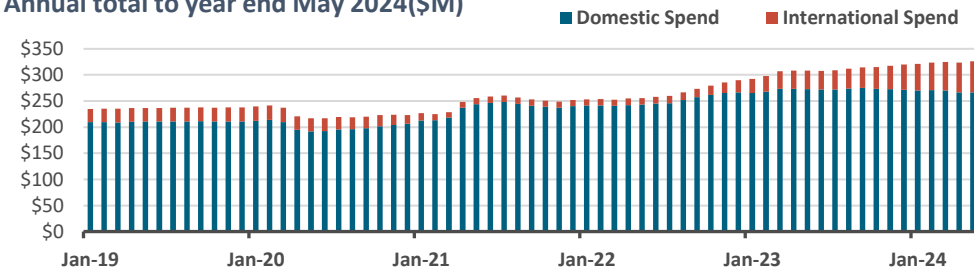
Tourism Spend¹² in Taranaki by District

Annual total to year end May 2024(\$M)



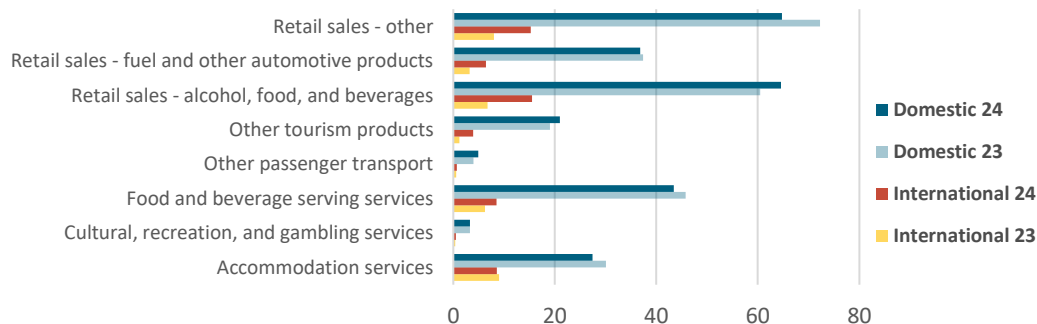
Tourism Spend¹² in Taranaki by Visitor Type

Annual total to year end May 2024(\$M)



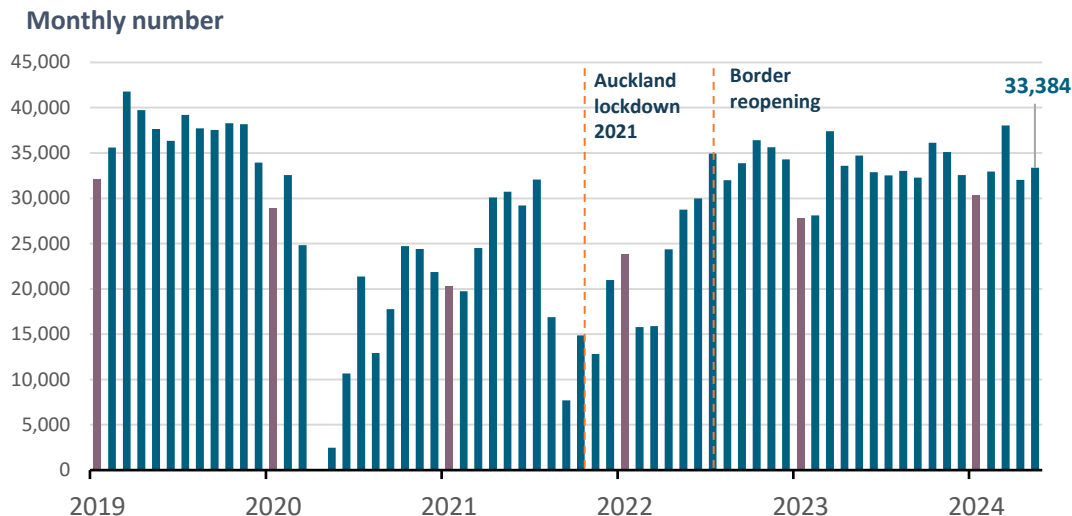
Tourism Spend in Taranaki by Category

Annual total to year end May 2024(\$M)



Airport Movement

Passenger Movement through New Plymouth Airport



401K

Total Passenger Numbers
Year to end May 2024

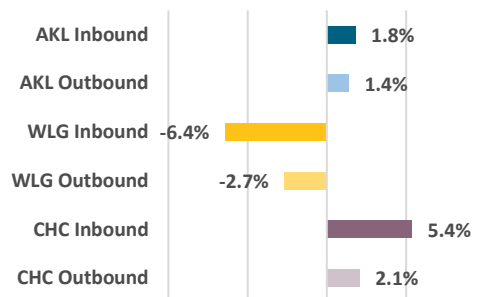


Up 0.6%

Change rate
Year to end May 2024

Inbound and Outbound number change

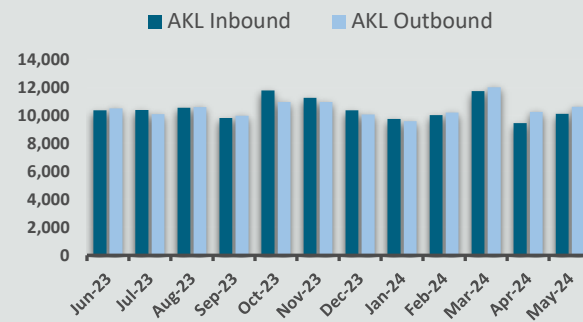
(Year to end May 2024 vs May2023)



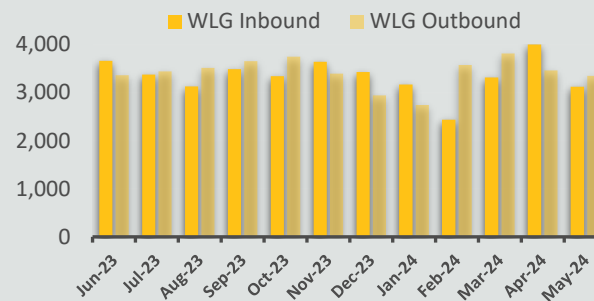
Taranaki Highlights

(Arrivals and Departures Numbers)

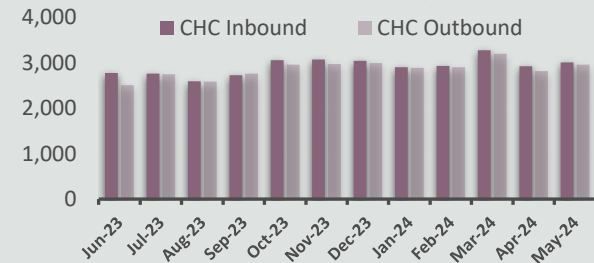
Auckland Airport



Wellington Airport



Christchurch Airport



TECHNICAL DETAILS

1.Ethnicity is the ethnic group or groups that people identify with or feel they belong to. Ethnicity is a measure of cultural affiliation, as opposed to race, ancestry, nationality, or citizenship. Ethnicity is self-perceived, and people can affiliate with more than one ethnic group.

2.International migration measures long-term arrivals and departures to and from New Zealand. With the removal of the departure cards in November 2018, Stats NZ made methodological changes to producing the official measures of migration, tourism, and the estimates of population. Permanent and long-term arrivals are people arriving for a stay of 12 months or more, including New Zealanders returning after an absence of 12 months or more.

3.Regional GDP industry estimates for 2000 to 2022 are based on balanced national industry data from National accounts (industry production and investment): Year ended March 2022. Provisional estimates for the year 2023 use other data sources that provide a regional dimension to derive industry provisional estimates that are aggregated into regional-level GDP totals. The March 2023 year includes the period when New Zealand was affected by torrential rains and tropical cycle Gabrielle in late January and mid-February. The impact has been captured in the provisional estimates for March 2023 year. However, as with previous provisional estimates, only region totals are available in this release. The industry breakdown by region will be available in the March 2025 release of regional GDP. More details can be access from StatsNZ data info [here](#).

4.Gross Domestic Product Quarterly update is estimated by Infometrics. GDP growth in recent quarters is based on a model which uses residence-based employment from Monthly Employment Indicators that have been mapped to place of work. Estimates of GDP for these recent quarters are provisional until Infometrics updates its annual GDP series in the Regional Economic Profile at the beginning of each year. Gross domestic product is measured in 2023 prices.

5.The consumer spending data is sourced from Marketview. It measures total electronic card spending at 'bricks + mortar' retailers using a combination of spending through the Paymark network and modelled estimates at non-Paymark retailers. For further breakdown of the data by storetype and other variables contact Marketview.

6.Employment data is based off a range of Stats NZ employment datasets, and represents the number of filled jobs, based on the area of residential address for the employee (rather than workplace address). This place of residence location means that the employment series reflects trends in employment of an area's residents, which may be different to trends in employment at businesses in an area, particularly when there are strong commuting flows. The most recent quarter is based off the average of Monthly Employment Indicator (MEI) filled jobs from Stats NZ for the past three months, with previous quarters being backcasted using the percentage change in the quarterly Business Data Collection dataset published by Stats NZ.

7.Regional level unemployment rates are sourced from Stats NZ's Household Labour Force Survey. Trends in the number of Jobseekers are used to break down regional unemployment rates to TA levels. The TA level unemployment rates are benchmarked on census following the release of each census. To reduce volatility the unemployment rate is presented as an average for the last four quarters.

8.In July 2013 the New Zealand's welfare system changed to better recognise and support people's work potential. As part of this the Jobseekers Support benefit was introduced. This benefit is for people who can usually look or prepare for work but also includes people who can only work part-time or can't work at the moment, for example, because they have a health condition, injury or disability.

9.Business Unit and Employment Count are based on Business demography statistics, which presents an annual snapshot (as at February) of the structure and characteristics of New Zealand businesses. Business

demography statistics are limited to economically significant individual, private-sector and public-sector enterprises that are engaged in the production of goods and services in New Zealand. These enterprises are maintained on the Statistical Business Register, which generally includes all employing units and those enterprises with GST turnover greater than \$30,000 per year.

10.Housing affordability is measured by comparing average current house values from CoreLogic with Infometrics' estimate of annual average household income. Household incomes are a better measure for housing affordability than individual incomes as it reflects the true ability of a household to afford housing. We present a ratio of average house values to average household incomes. A higher ratio, therefore, suggests that average houses cost a greater multiple of typical incomes, which indicates lower housing affordability. Rental affordability is measured by comparing average annualised rents from CoreLogic with Infometrics' estimate of annual average household income. Household incomes are a better measure for housing affordability than individual incomes as it reflects the true ability of a household to afford housing. We present a ratio of an annual ratio of average rent to average household incomes. A higher ratio, therefore, suggests that average rents cost a greater multiple of typical incomes, which indicates lower rental affordability.

11.Building consents data is sourced from Stats NZ. The number of residential consents issued for new dwellings is the measure for residential consents. For non-residential consents, the measure is the value of both new buildings and alterations.

12.The Tourism electronic card transactions (TECTs), produced by MBIE, were an interim replacement for the Monthly Regional Tourism Estimates (MRTes, 2016 to 2020 series) to understand tourism spend activity in New Zealand. More information can be found on MBIE's website.



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Te Puna Umanga

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