REGIONAL ECONOMIC REPORT

MANAWATŪ-WHANGANUI REGION

December 2021

Contents

Executive Summary

The latest Infometrics GDP estimates show a 7.6% increase in GDP in the Manawatū-Whanganui in the year ended December 2021, while national GDP increased by 5.5%. The growth was achieved despite the impact of COVID-19 restrictions during the year, but was a recovery from growth of just 0.1% in 2020 (1.9% decline for New Zealand). All territorial authorities in the region recorded higher growth rates than the average for New Zealand.

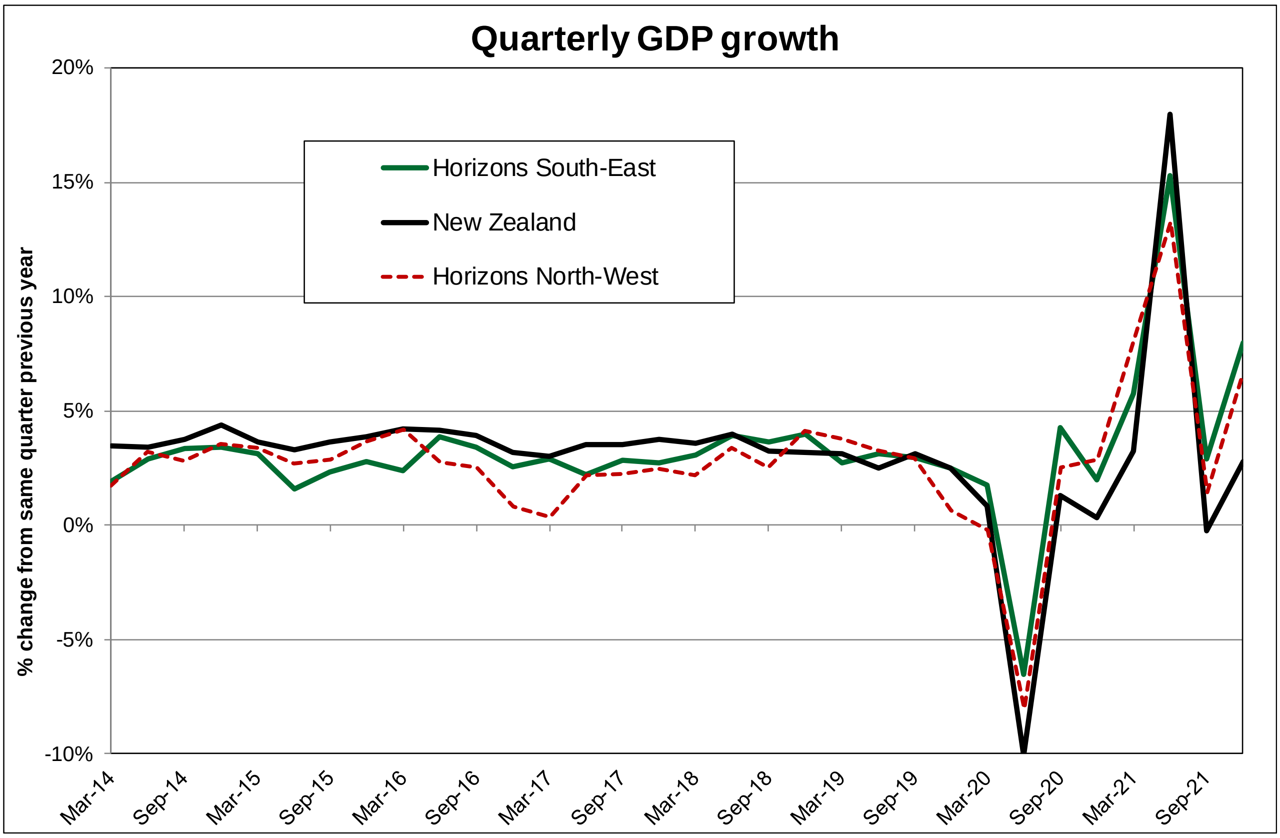
The latest population estimates suggest the region's population reached 256,500 in June 2021. Annual growth in the region was estimated to be 2,000 people in the year to June 2021, an increase of 0.8%, which was ahead of the national increase of 0.6%. This was the first year since the annual population estimates began in 1996 that the growth rate for the region has been higher than the national growth rate.

Pressure on the housing market resulted in high growth in house prices and rents in the region during 2021. House prices are likely to fall in 2022, despite economic growth continuing in the region. A shortage of rental housing in the region resulted in private sector rents rising by 12.9% in the year to December 2021, following an increase of 11.1% in 2020.

Growth in residential construction remains a significant contributor to job growth in the region, with the number of consents for new houses in the region doubling between 2016 and 2021. National housing consents increased by 63% over the same time period. Major projects underway include the $450 million Mercury Energy windfarm, $650 million Te Ahu A Turanga highway (Manawatū Gorge) and construction of new infrastructure at Ohakea and Linton. The value of non-residential consents in the region increased from $137 million in 2016 to $320 million in 2021.

International tourism has been significantly affected by the March 2020 closure of the border to visitors, but the rate of decline in international tourism spending in the region was less than the rate of decline for New Zealand. Domestic tourism spending in the region increased because the border restrictions reduced the amount of overseas travel by New Zealanders.

Prices for meat and dairy products are at record levels and are providing a strong boost to incomes and economic activity in the region. The long-term outlook for the region will be supported by the new free trade agreement with the United Kingdom. While there is a delay before tariffs on meat and dairy products will be reduced, it provides support for investment in the sector.



Source: Infometrics / Statistics NZ

GDP in the Manawatū-Whanganui region increased by 7.6% in the December 2021 quarter from December 2020. National GDP is estimated to have increased by 2.8%. Horizons North-West GDP is estimated to have been increased by 6.6% in the December quarter, while Horizons South-East GDP increased by 8.0%.

December 2021 quarter comparisons with the December 2020 quarter are:

- The value of electronic card retail spending increased by 6.5% in Horizons North-West and by 8.7% in Horizons South-East. National spending declined 0.4%.
- New car registrations increased by 17% in Horizons North-West and by 31% in the Horizons South-East region. National new car registrations increased by 28%.
- The number of consents approved for new residential buildings increased by 53% in Horizons North-West and by 15% in Horizons South-East. New Zealand consents increased by 14%. Total building consent values increased by 30% in Horizons North-West, and by 56% in Horizons South-East. New Zealand increased by 25%.
- Ministry of Social Development job seeker benefit numbers declined by 10.5% in Horizons North-West and by 14.1% in Horizons South-East. New Zealand job seeker benefit numbers declined by 11.5%.

Economic Outlook

International

The OECD composite leading indicators index (which anticipates turning points in the business cycle six to nine months before they occur) for February points to a gradual slowing in economic growth momentum in most major economies. The indicator is still greater than 100, which suggests economic growth is occurring, but the rate of growth is slowing.

Countries are looking at options for reducing economic stimulus in response to higher inflation and reductions in COVID-19 infections. That will be mainly achieved through reduced government spending and/or higher interest rates.

New Zealand

Average house prices in New Zealand increased by $218,000 in the year to December 2021, supported by very low mortgage interest rates and the increased supply of money from the Reserve Bank to support lending by banks to house buyers.

Minimum deposit requirements for property investors and owner-occupiers have been reintroduced, and small increases made to the official cash rate (OCR). The February 2022 Monetary Policy Statement by the Reserve Bank provided an indicative timetable for the gradual reduction of the Reserve Bank's bond holdings under the Large-Scale Asset Purchase programme, the tool it used to increase the supply of money. However, while the Reserve Bank is gradually reducing its funding, the Monetary Policy Committee has decided to adjust monetary stimulus primarily using the OCR. The resulting rise in interest rates will impact on households and businesses.

Manawatū-Whanganui Region

Construction projects announced for the region amount to more than $8 billion of capital investment by 2035, which will require a significant increase in construction workers. The peak construction period for the projects already committed to is currently expected to occur between 2023 and 2028, when there will be several large projects under construction at the same time. There are further projects under active consideration, which could further boost the construction work that will occur.

Population growth across the region slowed in the year to June 2021, but the annual rate of growth was higher than the growth rate for New Zealand. The reopening of the border later this year will allow international students back into the region and an increase in refugee resettlement in the region. New resettlement centres in Levin and Whanganui will add to the flow of refugees who have been coming into Palmerston North since 2006.

The forecast farm-gate payout price of $8.90 - $9.50 per kg of milk solids for the 2021/22 season was updated by Fonterra on 25 January. This is higher than the $7.54 payout for the 2020/21 season, and well above the ten-year average of $6.56. Returns for the meat sector also remain at high levels.

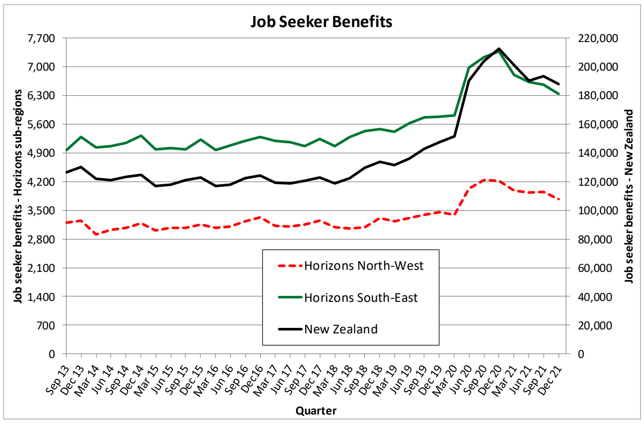
Unemployment

Household Labour Force Survey (HLFS) data for the Manawatū-Whanganui region is subject to high sample error rates so the best up-to-date indicator of labour force trends is data on the number of people receiving the Ministry of Social Development (MSD) job seeker benefit.

The HLFS unemployment rate for the Manawatū-Whanganui region declined from 4.5% in December 2020 to 2.6% December 2021. A high sample error means the actual unemployment rate in December 2021 was between 1.3% and 3.9%.

The number of people in the Manawatū-Whanganui region registered for the job seeker benefit declined by 12.8% between December 2020 and December 2021, while national job seeker benefit numbers declined by 11.5%. The Horizons North-West region declined by 10.5% from December 2020 while there was a 14.1% decline in Horizons South-East.

All local authorities in the region experienced declines in the number of people receiving MSD job seeker benefits between December 2020 and December 2021. Some of the decline was due to a policy change which moved some people from the Job Seeker benefit to the Sole Parent benefit.



Source: Ministry of Social Development

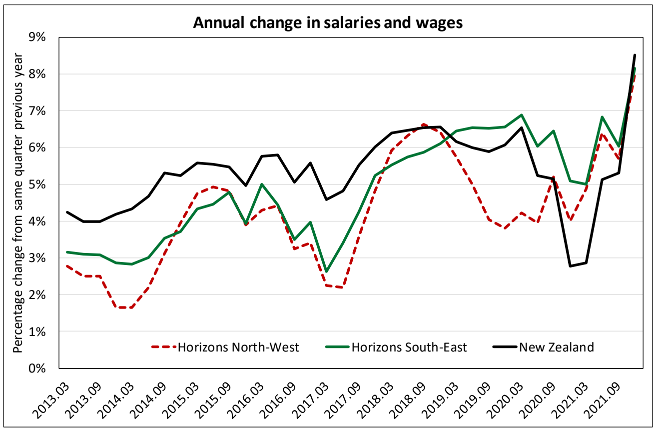
The number of people registered for all MSD benefits in Horizons North-West declined by 3.9% from December 2020, while Horizons South-East declined by 5.4%. Total benefit numbers in New Zealand declined by 5.5%.

Earnings

Total salaries and wages paid in Horizons North-West increased by 9.7% in the December 2021 quarter (compared with December 2020), and by 8.0% in the year ended December 2021. Salaries and wages in Horizons South-East increased by 10.7% in the December quarter and by 8.2% in the year ended December 2021. Total salaries and wages in New Zealand increased by 10.4% in the December quarter, and by 8.5% in the year ended December 2021.

Annual change in year ended December 2021		
	Jobs	Wages
Horowhenua District	6.8%	11.2%
Manawatu District	3.7%	8.2%
Palmerston North City	2.6%	7.1%
Rangitikei District	2.5%	7.5%
Ruapehu District	3.0%	6.8%
Tararua District	2.4%	8.5%
Whanganui District	3.4%	8.5%
Manawatū-Whanganui	3.4%	8.1%
New Zealand	3.8%	8.5%

Salaries and wages and jobs based on place of residence
Source: Statistics New Zealand LEED



Source: Statistics New Zealand LEED

Horizons North-West annual earnings (salaries, wages and self-employment income) increased by 115% between 2000 and 2020, and by 6.7% in the year ended March 2020. Horizons South-East increased by 146% between 2000 and 2020 and by 5.9% in the year ended March 2020. Total earnings in New Zealand increased by 183% between 2000 and 2020 and by 5.6% in the year ended March 2020.

Retail Activity

Marketview electronic card retail data for the Manawatū-Whanganui region shows a strong recovery in the value of retail spending during 2021. A contributor to the increase in spending was the COVID-19 retail closures between March and May 2020. The growth rate for the December 2021 quarter was 8.0%, while total spending in New Zealand declined by 0.4%. Growth in the region for the year ended December was also 8.0%, while the growth rate for New Zealand was 5.0%.

The strongest retail growth in the region in 2021 was in Manawatū District (12.1% increase). The weakest growth was in Ruapehu District, with an increase of 0.7%. The District was impacted by COVID travel restrictions in the upper North Island from August 2021.

The fuel and automotive sector in the Manawatū-Whanganui region had strong growth, with sales increasing by 18% in the year to December 2021, while national growth was 14%. Fuel prices increased by 29% during 2021.

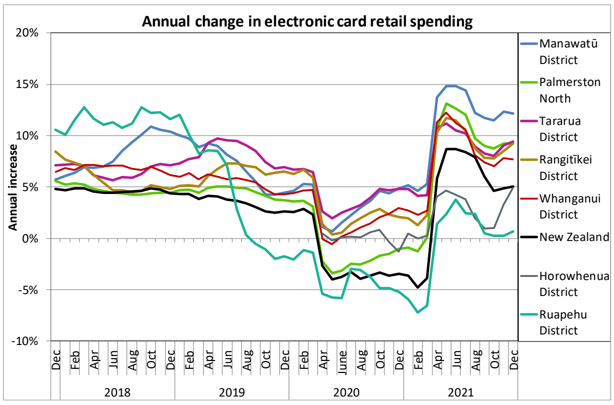
Statistics New Zealand estimates for total retail spending show a 9.3% increase in spending in the Manawatū-Whanganui region in the December 2021 quarter while national growth was 8.8%. The main difference from the electronic card series is the inclusion of car sales. Total retail spending in the region in the 12 months ended December 2021 was $4,911 million, an increase of 12.8% from the previous year (11.1% increase for New Zealand).

New car registrations increased by 17% in the Horizons North-West region in the December quarter, while the Horizons South-East region increased by 31%. New Zealand new car registrations increased by 28%.

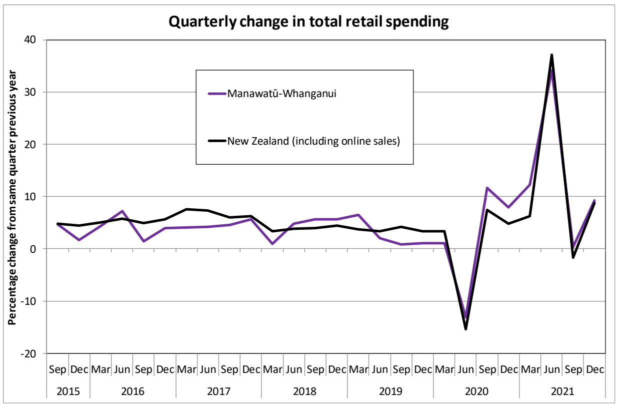
Electronic card retail spending (Marketview) ($m)

Annual change in retail spending	Year ended Dec 2020	Year ended Dec 2021	% change from 2020
Ruapehu District	178	179	0.7%
Whanganui District	550	592	7.7%
Rangitīkei District	140	153	9.3%
Horizons North-West	***868***	***924***	***6.5%***
Manawatū District	226	253	12.1%
Palmerston North	1,230	1,344	9.2%
Tararua District Horowhenua District	497	550	9.4%
Horizons South-East	***1,953***	***2,147***	***9.9%***
Manawatū-Whanganui	**2,821**	**3,071**	**8.9%**
New Zealand	**62,487**	**65,680**	***5.1%***

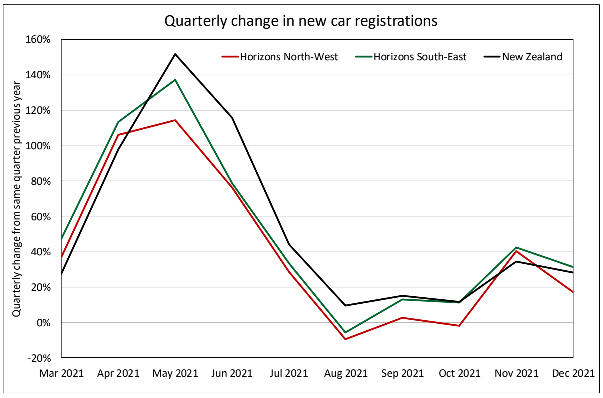
Source: Marketview



Source: Marketview



Source: Statistics New Zealand



Source: Infometrics/New Zealand Transport Agency

Building Activity

The value of building consents issued in the Manawatū-Whanganui region increased by 49% in the December quarter (compared to the December 2020 quarter). The total value of consents issued in the region for the year to December 2021 was $1,063 million, an increase of $288 million (37% increase) from the previous year. Total New Zealand consent values increased by 25% in the quarter and by 25% in the year ended December 2021.

The value of all consents issued in Horizons North-West increased by 33% in the year ended December 2021 while there was a 38% increase in Horizons South-East.

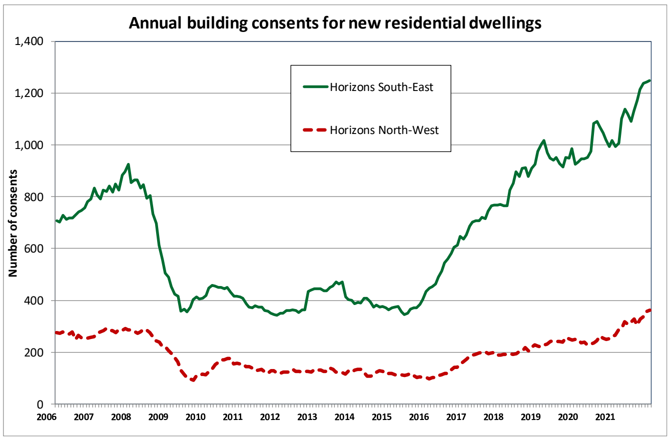
The value of consents for new residential dwellings in the Horizons North-West region increased by 54% in the year ended December 2021, while consents for additions and approvals increased by 47%. The value of consents for new dwellings increased by 49% in the Horizons South-East region, while consents for additions and alterations increased by 59%.

The value of non-residential consents approved in the Manawatū-Whanganui region in the year ended December 2021 was $320 million, a 13% increase from the previous year. Non-residential consents were $40 million in Horizons North-West – a 13% decline from the previous year - and $279 million in Horizons South-East - an 18% increase from 2020.

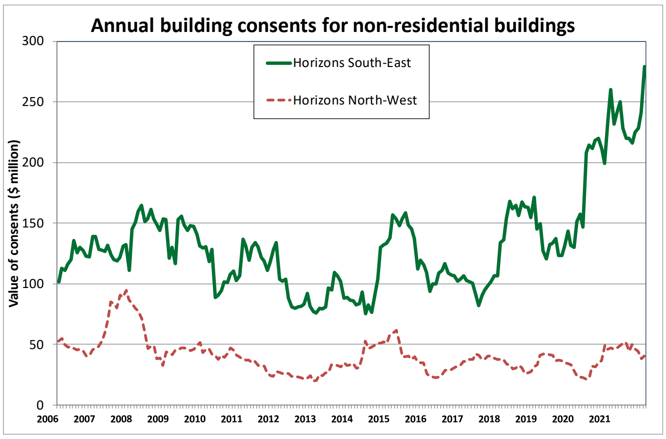
In the year to December 2021, consents for 363 new dwellings were issued in the Horizons North-West region compared with 262 in the previous year, an increase of 39%. In Horizons South-East 1,248 consents were issued for new dwellings compared to 1,016 in the previous year, an increase of 23%. The number of residential additions and alterations consents increased by 18% in Horizons North-West and by 26% in Horizons South-East.

$ million	Year ended December 2020	Year ended December 2021	Annual Change
Residential consents (new dwellings, additions, alterations)			
Horizons North-West	106	161	53%
Horizons South-East	387	582	50%
Horizons Region	**493**	**743**	**51%**
New Zealand	**16,465**	**21,190**	**29%**
Non-residential consents (new buildings, additions, alterations)			
Horizons North-West	46	40	-13%
Horizons South-East	236	279	18%
Horizons Region	**282**	**320**	**13%**
New Zealand	**7,023**	**8,190**	**17%**
Total consents (new buildings, additions, alterations)			
Horizons North-West	152	202	33%
Horizons South-East	623	861	38%
Horizons Region	**775**	**1,063**	**37%**
New Zealand	**23,488**	**29,380**	**25%**

Source: Statistics New Zealand



Source: Statistics New Zealand



Source: Statistics New Zealand

Total electronic card visitor spending in Horizons North-West was $228 million in the year to December 2021, an increase of 5.3% from 2020. Total visitor spending in Horizons South-East was $420 million, increasing by 16.8%. New Zealand visitor spending increased by 3.9%.

Domestic electronic card visitor spending in Horizons North-West increased by 8.7% in the year to December while Horizons South-East increased by 23.1%. International electronic card spending in Horizons North-West declined by 46% in the year to December while Horizons South-East increased by 14%. New Zealand domestic card spending increased by 12.3%, while international card spending declined by 44%.

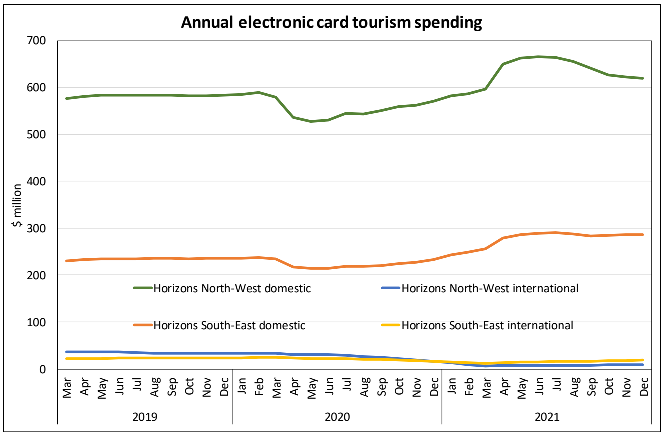
Regional tourism spending indicators (% change in spending from previous year)		
Year ended Dec 2021	Domestic	International
Rangitīkei District	12.2%	-53.3%
Ruapehu District	4.9%	-67.6%
Whanganui District	12.2%	-6.5%
Horizons North-West	**8.7%**	**-46.1%**
Horowhenua District	15.5%	-8.9%
Manawatū District	27.8%	7.9%
Palmerston North	15.1%	23.7%
Tararua District	23.2%	-36.6%
Horizons South-East	**23.1%**	**14.0%**
Manawatū-Whanganui	**12.8%**	**-16.0%**
New Zealand	**12.3%**	**-44.0%**

Source: Ministry of Business, Innovation and Employment

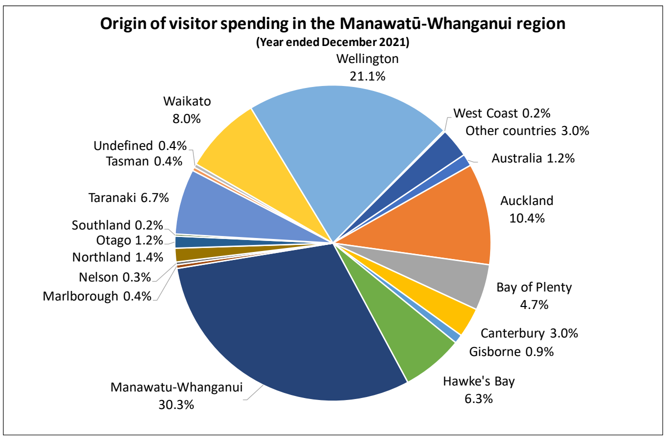
There were nearly 1.2 million guest nights in commercial accommodation in the region in the year ended December 2021. The sector was impacted by COVID-19 restrictions since mid-August, resulting in the loss of 146,600 guest nights in the region since June 2021. National guest nights declined by 3.5 million over this period.

Domestic and international electronic card spending			
Visitor spending ($ million)	Year ended December 2020	Year ended December 2021	Annual Change
Rangitīkei District	40	43	9.5%
Ruapehu District	85	83	-3.1%
Whanganui District	92	102	11.1%
Horizons North-West	**217**	**228**	**5.3%**
Horowhenua District	65	75	14.4%
Manawatū District	27	34	27.0%
Palmerston North	238	275	15.6%
Tararua District	30	36	22.3%
Horizons South-East	**360**	**420**	**16.8%**
Manawatū-Whanganui	**576**	**648**	**12.4%**
New Zealand	**11,002**	**11,428**	**3.9%**

Source: Ministry of Business, Innovation and Employment



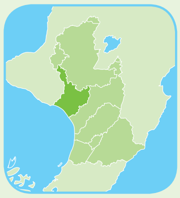
Source: Ministry of Business, Innovation and Employment



Source: Ministry of Business, Innovation and Employment

Local Authorities Summary

Whanganui



48,400 | 18,927 | $1,020 million

Electronic card retail spending was $592 million in the year ended December 2021, an increase of 7.7% from the previous year.

International electronic card visitor spending declined by 6.5% in the year ended December 2021, but domestic visitor spending increased by 12.2%. Total visitor spending in the year ended December 2021 was $102 million, an increase of 11% from 2020.

The total value of building consents issued in the year to December 2021 was $117 million, an increase of 13% from the previous year (residential consents increased by 41% and non-residential consents declined by 41%).

Salaries and wages increased by 9.7% in the December 2021 quarter (from the December 2020 quarter) and by 8.5% in the 12 months ended December 2021 compared with the previous year. Total earnings (salaries, wages and self-employment income) were $1,094 million in the year to March 2020, an increase of 7.4% from 2019.

Employment increased from 18,313 jobs in December 2020 to 18,927 jobs in December 2021, a gain of 614 jobs (3.4% increase).

There were 2,457 people registered for a Job Seeker benefit in December 2021, a decline of 13.3% from the previous year.

Ruapehu

12,900 | 5,397 | $282 million

Electronic card retail spending was $179 million in the year ended December 2021, an increase of 0.7% from the previous year.

International electronic card visitor spending declined by 68% in the year ended December 2021, but domestic visitor spending increased by 5%. Total visitor spending in the year ended December 2021 was $83 million, a decline of 3% from 2020.

There were 699 people registered for a Job Seeker benefit in December 2021, a decline of 8.0% from the previous year.

The total value of building consents issued in the year ended December 2021 was $40 million, a 54% increase from the previous year. There was a 54% increase in the value of residential consents and a 55% increase in non-residential consents.

Salaries and wages increased by 8.5% in the December 2021 quarter (from the December 2020 quarter) and by 6.8% in the year ended December 2021. Total earnings (salaries, wages and self-employment income) were $352 million in the year to March 2020, an increase of 4.9% from 2019.

Employment increased from 5,242 jobs in December 2020 to 5,397 in December 2021, an increase of 155 jobs (3.0% increase).

KEY: Population | Jobs | Salaries & Wages

FOOTNOTES
Population – as at June 2021
Jobs –December 2021 quarter
Salaries and wages – year to December 2021

Manawatū

33,000 | 19,995 | $1,181 million

Electronic card retail spending was $253 million in the year ended December 2021, an increase of 12.1% from the previous year.

International visitor electronic card spending increased by 8% in the year ended December 2021, and domestic visitor spending increased by 28%. Total visitor spending in the year ended December 2021 was $34 million, an increase of 27% from 2020.

There were 840 people registered for a Job Seeker benefit in December 2021, a decline of 11.4% from the previous year.

The total value of building consents issued in the year ended December 2020 was $126 million, an increase of 24% from the previous year. There was a 62% increase in the value of residential consents and a 100% increase in non-residential consents.

Salaries and wages increased by 10.5% in the December 2021 quarter (from the December 2020 quarter) and by 7.5% in the year ended December 2021. Total earnings (salaries, wages and self-employment income) were $706 million in the year to March 2020, an increase of 6.1% from 2019. (Note: the earnings data is based on place of work)

Employment increased from 19,296 jobs in December 2020 to 19,995 in December 2021, an increase of 699 jobs (3.7% increase).

Rangitīkei

16,050 | 7,001 | $371 million

Electronic card retail spending was $153 million in the year ended December 2021, an increase of 9.3% from the previous year.

International visitor electronic card spending declined by 53% in the year ended December 2021 and domestic visitor spending increased by 12%. Total visitor spending in the year ended December 2021 was $43 million, an increase of 10% from 2020.

There were 624 people registered for a Job Seeker benefit in December 2021, a decline of 1.1% from the previous year.

Total building consent values for the year ended December 2021 were $44 million, a 101% increase from the previous year. There was a 94% increase in the value of residential consents and a 140% increase in non-residential consents.

Property values increased by 40.2% in the year ended December 2021, with an average increase of 141,169 over the past year.

Salaries and wages increased by 10.6% in the December 2021 quarter (from the December 2020 quarter) and by 7.5% in the year ended December 2021. Total earnings (salaries, wages and self-employment income) were $358 million in the year to March 2020, an increase of 6.5% from the previous year.

Employment increased from 6,827 jobs in December 2020 to 7,001 in December 2021, an increase of 174 jobs (2.5% increase).

KEY: Population | Jobs | Salaries & Wages

FOOTNOTES
Population – as at June 2021
Jobs –December 2021 quarter
Salaries and wages – year to December 2021

Local Authorities Summary

Tararua

19,050 | 8,530 | $450 million

International visitor electronic card spending declined by 36% in the year ended December 2021 while domestic visitor spending increased by 24%. Total visitor spending in the year ended December 2021 was $36 million, an increase of 22% from 2020.

There were 723 people registered for a Job Seeker benefit in December 2021, a decline of 16.7% from the previous year.

The total value of building consents issued in the year to December 2021 was $47 million, an increase of 57% from the previous year.

Residential consent values (new dwellings and additions and alterations) increased by 47% and non-residential consents increased by 108%.

Salaries and wages increased by 10.7% in the December 2021 quarter and by 8.5% in the year to December 2020. Total earnings (salaries, wages and self-employment income) were $396 million in the year to March 2020, an increase of 0.7% from 2019.

Employment increased from 8,329 in December 2020 to 8,530 in December 2021, an increase of 201 jobs (2.4% increase).

Horowhenua

36,500 | 13,044 | $698 million

International visitor electronic card spending declined by 9% in the year ended December 2021 while domestic visitor spending increased by 15%. Total visitor spending in the year ended December 2021 was $75 million, increasing by 14% from 2019.

There were 1,776 people registered for a Job Seeker benefit in December 2021, a decline of 8.8% from the previous year

The total value of building consents issued in the year to December 2021 was $171 million, an increase of 64% from the previous year;

Residential consent values (new dwellings and additions and alterations increased by 70% and non-residential consents increased by 18%.

Salaries and wages increased by 15.2% in the December 2021 quarter from the December 2020 quarter, and by 11.2% in the 12 months ended December 2021 compared with the previous year. Total earnings (salaries and wages and self-employment income) were $589 million in the year to March 2020, an increase of 6.5% from the previous year.

Employment in the District increased from 12,214 jobs in December 2020 to 13,044 in December 2021, an increase of 830 jobs, (6.8% increase).

KEY Population Jobs Salaries & Wages

FOOTNOTES
Population – as at June 2021
Jobs –December 2021 quarter
Salaries and wages – year to December 2021

Palmerston North

90,500 | 34,988 | $2,112 million

Electronic card retail spending increased by 7.4% in the December 2021 quarter, while national spending declined 0.4%. Spending in the City was $1,343 million in the year ended December 2021, an increase of 9.2% from the previous year.

International visitor electronic card spending increased by 24% in the year ended December 2021, while domestic visitor spending increased by 15%. Total visitor spending in the year ended December 2021 was $275 million, an increase of 16% from 2020.

The total value of building consents issued in the December 2021 quarter increased by 35% from the previous year. There was a 17% increase in the value of consents for new residential dwellings and a 132% increase in consents for residential additions and alterations. Non-residential consents increased by 24% in the quarter.

Total building consent values for the year ended December 2021 were $421 million, a 16% increase from the previous year (the value of total residential consents increased by 36% and non-residential consents declined by 4%). Consents for 557 new residential dwellings were approved in the year to December 2021 compared with 524 in the previous year.

Income from salaries and wages increased by 9.5% in the December 2021 quarter and by 7.1% in the year to December 2021. Total earnings, based on salaries and wages and the incomes of the self-employed, were $3,260 million in the year ended March 2020, increasing by 6.4% from 2019. (Note: the earnings data is based on place of work, while the salary and wage data and jobs data is based on place of residence).

Total earnings increased by 157% between 2000 and 2020 while total earnings in New Zealand increased by 183%. Salary and wage income in the City increased by 181% between 2000 and 2020 while self-employment income increased by 46%.

Employment increased from 34,088 in December 2020 to 34,988 in December 2021, an increase of 900 jobs (2.6% increase).

The number of people registered for a Ministry of Social Development Job Seeker benefit declined from 3,613 people in December 2020 to 3,000 people in December 2021, a decline of 17.0%. Total New Zealand Job Seeker benefit numbers declined by 11.5%.

There was a 3% increase in the number of births in the year to December 2021 (compared with December 2020) and a 4% increase in the number of deaths. Natural population growth increased from a net gain of 480 people in the year to December 2020 to a net gain of 486 people in the year to December 2021.

The City experienced no gain from overseas migration in the year to June 2021 compared with a gain of 1,000 people in the previous year.

Average house values increased by 29.0% in December 2021 compared to December 2020, increasing to an average of $750,556. Average weekly rents in the City in the year ended December 2021 were $418, increasing by 12.9% from 2020.

KEY Population | Jobs | Salaries & Wages

FOOTNOTES
Population – as at June 2021
Jobs –December 2021 quarter
Salaries and wages – year to December 2021

Summary Economic Indicators

Key economic indicators	Horizons North-West	Horizons South-East	Manawatū-Whanganui Region	New Zealand
Population (estimate) - June 2021 (number)	**77,350**	**179,050**	**256,500**	**5,122,600**
Annual Increase	0.8%	0.8%	0.8%	0.6%
Employment (salaries and wages) $ million (December 2021)	**1,672**	**4,441**	**6,121**	**142,251**
% annual change from December 2020 (*)	8.1%	8.2%	8.1%	8.5%
Employment (number of jobs) (December 2021)	**31,325**	**76,557**	**108,024**	**2,197,172**
% annual change from December 2020 (*)	3.1%	3.6%	3.4%	3.8%
Gross Domestic Product (GDP) (December 2021) ($ million) [(1)]	**3,769**	**9,694**	**13,463**	**341,584**
% annual change from December 2020	7.1%	7.8%	7.6%	5.5%
Annual new residential dwelling consents (number)	**363**	**1,248**	**1,611**	**48,899**
% change from December 2020 quarter	53.0%	15.2%	23.9%	13.9%
Year ended % change	38.5%	22.8%	26.1%	24.1%
Annual non-residential building consent values ($ million)	**40**	**279**	**320**	**8,190**
% change from December 2020 quarter	-31.1%	87.6%	59.7%	24.6%
Year ended % change	-12.7%	18.4%	13.3%	16.6%
Annual total building consent values ($ million)	**202**	**861**	**1,062**	**29,380**
% change from December 2020 quarter	29.9%	55.6%	49.2%	24.5%
Year ended % change	32.7%	38.3%	37.2%	25.1%
Annual Marketview electronic card retail spending ($ million) [(2)]	**924**	**2,147**	**3,071**	**65,643**
% change from December 2020 quarter	6.5%	8.8%	8.1%	-0.4%
Year ended % change	6.5%	9.9%	8.9%	5.0%
Annual electronic card tourism expenditure [(3)]	**228**	**420**	**648**	**11,428**
Year ended % change	5.2%	16.7%	12.4%	3.9%
Total beneficiary numbers [(4)]	**8,106**	**14,619**	**22,728**	**368,172**
% change from December 2020 quarter	-3.9%	-5.4%	-4.9%	-5.5%

(*) Advance data - the salary and wage and filled data is based on place of residence for employees

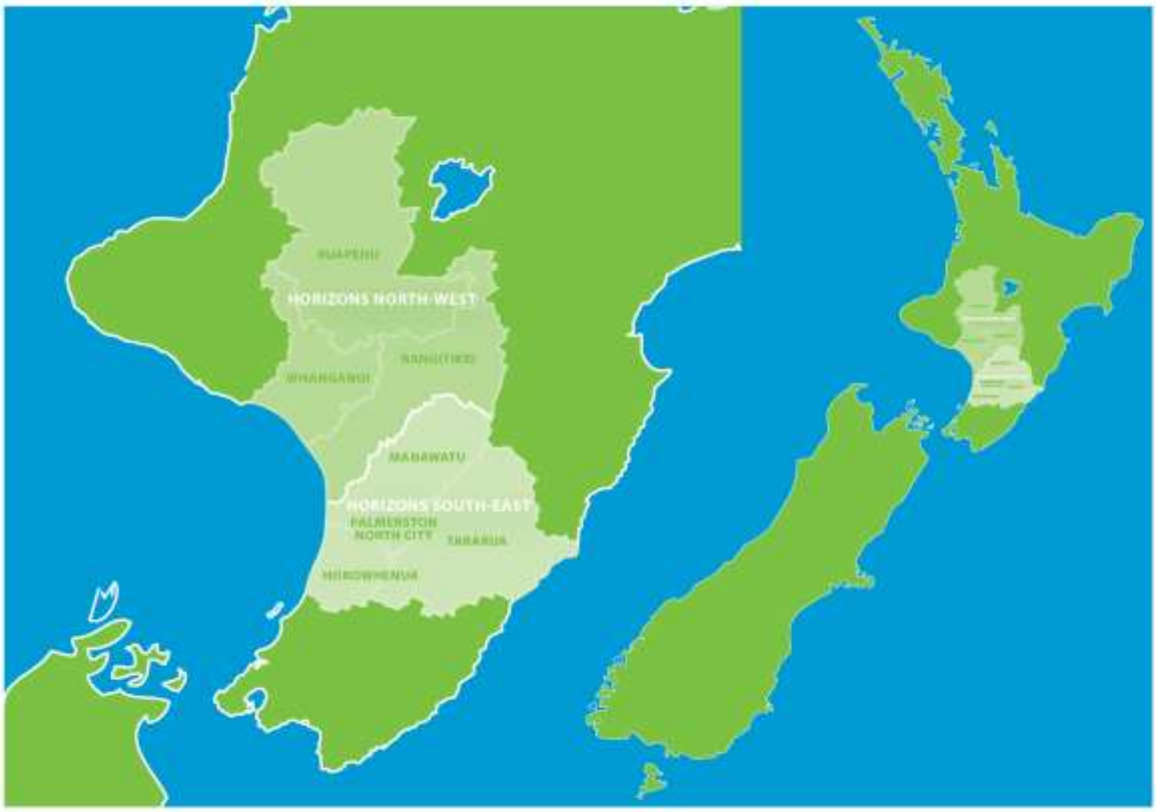
[(1)] Source: Infometrics (Production GDP estimate) (2021 prices)

[(2)] Source: Marketview

[(3)] Source: Ministry of Business, Innovation and Employment

[(4)] Source: Ministry of Social Development

Source: Statistics New Zealand (except otherwise indicated)



Local authority planning has traditionally taken into account economic monitoring based on local authority boundaries, rather than looking at the economic areas of interest of the two main urban centres in the Manawatū-Whanganui region. While there are limits in using local authority boundaries to define economic regions, the two distinct economic areas of interest identified for this report are:

- Horizons North-West – comprises Ruapehu, Whanganui and Rangitīkei Districts
- Horizons South-East – comprises Palmerston North City and Manawatū, Horowhenua and Tararua Districts

These sub-regions are already mostly reflected in the boundaries used for a range of economic data, but there are some variations in the regional boundaries for tourism and retail data.

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For further information please contact:
Peter Crawford, Economic Policy Advisor / Palmerston North City Council / 06 356 8199 / peter.crawford@pncc.govt.nz