

# REGIONAL Economic Report

## Manawatū-Whanganui Region



June 2020

PREPARED FOR THE MANAWATŪ-WHANGANUI  
REGION BY PALMERSTON NORTH CITY COUNCIL



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## Executive Summary

The latest Infometrics GDP estimates show a decline in the economic activity in the Manawatū-Whanganui region in the year ended June 2020 as a result of Covid-19 restrictions on business activity and overseas travel in the first half of 2020. The region experienced a 0.9% decline in GDP in the year ended June, while national GDP is estimated to have declined by 2.5%.

However, monthly electronic card spending and job seeker benefit data shows economic activity in the region recovered quickly for most sectors once Covid-19 restrictions were moved from Level-3 to Level-2 on 13 May. This is also reflected in employment data published by Statistics New Zealand, which showed there were 1,532 more people in employment in the region in June 2020 compared with June 2019, an increase of 1.5%. By August, annual employment growth in the region had strengthened to 1.9%, with an increase of nearly 2,000 jobs from August 2019.

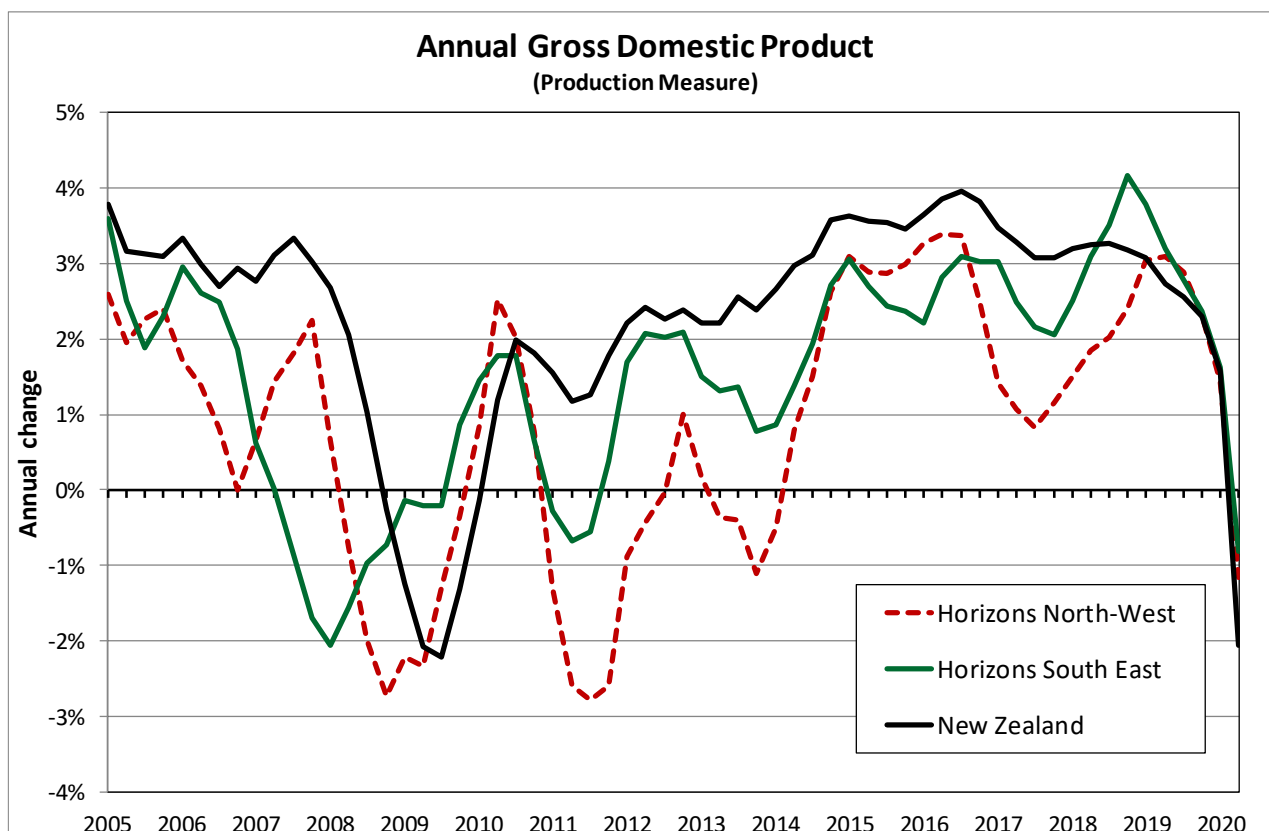
Ministry of Social Development job seeker benefits data does show an increase in the number of people receiving the benefit despite this increase in employment, since job growth in the region has not kept pace with strong population growth in the region. However, the rate of increase in job seeker benefit numbers has been much smaller than for New Zealand.

Revised population estimates published by Statistics New Zealand show there were 250,400 people living in the Manawatū-Whanganui region in June 2019. Over the period from 2013 to 2018, population growth in the region average 3,260 people a year, a significant improvement from the average annual growth of 262 people between 1981 and 2013. This strong rate of population growth is reflected in data showing continued growth in rents and house prices.

Private sector rents in the region increased by 10.9% in the year to June 2020, well ahead of national rent growth of 4.5%. The REINZ median house price for the Manawatū-Whanganui region was \$417,000 in June 2020, up 28.3% from the previous year. The number of days to sell a house in the region was 28.3 days in June, much less than the 10-year average for June of 46 days. A further indicator of the shortage of housing in the region is the increase in the number of applicants waiting for social housing in the region, which has increased from 45 in June 2014 to 1,061 by June 2020.

There were 1,317 consents issued for the construction of new dwellings in the region in the year to June 2020, the highest annual total in the series which began in 1991. Growth accelerated in the June 2020 quarter, with a 46% increase in the number of new dwellings consented in the region, while national dwelling consents were unchanged in the quarter.

# Latest Quarter Economic Trends



Source: Infometrics/Statistics New Zealand

GDP declined in the Manawatū-Whanganui region in the year ended June 2020 but did not decline as much as national GDP. Horizons North-West GDP declined by 1.2% in the year ended June 2020, while Horizons South-East GDP decline by 0.8%. National GDP is estimated to have declined by 2.1% in the year ended June 2020.

June 2020 quarter comparisons with the June 2019 quarter are:

- The value of electronic card retail spending declined by 0.3% in Horizons North-West and by 2.2% in Horizons South-East (excluding Horowhenua). National spending declined by 3.9%.
- Car registrations declined by 27.1% in Horizons North-West and by 28.7% in Horizons South-East. National car registrations declined by 42.8%.
- The number of consents approved for new residential buildings declined by 8% in Horizons North-West but increased by 63% in Horizons South-East. New Zealand consents were unchanged.
- Total building consent values declined by 19% in Horizons North-West but increased by 71% in Horizons South-East. New Zealand declined by 9%.
- Ministry of Social Development job seeker benefit numbers increased by 22% in Horizons North-West and by 24% in Horizons South-East. New Zealand job seeker benefit numbers increased by 40%.

# Economic Outlook

## International

The OECD composite leading indicators index for August (which anticipates turning points in the business cycle six to nine months before they occur) continues to strengthen from the Covid-19 lows, but the pace of recovery has slowed and the indicators remain below levels recorded prior to the initial Covid-19 outbreak. Uncertainty remains around the possibility of future Covid-19 mitigation measures.

## New Zealand

The latest New Zealand Institute of Economic Research (NZIER) Quarterly Predictions continues to forecast an uneven recovery for the economy, with the effects of the Covid-19 outbreak expected to persist well into 2023. An extremely high degree of uncertainty remains over the growth outlook, given the rapidly changing conditions. Its latest forecasts in August suggest the unemployment rate would reach 7.3% by March 2021.

The Reserve Bank cut the Official Cash Rate (OCR) to 0.25% on 16 March 2020 and loan restrictions for residential property investors and owner-occupiers, through minimum deposit requirements, have been removed. Its Large-Scale Asset Purchases (LSAP) programme has been used to also provide significant support for the economy. Population growth has been very strong compared with long-term historic averages, with an estimated annual increase of 105,000 people in the year to June 2020, but growth will be weaker in the year to June 2021 due to border travel restrictions.

## Manawatū-Whanganui region

Strong population growth in the Manawatū-Whanganui region is providing support for economic growth in the region, with the number of new houses consented over the last four years doubling. Consents were issued for the construction of 1,317 new houses in the year to June 2020 compared with 661 in the year to June 2016. Continuing strong growth in house prices and rents, and a shortage of rental housing, will continue to support strong growth in housing construction in the region.

The value of non-residential building consents in the region for the year to June 2020 increased by 36% from the previous year. The longer-term outlook for the construction sector is strong, with work already started or planned for major projects in the region:

- Manawatū-Whanganui region Defence Force capital investment
- MidCentral DHB investment plan
- Massey University investment plan
- Manawatū-Tararua Highway road construction
- KiwiRail freight hub in Palmerston North
- Mercury Energy construction of new wind turbines in Palmerston North and Tararua
- Local authority capital growth and renewal programmes.

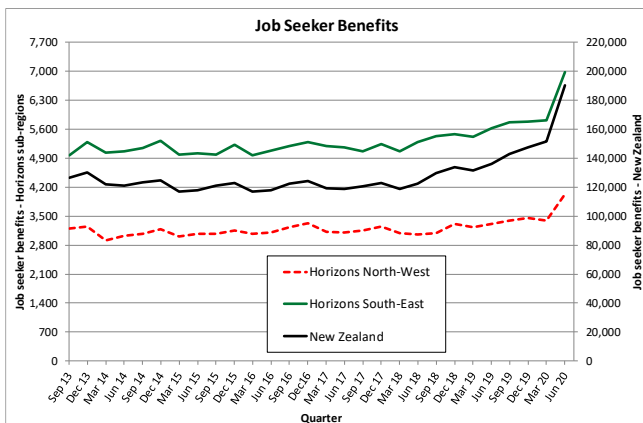
The provisional Fonterra farm-gate payout price of \$5.90 to \$6.90 for the 2020/21 season is slightly lower than the forecast for the past season and the advance payment has also been reduced slightly to \$6.40, a reduction of 35 cents from the previous season. This is slightly above the ten-year average payout of \$6.28. There is continuing strength in sheep, beef and skins prices, providing support for economic growth in the region.

## Unemployment

Household Labour Force Survey (HLFS) unemployment 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 job seeker benefit.

For example, the HLFS unemployment rate for the Manawatū-Whanganui region was 4.6% in June 2020. However, the sample error meant the true rate of unemployment in June 2020 could have been anywhere between 3.4% and 5.8%. The unemployment rate for the region was also 4.6% in June 2019.

The number of people in the Manawatū-Whanganui region registered for the job seeker benefit increased by 23.2% between June 2019 and June 2020, while national job seeker benefit numbers increased by 39.8%. Horizons North-West increased by 21.8% from June 2019 and Horizons South-East increased by 24%.

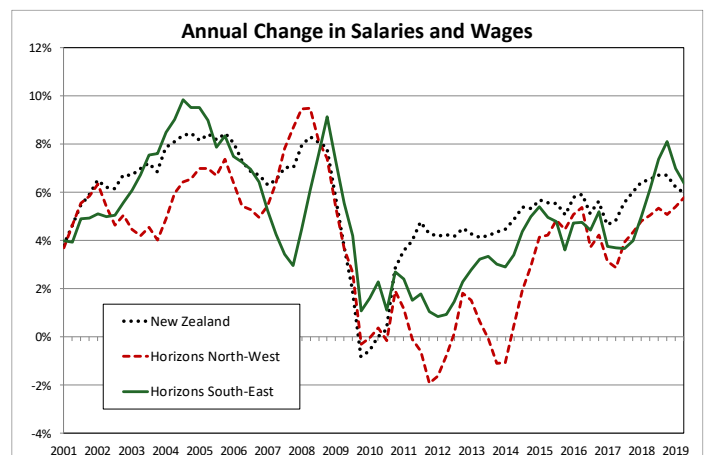


Source: Ministry of Social Development

The number of people registered for all MSD benefits in Horizons North-West increased by 11.5% from June 2019, while Horizons South-East increased by 13.0%. Total benefit numbers in New Zealand increased by 21.1%. Whanganui District recorded the weakest increase in the region (10.2%), while the highest increase was in Manawatū District (15.2%)

## Earnings

There is a lag of 14 months in the publication of salary and wage data for the Manawatū-Whanganui region, so the latest data is for the June 2019 quarter. Total salaries and wages paid in Horizons North-West increased by 6.9% in the June 2019 quarter (compared with June 2018), and by 5.8% in the year ended June 2019. Salaries and wages in Horizons South-East increased by 5.4% in the June quarter and by 6.4% in the year ended June 2019. Total salaries and wages in New Zealand increased by 5.6% in the June quarter and by 6.0% in the year ended June 2019.



Source: Statistics New Zealand LEED

Rangitūkei District had the strongest increases in total salaries and wages paid in the year ended June 2019, increasing by 7.9% from 2018. It was followed by Horowhenua (7.3% increase), Manawatū (7.1% increase), Palmerston North (6.6% increase), Whanganui (5.6% increase), Ruapehu (4.4% increase) and Tararua (1.3% increase).

Horizons North-West earnings (salaries, wages and self-employment income) increased by 90% between 2000 and 2018, and by 5.3% in the year ended March 2018. Horizons South-East increased by 116% between 2000 and 2018 and by 4.9% in the year ended March 2018. Total earnings in New Zealand increased by 151% between 2000 and 2018 and by 5.4% in the year ended March 2018.

# Retail Activity

Marketview electronic card retail spending estimates for the Manawatū-Whanganui region shows a decline in retail spending during the past 12 months due to Covid-19 restrictions on retail activity during the March and June quarters. Electronic card retail spending in the region declined by 1.6% in the year to June 2020. New Zealand electronic card retail spending declined by 3.9% in the year ended June 2020.

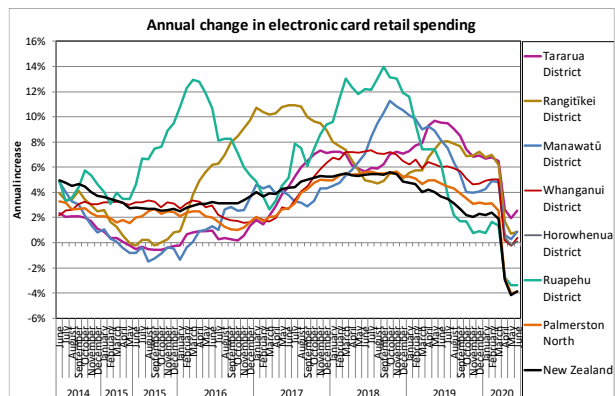
The strongest retail growth in the region in the year to June 2020 was in Tararua District, where spending increased by 2.5% from the previous year. Other councils recording growth were Rangitikei, Manawatū and Whanganui Districts. Palmerston North recorded a decline of 3.9% due to the impact on Covid-19 restrictions on events and domestic travel.

Statistics New Zealand estimates for total retail spending suggest there was a 13.9% decline in spending in the Manawatū-Whanganui region in the June 2020 quarter while national spending (excluding online retail sales) declined by 15.3%. 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 June 2020 was \$4,141 million, a decline of 2.5% from the previous year (0.8% decline for New Zealand).

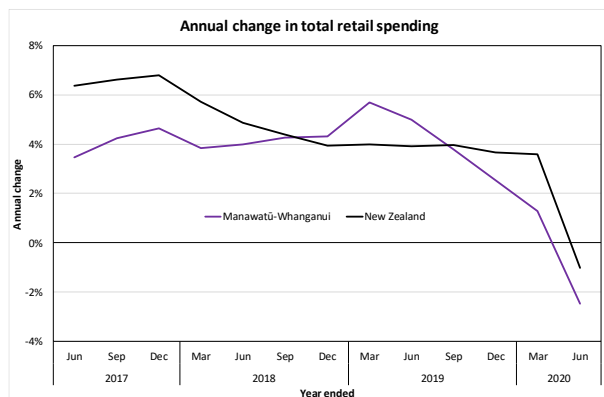
Car registrations declined by 27.1% in the Horizons North-West region in the June 2020 quarter, while the Horizons South-East region declined by 28.7%. New Zealand new car registrations declined by 42.8%. In the 12 months ended June 2020 car registrations declined by 15.6% in the Horizons North-West region and by 14.7% in the Horizons South-East region. New Zealand car registrations declined by 19.3%.

Annual change in retail spending	Year ended June 2019	Year ended June 2020	% change from 2019
Ruapehu District	174	168	-3.4%
Whanganui District	551	553	0.4%
Rangitikei District	131	133	1.4%
<b>Horizons North-West</b>	<b>856</b>	<b>854</b>	<b>-0.2%</b>
Manawatū District	205	207	0.9%
Palmerston North	1,194	1,147	-3.9%
Tararua District	147	151	2.5%
Horowhenua	352	352	-0.1%
<b>Horizons South-East</b>	<b>1,899</b>	<b>1,857</b>	<b>-2.2%</b>
<b>Manawatū-Whanganui</b>	<b>2,754</b>	<b>2,711</b>	<b>-1.6%</b>
<b>New Zealand</b>	<b>63,697</b>	<b>61,218</b>	<b>-3.9%</b>

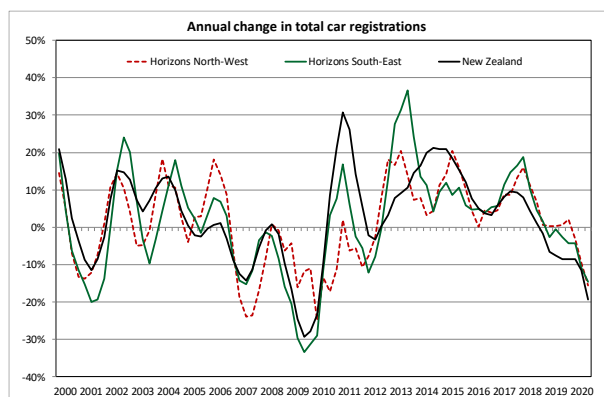
Source: Marketview



Source: Marketview



Source: Statistics New Zealand



Source: New Zealand Transport Agency

# Building Activity

The value of building consents issued in the Manawatū-Whanganui region increased by 52% in the June quarter (compared to the June 2019 quarter). Total New Zealand consent values decline by 8.8% in the quarter.

The total value of consents issued in the region for the year to June 2020 was \$742 million, an increase of \$117 million (18.8% increase) from the previous year while New Zealand consents declined by 0.2% in the year ended June.

The value of all consents issued in Horizons North-West declined by 13.5% in the year ended June 2020 while there was a 27.9% increase in Horizons South-East.

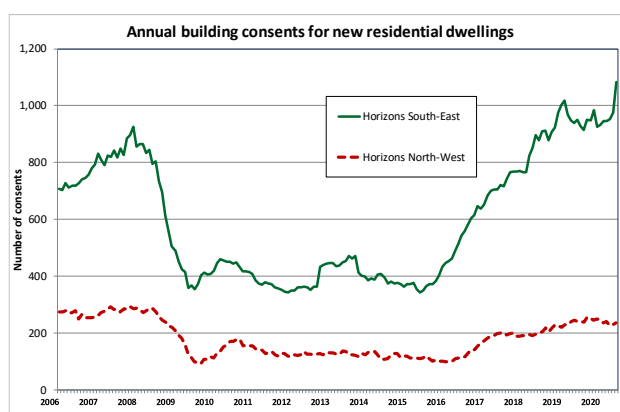
The value of consents for new residential dwellings in the Horizons North-West region increased by 1.0% in the year ended June 2020, while consents for residential additions and alterations declined by 4.2%. The value of consents for new dwellings increased by 16.1% in the Horizons South-East region, while consents for additions and alterations increased by 11.7%.

The value of non-residential consents approved in the Manawatū-Whanganui region in the year ended June 2020 was \$214 million, a 36% increase from the previous year. Non-residential consents were \$23 million in Horizons North-West - a 45% decline from the previous year - and \$214 million in Horizons South-East - a 60% increase from 2019. Major projects approved in Palmerston North in the first half of 2020 contributed to most of the growth in the year to June 2020.

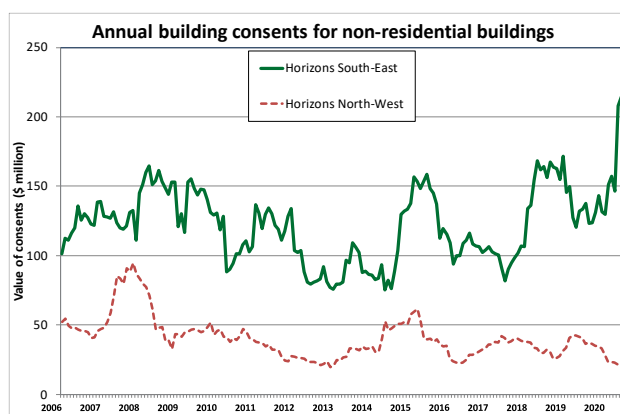
In the 12 months to June 2020, consents for 235 new dwellings were issued in the Horizons North-West region compared with 241 in the previous year, a decline of 2.5%. In Horizons South-East 1,082 consents were issued for new dwellings compared to 950 in the previous year, an increase of 13.9%.

Building consents issued in the Manawatū-Whanganui region			
\$ million	Year ended June 2019	Year ended June 2020	Annual Change
<b>Residential consents (new dwellings, additions, alterations)</b>			
Horizons North-West	97	97	0%
Horizons South-East	353	409	16%
<b>Horizons Region</b>	<b>451</b>	<b>506</b>	<b>12%</b>
<b>New Zealand</b>	<b>15,017</b>	<b>15,635</b>	<b>4%</b>
<b>Non-residential consents (new buildings, additions, alterations)</b>			
Horizons North-West	41	23	-45%
Horizons South-East	134	214	60%
<b>Horizons Region</b>	<b>175</b>	<b>237</b>	<b>36%</b>
<b>New Zealand</b>	<b>7,425</b>	<b>6,762</b>	<b>-9%</b>
<b>Total consents (new buildings, additions, alterations)</b>			
Horizons North-West	138	119	-14%
Horizons South-East	487	623	28%
<b>Horizons Region</b>	<b>625</b>	<b>742</b>	<b>19%</b>
<b>New Zealand</b>	<b>22,442</b>	<b>22,397</b>	<b>0%</b>

Source: Statistics New Zealand



Source: Statistics New Zealand



Source: Statistics New Zealand

# Tourism Trends

Tourism spending in the Horizons region was significantly impacted by Covid-19 travel restrictions during the first six months of 2020. The travel restrictions affected both domestic and international travel. Annual tourism spending in the region was \$955 million in the year to June 2020, declining by 10.5% from the previous year. Visitor spending in Horizons North-West was \$375 million in the year to June 2020, a decline of 9.4% from 2019, while visitor spending in Horizons South-East was \$580 million, declining by 11.2%. New Zealand visitor spending declined by 12.3%.

International spending declined by 13.8% in Horizons North-West in the year to June 2020, and by 17.3% in Horizons South-East. Domestic visitor spending declined by 8.3% in Horizons North-West and by 10.1% in Horizons South-East.

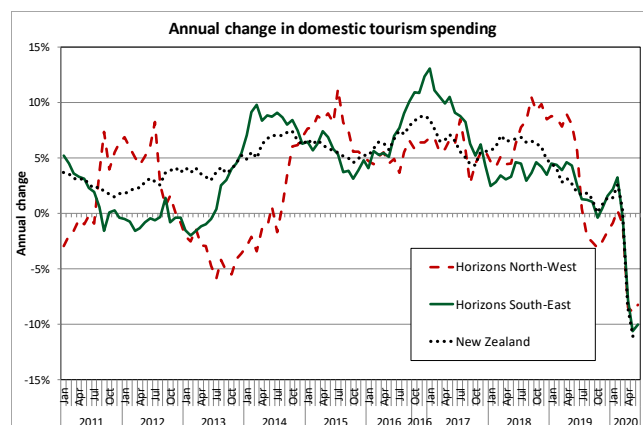
Regional tourism spending indicators (% change in spending from previous year)		
Year ended June 2020	Domestic	International
Rangitikei District	-4.6%	-15.5%
Ruapehu District	-11.0%	-15.5%
Whanganui District	-6.1%	-9.3%
<b>Horizons North-West</b>	<b>-8.3%</b>	<b>-13.8%</b>
Horowhenua District	-11.1%	-15.2%
Manawatū District	-11.9%	-37.2%
Palmerston North	-10.0%	-12.8%
Tararua District	-6.8%	-17.4%
<b>Horizons South-East</b>	<b>-10.1%</b>	<b>-17.3%</b>
Manawatū-Whanganui	-9.4%	-15.7%
<b>New Zealand</b>	<b>-11.1%</b>	<b>-14.0%</b>

Source: Ministry of Business, Innovation and Employment

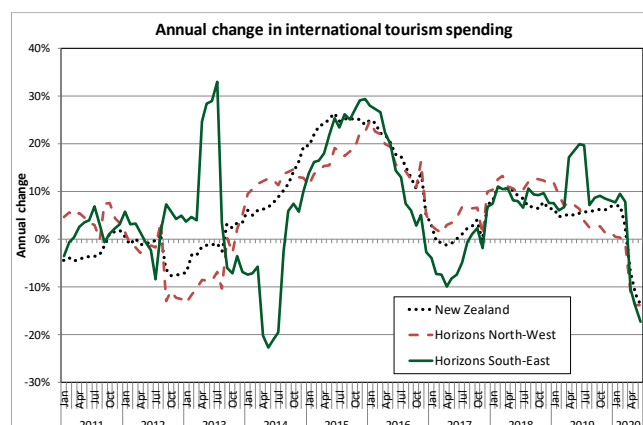
Data on annual change in guest nights in commercial accommodation is currently not available because Statistics New Zealand cancelled the Commercial Accommodation Survey in 2019. A new survey has been established by FreshInfo on behalf of the Ministry of Business, Innovation and Employment.

Domestic and international visitor spending			
Visitor spending (\$ million)	Year ended June 2019	Year ended June 2020	Annual Change
Rangitikei District	69	64	-6.3%
Ruapehu District	213	187	-12.1%
Whanganui District	132	123	-6.7%
<b>Horizons North-West</b>	<b>414</b>	<b>375</b>	<b>-9.4%</b>
Horowhenua District	101	90	-11.6%
Manawatū District	60	48	-18.9%
Palmerston North	442	396	-10.4%
Tararua District	50	46	-7.9%
<b>Horizons South-East</b>	<b>653</b>	<b>580</b>	<b>-11.2%</b>
<b>Manawatū-Whanganui</b>	<b>1,068</b>	<b>955</b>	<b>-10.5%</b>
<b>New Zealand</b>	<b>29,647</b>	<b>26,005</b>	<b>-12.3%</b>

Source: Ministry of Business, Innovation and Employment



Source: Ministry of Business, Innovation and Employment



Source: Ministry of Business, Innovation and Employment



# Local Authorities Summary

## Ruapehu



12,750



5,240



\$278 million

Electronic card retail spending was \$168 million in the year ended June 2020, a decline of 3.4% from the previous year.

International visitor spending declined by 15.5% in the year ended June 2020, while domestic visitor spending declined by 11%. Total visitor spending in the year ended June 2020 was \$187 million, a decline of 7.9% from 2019.

There were 663 people registered for a job seeker benefit in June 2020, an increase of 18.8% from the previous year.

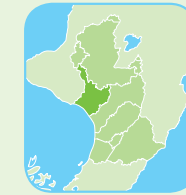
The total value of building consents issued in the year ended June 2020 was \$25 million, a

decline of 22.5% from the previous year. There was an 12% decline in the value of residential consents and a 40% decline in non-residential consents.

Salaries and wages increased by 7.4% in the June 2019 quarter (from the June 2018 quarter) and by 4.4% in the 12 months ended June 2019 compared with the previous year. Total earnings (salaries, wages and self-employment income) were \$321 million in the year to March 2018, an increase of 5.8% from the previous year.

Total jobs increased from 5,120 in June 2018 to 5,240 jobs in June 2019, an increase of 120 jobs (2.3% increase).

## Whanganui



47,300



17,390



\$859 million

Electronic card retail spending was \$553 million in the year ended June 2020, an increase of 0.4% from the previous year.

International visitor spending declined by 9.3% in the year ended June 2020, while domestic visitor spending declined by 6.1%. Total visitor spending in the year ended June 2020 was \$123 million, a decline of 6.7% from 2019.

There were 2,709 people registered for a job seeker benefit in June 2020, an increase of 18.8% from the previous year.

The total value of building consents issued in the year to June 2020 was \$69 million, a

decline of 10.9% from the previous year. There was a 0.9% increase in the value of residential consents and a 41.1% decline in the value of non-residential consents.

Salaries and wages increased by 6.4% in the June 2019 quarter (from the June 2018 quarter) and by 5.6% in the 12 months ended June 2019 compared with the previous year. Total earnings (salaries, wages and self-employment income) were \$965 million in the year to March 2018, an increase of 4.1% from the previous year.

Total jobs increased from 16,940 in June 2018 to 17,390 jobs in June 2019, a gain of 450 jobs (2.7% increase).

### KEY



Population



Jobs



Salaries & Wages

### FOOTNOTES

Population – as at June 2019

Jobs – June 2019 quarter

Salaries and wages – year to June 2019

# Local Authorities Summary

## Manawatū



31,600



8,830



\$464 million



Electronic card retail spending was \$207 million in the year ended June 2020, an increase of 0.9% from the previous year.

International visitor spending declined by 37.2% in the year ended June 2020, while domestic visitor spending declined by 11.4%. Total visitor spending in the year ended June 2020 was \$48 million, a decline of 18.9% from 2019.

There were 924 people registered for a job seeker benefit in June 2020, an increase of 33.1% from the previous year.

The total value of building consents issued in the year ended June 2020 was \$105 million,

a decline of 8.5% from the previous year. There was a 2.2% increase in the value of residential consents and a 48.9% decline in non-residential consents.

Salaries and wages increased by 5.2% in the June 2019 quarter (from the June 2018 quarter) and by 7.1% in the year ended June 2019. Total earnings (salaries, wages and self-employment income) were \$619 million in the year to March 2018, an increase of 8.0% from the previous year.

Total jobs increased from 8,340 jobs in June 2018 to 8,830 in June 2019, an increase of 210 jobs (2.4% increase).

## Rangitīkei



15,550



5,110



\$251 million



Electronic card retail spending was \$132 million in the year ended June 2020, an increase of 0.9% from the previous year.

International visitor spending declined by 15.5% in the year ended June 2020, while domestic visitor spending declined by 4.6%. Total visitor spending in the year ended June 2020 was \$64 million, a decline of 6.3% from 2019.

There were 662 people registered for a job seeker benefit in June 2020, an increase of 39.4% from the previous year.

The total value of building consents issued in the year to June 2020 was \$26 million, a decline of 10.1% from the previous year.

There was a 13.2% increase in the value of residential consents and a 58.6% decline in the value of non-residential consents.

Salaries and wages increased by 7.3% in the June 2019 quarter (from the June 2018 quarter) and by 7.8% in the 12 months ended June 2019 compared with the previous year. Total earnings (salaries, wages and self-employment income) were \$311 million in the year to March 2018, an increase of 8.5% from the previous year.

Total jobs increased from 4,970 in June 2018 to 5,110 jobs in June 2019, a gain of 140 jobs (2.8% increase). Median salaries and wages for the year ended June 2019 were \$46,669, an increase of 4% from the previous year.

### KEY



Population



Jobs



Salaries & Wages

### FOOTNOTES

Population – as at June 2019

Jobs – June 2019 quarter

Salaries and wages – year to June 2019

# Local Authorities Summary

## Palmerston North



89,100



48,990



\$2,764 million



Electronic card retail spending was \$1,147 million in the year ended June 2020, a decline of 3.9% from the previous year.

International visitor spending declined by 12.8% in the year ended June 2020 and domestic visitor spending declined by 10.0%. Total visitor spending in the year ended June 2020 was \$396 million, a decline of 10.4% from 2019.

There were 3,355 people registered for a job seeker benefit in June 2020, an increase of 23.3% from the previous year.

The total value of building consents issued in the year to June 2020 was \$367 million, an increase of 51.4% from the previous year;

residential consents increased by 31% while non-residential consents increased by 84%.

Salaries and wages increased by 6.3% in the June 2019 quarter from the June 2018 quarter, and by 6.6% in the 12 months ended June 2019 compared with the previous year. Total earnings (salaries and wages and self-employment income) were \$2,860 million in the year to March 2018, an increase of 4.2%.

Total jobs increased from 47,430 jobs in June 2018 to 48,990 in June 2019, an increase of 1,560 jobs (3.3% increase).

Property values increased by 14.5% in the year to June 2020 while the number of houses sold by real estate agents declined by 14.6%.

## Tararua



18,650



5,180



\$263 million



Electronic card retail spending was \$151 million in the year ended June 2020, an increase of 2.5% from the previous year.

International visitor spending declined by 17.4% in the year ended June 2020 and domestic visitor spending declined by 6.8%. Total visitor spending in the year ended June 2020 was \$46 million, a decline of 7.9% from 2019.

There were 847 people registered for a job seeker benefit in June 2020, an increase of 27.8% from the previous year.

The total value of building consents issued in the year to June 2020 was \$28 million, an

increase of 76% from the previous year; residential consents increased by 80% while non-residential consents increased by 67%.

Salaries and wages declined by 4.5% in the June 2019 quarter from the June 2018 quarter, but increased by 1.3% in the 12 months ended June 2019 compared with the previous year. Total earnings (salaries and wages and self-employment income) were \$377 million in the year to March 2018, an increase of 6.1%.

Total jobs declined from 5,590 jobs in June 2018 to 5,180 in June 2019, a decline of 410 jobs (7.3% decline).

### KEY



Population



Jobs



Salaries & Wages

### FOOTNOTES

Population – as at June 2019  
Jobs – June 2019 quarter  
Salaries and wages – year to June 2019

# Local Authorities Summary

## Horowhenua



35,300



8,860



\$426 million



Electronic card retail spending was \$352 million in the year ended June 2020, an increase of 0.1% from the previous year.

International visitor spending declined by 15.2% in the year ended June 2020, while domestic visitor spending declined by 11.1%. Total visitor spending in the year ended June 2020 was \$90 million, a decline of 11.7% from 2019.

The total value of building consents issued in the June 2020 quarter declined by 24% from the previous year. There was an 8% decline in the value of new residential dwelling consents and a 34% decline in consents for residential additions and alterations. Non-residential consents declined by 69% in value in the quarter.

Total building consent values for the year ended June 2020 were \$123 million, a 7.9% increase from the previous year. Total residential consents declined by 1.9% in value and non-residential consents increased by 90%. Consents for 286 new residential dwellings were approved in the year to June 2020 compared with 309 in the previous year.

Salaries and wages increased by 5.6% in the June 2019 quarter and by 7.3% in the year to June 2019. Total earnings, based on salaries and wages and the incomes of the self-employed, were \$509 million in the year to March 2018, an increase of 4.2% from the previous year.

Total earnings increased by 93% between 2000 and 2018 while total earnings in New Zealand increased by 151%. Salary and wage income in the district increased by

102% between 2000 and 2018, while self-employment income declined by 1%.

Total jobs increased from 8,610 in June 2018 to 8,860 in June 2019, an increase of 250 jobs (2.9% increase).

The number of people registered for a Ministry of Social Development benefit increased from 3,445 people in June 2019 to 3,848 people in June 2020, an increase of 11.7%. Total New Zealand benefit numbers increased by 21.1%. Job seeker benefit numbers in the district increased by 19.6% in the year to June 2020 while national job seeker benefit numbers increased by 39.8%

There was a 9.2% increase in the number of births in the year to June 2020 (compared with June 2019) and an 0.7% decline in deaths. Natural population growth improved from a decline of 51 people in the year to June 2019 to a loss of 15 people in the year to June 2020.

Property values increased by 23.4% in June 2020 compared to June 2019. The average house value in the district in June 2020 was \$438,518 compared with the average of \$738,018 for New Zealand. The number of houses sold by a real estate agent declined by 13.3% in the year to June 2020 compared with the same period last year.

Average weekly rents in the district in the year to June 2020 were \$333, increasing by 9.4% from the previous year. Average weekly rents for New Zealand were \$443, increasing by 4.5% from the previous year.

### KEY



Population



Jobs



Salaries & Wages

### FOOTNOTES

Population – as at June 2019

Jobs – June 2019 quarter

Salaries and wages – year to June 2019

# Summary Economic Indicators

Key economic indicators for June 2020	Horizons North-West	Horizons South-East	Manawatū-Whanganui Region	New Zealand
<b>Population (estimate) - June 2019 (number)</b>	<b>75,600</b>	<b>174,650</b>	<b>250,400</b>	<b>4,979,300</b>
Annual Increase	0.8%	1.3%	1.2%	1.6%
<b>Employment (salaries and wages) \$ million (June 2019)</b>	<b>1,388</b>	<b>3,917</b>	<b>5,306</b>	<b>131,110</b>
% annual change from June 2018 (*)	5.8%	6.4%	6.2%	6.0%
<b>Employment (number of jobs) (June 2019)</b>	<b>27,740</b>	<b>71,860</b>	<b>99,650</b>	<b>2,182,980</b>
% annual change from June 2018 (*)	2.6%	2.3%	2.4%	2.4%
<b>Gross Domestic Product (GDP) <sup>(1)</sup> (annual) \$m.</b>	<b>3,134</b>	<b>8,025</b>	<b>11,159</b>	<b>246,790</b>
March 2020 % change from March 2019	1.4%	1.6%	1.6%	1.5%
June 2020 % change from June 2019	-1.2%	-0.8%	-0.9%	-2.1%
<b>Annual new residential dwelling consents (number)</b>	<b>235</b>	<b>1,082</b>	<b>1,317</b>	<b>37,525</b>
% change from June 2019 quarter	-7.6%	62.7%	46.3%	0.0%
Year ended % change	-2.5%	13.9%	10.6%	7.8%
<b>Annual non-residential building consent values (\$ million)</b>	<b>23</b>	<b>214</b>	<b>237</b>	<b>6,762</b>
% change from June 2019 quarter	-14.1%	148.2%	129.5%	-16.7%
Year ended % change	-44.7%	60.5%	35.8%	-8.9%
<b>Annual total building consent values (\$ million)</b>	<b>119</b>	<b>623</b>	<b>742</b>	<b>22,397</b>
% change from June 2019 quarter	-19.3%	70.8%	51.6%	-8.8%
Year ended % change	-13.5%	27.9%	18.8%	-0.2%
<b>Annual Marketview electronic card retail spending (\$ million) <sup>(2)</sup></b>	<b>854</b>	<b>1,857</b>	<b>2,711</b>	<b>61,218</b>
% change from June 2019 quarter	-13.2%	na	na	-20.8%
Year ended % change	-0.2%	-2.2%	-1.6%	-3.9%
<b>Annual tourism expenditure (\$ million) <sup>(3)</sup></b>	<b>375</b>	<b>580</b>	<b>955</b>	<b>26,005</b>
Year ended % change	-9.4%	-11.2%	-10.5%	-12.3%
<b>Total beneficiary numbers <sup>(4)</sup></b>	<b>8,115</b>	<b>14,628</b>	<b>22,743</b>	<b>353,440</b>
% change from June 2019 quarter	11.5%	13.0%	12.4%	21.1%
(*) June 2019 is the latest employment data available				
<sup>(1)</sup> Source: Infometrics (Production GDP estimate)				
<sup>(2)</sup> Source: Marketview				
<sup>(3)</sup> Source: Ministry of Business, Innovation and Employment				
<sup>(4)</sup> 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 Manawatu-Wanganui 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, Wanganui and Rangitikei Districts
- Horizons South-East – comprises Palmerston North City and Manawatu, Horowhenua and Taranaki 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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