



Waipa District



Economics put simply

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ECONOMY

The New Zealand economy in 2017

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

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

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

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

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

How fast has Waipa District's economy grown?

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

- GDP in Waipa District measured \$2,023m in the year to March 2017, up 2.8% from a year earlier. New Zealand's GDP increased by 3.6% over the same period.
- Economic growth in Waipa District averaged 2.8%pa over the last 10 years compared with an average of 2.0%pa in the national economy.
- Growth in Waipa District reached a high of 9.9% in 2004 and a low of -4.1% in 2008.
- Waipa District accounted for 0.9% of national GDP in 2017.

Figure 1: GDP growth (year to Mar 2017)

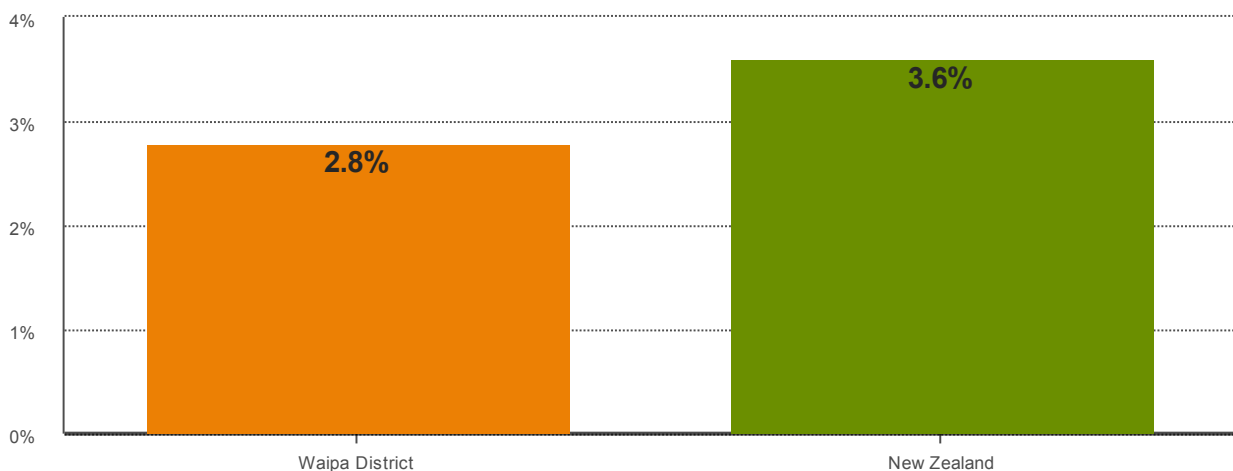
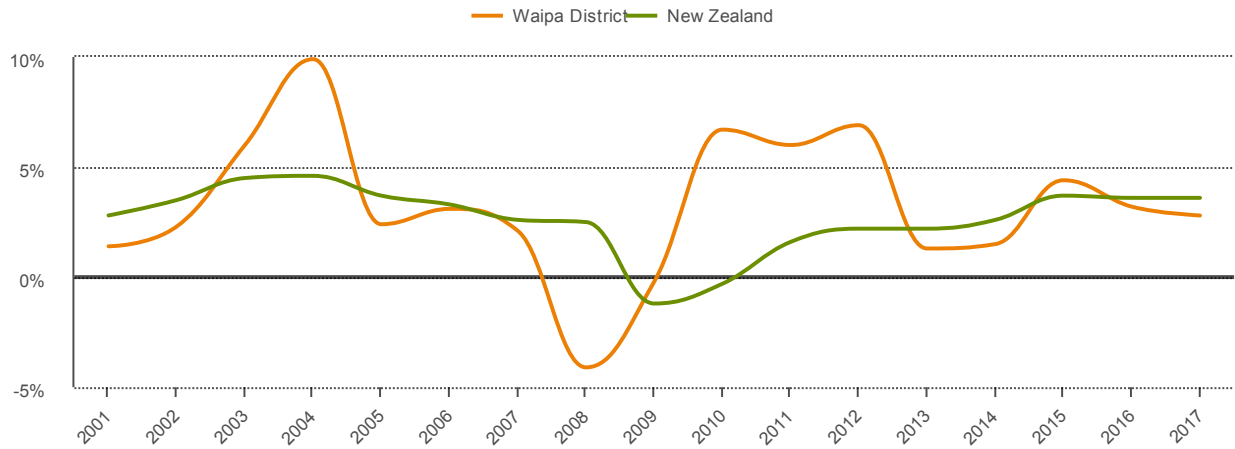
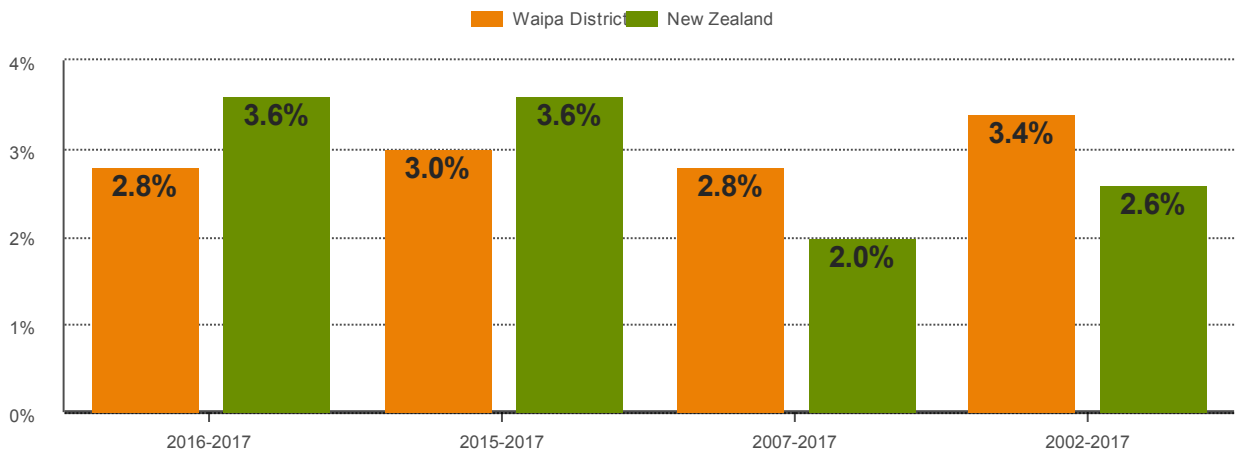


Figure 2: Annual average GDP growth (2000-2017)



Change	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Waipa District	6.0%	9.9%	2.4%	3.1%	2.1%	-4.1%	-0.2%	6.7%	6.0%	6.9%	1.3%	1.5%	4.4%	3.2%	2.8%
New Zealand	4.5%	4.6%	3.7%	3.3%	2.6%	2.5%	-1.2%	-0.3%	1.6%	2.2%	2.2%	2.6%	3.7%	3.6%	3.6%

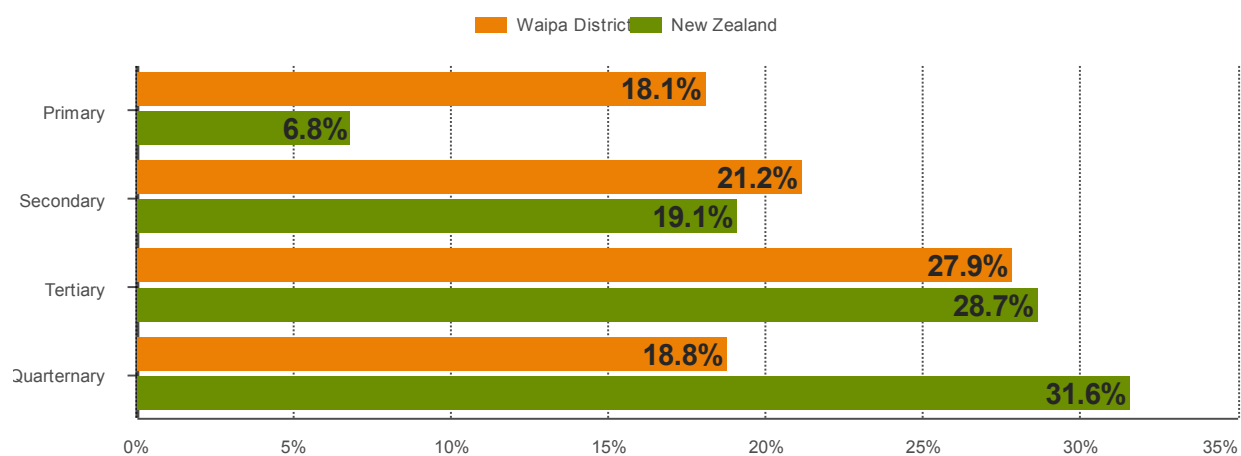
Figure 3: GDP growth over various time periods



What is the industrial structure of Waipa District's economy?

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

Figure 4: Share of total GDP (2017)



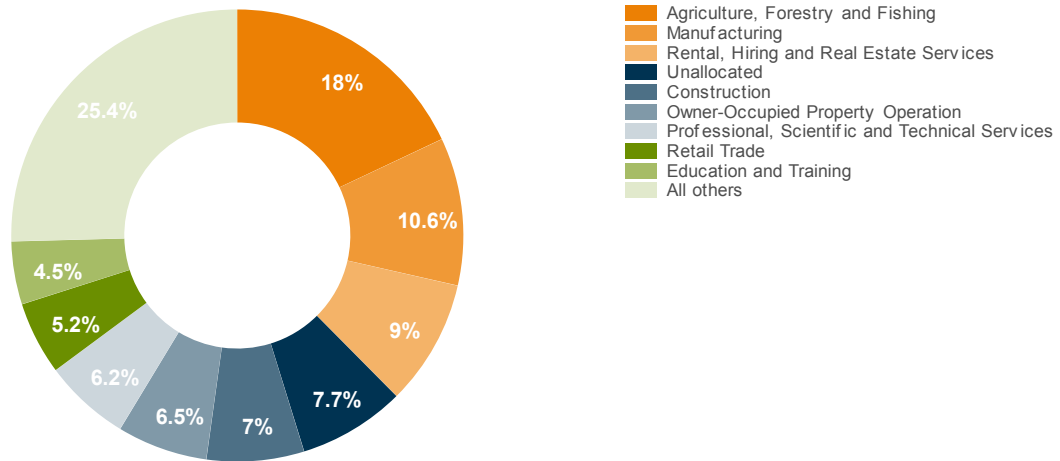
- Primary industries accounted for the smallest proportion in Waipa District: 18.1% compared with 6.8% in the national economy.
- Secondary industries accounted for 21.2% compared with 19.1% in the national economy.
- Tertiary industries accounted for the largest proportion of GDP (27.9%) in Waipa District, which is lower than in the national economy (28.7%).
- Quarternary industries accounted for 18.8% compared with 31.6% in the national economy.

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

Industry	Waipa District		New Zealand	
	Level	Share of total	Level	Share of total
Agriculture, Forestry and Fishing	\$364m	18.0%	\$12,940m	5.5%
Mining	\$2.05m	0.1%	\$3,079m	1.3%
Manufacturing	\$214m	10.6%	\$23,226m	9.9%
Electricity, Gas, Water and Waste Services	\$73.0m	3.6%	\$6,843m	2.9%
Construction	\$141m	7.0%	\$14,937m	6.3%
Wholesale Trade	\$87.8m	4.3%	\$11,769m	5.0%
Retail Trade	\$106m	5.2%	\$11,446m	4.9%
Accommodation and Food Services	\$31.6m	1.6%	\$5,030m	2.1%
Transport, Postal and Warehousing	\$62.4m	3.1%	\$10,607m	4.5%
Information Media and Telecommunications	\$17.4m	0.9%	\$8,603m	3.7%
Financial and Insurance Services	\$41.1m	2.0%	\$13,443m	5.7%
Rental, Hiring and Real Estate Services	\$182m	9.0%	\$16,463m	7.0%
Professional, Scientific and Technical Services	\$125m	6.2%	\$19,045m	8.1%
Administrative and Support Services	\$17.9m	0.9%	\$4,827m	2.0%
Public Administration and Safety	\$26.4m	1.3%	\$9,822m	4.2%
Education and Training	\$91.3m	4.5%	\$9,473m	4.0%
Health Care and Social Assistance	\$78.1m	3.9%	\$14,088m	6.0%
Arts and Recreation Services	\$43.3m	2.1%	\$3,338m	1.4%
Other Services	\$32.8m	1.6%	\$4,218m	1.8%
Owner-Occupied Property Operation	\$131m	6.5%	\$14,285m	6.1%
Unallocated	\$155m	7.7%	\$18,007m	7.6%
Total	\$2,023m	100%	\$235,489m	100%

- Among broad industries Agriculture, Forestry and Fishing was the largest in Waipa District in 2017 accounting for 18.0% of total.
- The second largest was Manufacturing (10.6%) followed by Rental, Hiring and Real Estate Services (9.0%)

Figure 5: Share of total GDP (2017)



The table on the following page shows 54 industries ranked according to their contribution to GDP. These industry categories are used by Statistics New Zealand in the national accounts. They are a mix of various levels of industries on the ANZSIC-06 classification. Further information about the industrial classification is given in the Technical Notes at the end of the document.

- Among detailed industries Dairy Cattle Farming was the largest in Waipa District in 2017 accounting for 11.2% of total.
- The second largest was Property Operators & Real Estate Services (7.8%) followed by Professional, Scientific & Tech Services (6.2%)

Table 2: GDP by 54 industries (2017)

Industry	Waipa District		New Zealand	
	Level	Share of total	Level	Share of total
Horticulture & Fruit Growing	\$32.9m	1.6%	\$1,221m	0.5%
Sheep, Beef Cattle & Grain Farming	\$44.2m	2.2%	\$2,769m	1.2%
Dairy Cattle Farming	\$227m	11.2%	\$5,257m	2.2%
Poultry, Deer & Other Livestock Farming	\$16.5m	0.8%	\$361m	0.2%
Forestry & Logging	\$3.69m	0.2%	\$1,432m	0.6%
Fishing & Aquaculture	\$0.00m	0.0%	\$325m	0.1%
Agric Support Services & Hunting	\$40.0m	2.0%	\$1,576m	0.7%
Mining	\$2.05m	0.1%	\$3,079m	1.3%
Meat & Meat Product Manufacturing	\$11.2m	0.6%	\$1,744m	0.7%
Seafood Processing	\$0.50m	0.0%	\$408m	0.2%
Dairy Product Manufacturing	\$72.3m	3.6%	\$1,331m	0.6%
Fruit, Cereal & Other Food Product Manu	\$21.8m	1.1%	\$2,015m	0.9%
Beverage & Tobacco Product Manu	\$0.00m	0.0%	\$1,921m	0.8%
Textile, Leather, Clothing, Footwear Manu	\$1.87m	0.1%	\$641m	0.3%
Wood Product Manufacturing	\$13.0m	0.6%	\$1,408m	0.6%
Pulp & Paper Product Manufacturing	\$0.00m	0.0%	\$776m	0.3%
Printing	\$1.71m	0.1%	\$592m	0.3%
Petroleum & Coal Product Manufacturing	\$0.00m	0.0%	\$1,079m	0.5%
Basic Chemical & Chemical Product Manu	\$1.72m	0.1%	\$1,339m	0.6%
Polymer Product & Rubber Product Manu	\$2.11m	0.1%	\$1,319m	0.6%
Non-Metallic Mineral Product Manu	\$12.1m	0.6%	\$1,188m	0.5%
Primary Metal & Metal Product Manu	\$1.57m	0.1%	\$617m	0.3%
Fabricated Metal Product Manufacturing	\$12.4m	0.6%	\$2,149m	0.9%
Transport Equipment Manufacturing	\$30.1m	1.5%	\$1,120m	0.5%
Machinery & Other Equipment Manu	\$23.0m	1.1%	\$2,898m	1.2%
Furniture & Other Manufacturing	\$8.80m	0.4%	\$681m	0.3%
Electricity & Gas Supply	\$63.8m	3.2%	\$5,640m	2.4%
Water, Sewerage & Waste Services	\$9.19m	0.5%	\$1,203m	0.5%
Building Construction	\$32.2m	1.6%	\$3,130m	1.3%
Heavy & Civil Engineering Construction	\$14.9m	0.7%	\$4,180m	1.8%
Construction Services	\$93.9m	4.6%	\$7,627m	3.2%
Wholesale Trade	\$87.8m	4.3%	\$11,769m	5.0%
Motor Vehicle, Parts & Fuel Retailing	\$19.4m	1.0%	\$1,639m	0.7%
Supermarket & Specialised Food Retailing	\$32.7m	1.6%	\$3,345m	1.4%
Other Store & Non Store Retailing	\$53.7m	2.7%	\$6,462m	2.7%
Accommodation & Food Services	\$31.6m	1.6%	\$5,030m	2.1%
Road Transport	\$41.5m	2.1%	\$3,738m	1.6%
Rail, Water, Air & Other Transport	\$4.27m	0.2%	\$2,219m	0.9%
Postal, Courier & Warehousing Services	\$16.6m	0.8%	\$4,650m	2.0%
Information Media Services	\$6.48m	0.3%	\$2,322m	1.0%
Telecomms, Internet & Library Services	\$10.9m	0.5%	\$6,281m	2.7%
Finance	\$29.2m	1.4%	\$8,787m	3.7%
Insurance & Superannuation Funds	\$2.65m	0.1%	\$2,492m	1.1%
Auxiliary Finance & Insurance Services	\$9.25m	0.5%	\$2,164m	0.9%
Rental & Hiring Services	\$23.7m	1.2%	\$2,577m	1.1%
Property Operators & Real Estate Services	\$158m	7.8%	\$13,886m	5.9%
Professional, Scientific & Tech Services	\$125m	6.2%	\$19,045m	8.1%
Administrative & Support Services	\$17.9m	0.9%	\$4,827m	2.0%
Local Government Administration	\$10.3m	0.5%	\$1,177m	0.5%
Central Gov Admin, Defence & Safety	\$16.2m	0.8%	\$8,645m	3.7%
Education & Training	\$91.3m	4.5%	\$9,473m	4.0%
Health Care & Social Assistance	\$78.1m	3.9%	\$14,088m	6.0%
Arts & Recreation Services	\$43.3m	2.1%	\$3,338m	1.4%
Other Services	\$32.8m	1.6%	\$4,218m	1.8%
Owner-Occupied Property Operation	\$131m	6.5%	\$14,285m	6.1%
Unallocated	\$155m	7.7%	\$18,007m	7.6%
Total	\$2,023m	100%	\$235,489m	100%

Which broad industries made the largest contribution to economic growth?

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

- Construction made the largest contribution to overall growth in Waipa District between 2016 and 2017. The industry grew by 22% over the year and contributed 1.28 percentage points to the district's total growth of 2.8%.
- The next largest contributor was health care and social assistance (0.41 percentage points) followed by rental, hiring and real estate services (0.31 percentage points).
- The largest detractor from growth over the year was Agriculture, Forestry and Fishing which declined by 2.2% and contributed -0.43 percentage points to the total growth of 2.8%. Electricity, Gas, Water and Waste Services (-0.14 percentage points) was the next largest detractor.

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

Industry	2016	2017	% point contribution to growth	Annual Growth
Construction	115.8	141.0	1.3%	21.8%
Health Care and Social Assistance	70.1	78.1	0.4%	11.5%
Rental, Hiring and Real Estate Services	176.1	182.2	0.3%	3.4%
Retail Trade	99.8	105.9	0.3%	6.0%
Arts and Recreation Services	40.0	43.3	0.2%	8.1%
Transport, Postal and Warehousing	59.5	62.4	0.1%	4.9%
Professional, Scientific and Technical Services	122.6	125.1	0.1%	2.1%
Wholesale Trade	86.1	87.8	0.1%	2.0%
Administrative and Support Services	16.3	17.9	0.1%	9.8%
Education and Training	89.8	91.3	0.1%	1.7%
Other Services	31.3	32.8	0.1%	4.9%
Accommodation and Food Services	30.7	31.6	0.0%	2.8%
Public Administration and Safety	25.6	26.4	0.0%	3.2%
Financial and Insurance Services	40.3	41.1	0.0%	1.9%
Mining	1.9	2.1	0.0%	8.8%
Information Media and Telecommunications	18.3	17.4	0.0%	-4.9%
Manufacturing	217.0	214.2	-0.1%	-1.3%
Electricity, Gas, Water and Waste Services	75.8	73.0	-0.1%	-3.7%
Agriculture, Forestry and Fishing	372.7	364.3	-0.4%	-2.2%
Owner-Occupied Property Operation	129.4	130.7	0.1%	1.1%
Unallocated	149.2	154.8	0.3%	3.8%
Total	1,968	2,023	2.8%	2.8%

Which detailed industries made the largest contribution to economic growth?

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

- Construction Services made the largest contribution to overall growth in Waipa District between 2016 and 2017. The industry grew by 21% over the year and contributed 0.81 percentage points to the district's total growth of 2.8%.
- The next largest contributor was health care & social assistance (0.41 percentage points) followed by building construction (0.38 percentage points).
- The largest detractor from growth over the year was Dairy Cattle Farming which declined by 6.0% and contributed -0.74 percentage points to the total growth of 2.8%. Fruit, Cereal & Other Food Product Manu (-0.17 percentage points) was the next largest detractor.

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

Industry	2016	2017	% point contribution to growth	Annual Growth
Construction Services	77.9	93.9	0.8%	20.6%
Health Care & Social Assistance	70.1	78.1	0.4%	11.5%
Building Construction	24.7	32.2	0.4%	30.2%
Sheep, Beef Cattle & Grain Farming	39.8	44.2	0.2%	11.1%
Road Transport	37.5	41.5	0.2%	10.8%
Property Operators & Real Estate Services	154.9	158.4	0.2%	2.3%
Agric Support Services & Hunting	36.6	40.0	0.2%	9.1%
Arts & Recreation Services	40.0	43.3	0.2%	8.1%
Rental & Hiring Services	21.2	23.7	0.1%	11.9%
Professional, Scientific & Tech Services	122.6	125.1	0.1%	2.1%
Motor Vehicle, Parts & Fuel Retailing	17.3	19.4	0.1%	12.2%
Other Store & Non Store Retailing	51.6	53.7	0.1%	4.0%
Non-Metallic Mineral Product Manu	10.2	12.1	0.1%	19.2%
Supermarket & Specialised Food Retailing	30.9	32.7	0.1%	5.9%
Heavy & Civil Engineering Construction	13.1	14.9	0.1%	13.3%
Wholesale Trade	86.1	87.8	0.1%	2.0%
Administrative & Support Services	16.3	17.9	0.1%	9.8%
Education & Training	89.8	91.3	0.1%	1.7%
Other Services	31.3	32.8	0.1%	4.9%
Auxiliary Finance & Insurance Services	8.0	9.2	0.1%	15.6%
Furniture & Other Manufacturing	7.7	8.8	0.1%	14.4%
Poultry, Deer & Other Livestock Farming	15.6	16.5	0.0%	5.6%
Accommodation & Food Services	30.7	31.6	0.0%	2.8%
Insurance & Superannuation Funds	1.8	2.6	0.0%	44.7%
Central Gov Admin, Defence & Safety	15.4	16.2	0.0%	4.8%
Fabricated Metal Product Manufacturing	11.8	12.4	0.0%	4.9%
Information Media Services	6.0	6.5	0.0%	8.1%
Meat & Meat Product Manufacturing	10.8	11.2	0.0%	3.4%
Polymer Product & Rubber Product Manu	1.8	2.1	0.0%	14.3%
Textile, Leather, Clothing, Footwear Manu	1.7	1.9	0.0%	10.5%
Mining	1.9	2.1	0.0%	8.8%
Local Government Administration	10.2	10.3	0.0%	0.8%
Fishing & Aquaculture	0.0	0.0	0.0%	-
Beverage & Tobacco Product Manu	0.0	0.0	0.0%	-
Pulp & Paper Product Manufacturing	0.0	0.0	0.0%	-
Petroleum & Coal Product Manufacturing	0.0	0.0	0.0%	-
Seafood Processing	0.5	0.5	0.0%	-0.3%
Machinery & Other Equipment Manu	23.1	23.0	0.0%	-0.3%
Printing	1.8	1.7	0.0%	-4.5%
Postal, Courier & Warehousing Services	16.7	16.6	0.0%	-0.6%
Dairy Product Manufacturing	72.6	72.3	0.0%	-0.3%
Primary Metal & Metal Product Manu	2.0	1.6	0.0%	-22.5%
Basic Chemical & Chemical Product Manu	2.3	1.7	0.0%	-26.1%
Forestry & Logging	4.5	3.7	0.0%	-17.8%
Transport Equipment Manufacturing	31.2	30.1	-0.1%	-3.3%
Rail, Water, Air & Other Transport	5.3	4.3	-0.1%	-19.5%
Water, Sewerage & Waste Services	10.5	9.2	-0.1%	-12.2%
Finance	30.5	29.2	-0.1%	-4.2%
Wood Product Manufacturing	14.3	13.0	-0.1%	-9.2%
Telecomms, Internet & Library Services	12.3	10.9	-0.1%	-11.2%
Electricity & Gas Supply	65.3	63.8	-0.1%	-2.4%
Horticulture & Fruit Growing	34.5	32.9	-0.1%	-4.7%
Fruit, Cereal & Other Food Product Manu	25.2	21.8	-0.2%	-13.4%
Dairy Cattle Farming	241.7	227.1	-0.7%	-6.0%
Owner-Occupied Property Operation	129.4	130.7	0.1%	1.1%
Unallocated	149.2	154.8	0.3%	3.8%
Total	1,968	2,023	2.8%	2.8%

In which industries does Waipa District have a comparative advantage?

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

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

- The industries in which Waipa District has the largest comparative advantages are Dairy Product Manufacturing (location quotient = 6.3), Poultry, Deer & Other Livestock Farming (5.3), and Dairy Cattle Farming (5.0).

Table 5: Location Quotient 2017

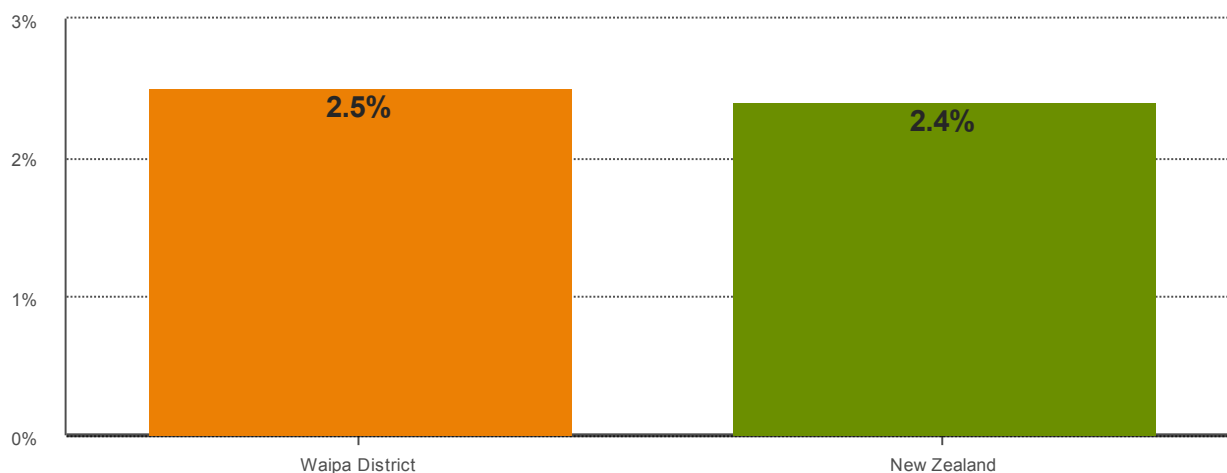
Industry	Waipa District		New Zealand
	Location Quotient	Share of total GDP	Share of total GDP
Dairy Product Manufacturing	6.3	3.6%	0.6%
Poultry, Deer & Other Livestock Farming	5.3	0.8%	0.2%
Dairy Cattle Farming	5.0	11.2%	2.2%
Horticulture & Fruit Growing	3.1	1.6%	0.5%
Transport Equipment Manufacturing	3.1	1.5%	0.5%
Agric Support Services & Hunting	3.0	2.0%	0.7%
Sheep, Beef Cattle & Grain Farming	1.9	2.2%	1.2%
Arts & Recreation Services	1.5	2.1%	1.4%
Furniture & Other Manufacturing	1.5	0.4%	0.3%
Construction Services	1.4	4.6%	3.2%
Motor Vehicle, Parts & Fuel Retailing	1.4	1.0%	0.7%
Property Operators & Real Estate Services	1.3	7.8%	5.9%
Electricity & Gas Supply	1.3	3.2%	2.4%
Road Transport	1.3	2.1%	1.6%
Fruit, Cereal & Other Food Product Manu	1.3	1.1%	0.9%
Building Construction	1.2	1.6%	1.3%
Non-Metallic Mineral Product Manu	1.2	0.6%	0.5%
Supermarket & Specialised Food Retailing	1.1	1.6%	1.4%
Education & Training	1.1	4.5%	4.0%
Wood Product Manufacturing	1.1	0.6%	0.6%
Rental & Hiring Services	1.1	1.2%	1.1%
Local Government Administration	1.0	0.5%	0.5%
Other Store & Non Store Retailing	1.0	2.7%	2.7%
Machinery & Other Equipment Manu	0.9	1.1%	1.2%
Other Services	0.9	1.6%	1.8%
Water, Sewerage & Waste Services	0.9	0.5%	0.5%
Wholesale Trade	0.9	4.3%	5.0%
Professional, Scientific & Tech Services	0.8	6.2%	8.1%
Meat & Meat Product Manufacturing	0.7	0.6%	0.7%
Accommodation & Food Services	0.7	1.6%	2.1%
Fabricated Metal Product Manufacturing	0.7	0.6%	0.9%
Health Care & Social Assistance	0.6	3.9%	6.0%
Auxiliary Finance & Insurance Services	0.5	0.5%	0.9%
Administrative & Support Services	0.4	0.9%	2.0%
Postal, Courier & Warehousing Services	0.4	0.8%	2.0%
Heavy & Civil Engineering Construction	0.4	0.7%	1.8%
Finance	0.4	1.4%	3.7%
Textile, Leather, Clothing, Footwear Manu	0.3	0.1%	0.3%
Printing	0.3	0.1%	0.3%
Information Media Services	0.3	0.3%	1.0%
Forestry & Logging	0.3	0.2%	0.6%
Primary Metal & Metal Product Manu	0.3	0.1%	0.3%
Rail, Water, Air & Other Transport	0.2	0.2%	0.9%
Central Gov Admin, Defence & Safety	0.2	0.8%	3.7%
Telecomms, Internet & Library Services	0.2	0.5%	2.7%
Polymer Product & Rubber Product Manu	0.2	0.1%	0.6%
Basic Chemical & Chemical Product Manu	0.1	0.1%	0.6%
Seafood Processing	0.1	0.0%	0.2%
Insurance & Superannuation Funds	0.1	0.1%	1.1%
Mining	0.1	0.1%	1.3%
Fishing & Aquaculture	0.0	0.0%	0.1%
Beverage & Tobacco Product Manu	0.0	0.0%	0.8%
Pulp & Paper Product Manufacturing	0.0	0.0%	0.3%
Petroleum & Coal Product Manufacturing	0.0	0.0%	0.5%

EMPLOYMENT

How fast has employment grown in Waipa District?

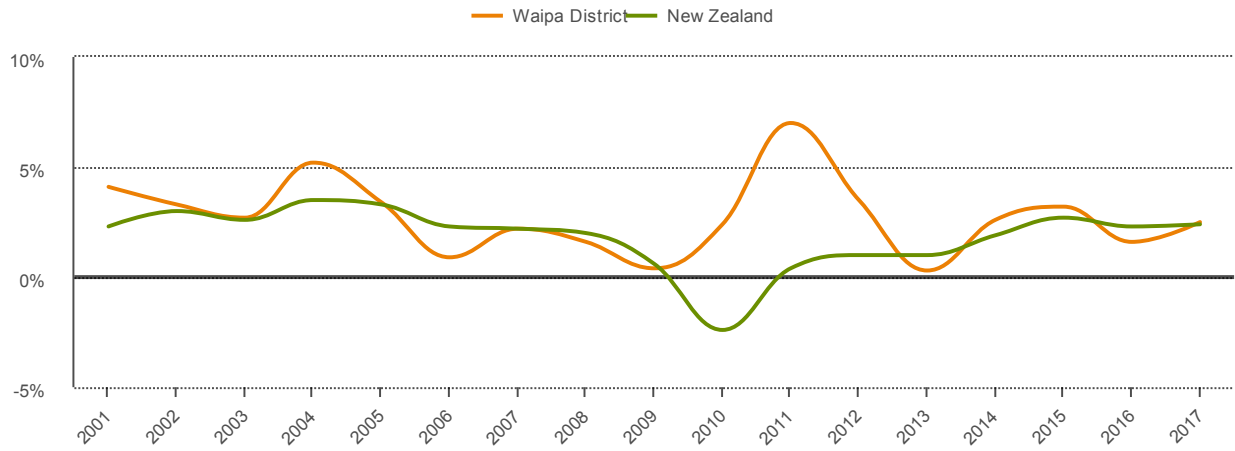
Employment growth provides new opportunities for the region's population to earn income and contribute to the region's economy. This section contrasts Waipa District's recent performance in creating jobs with other regions in the country.

Figure 6: Employment growth (year to Mar 2017)



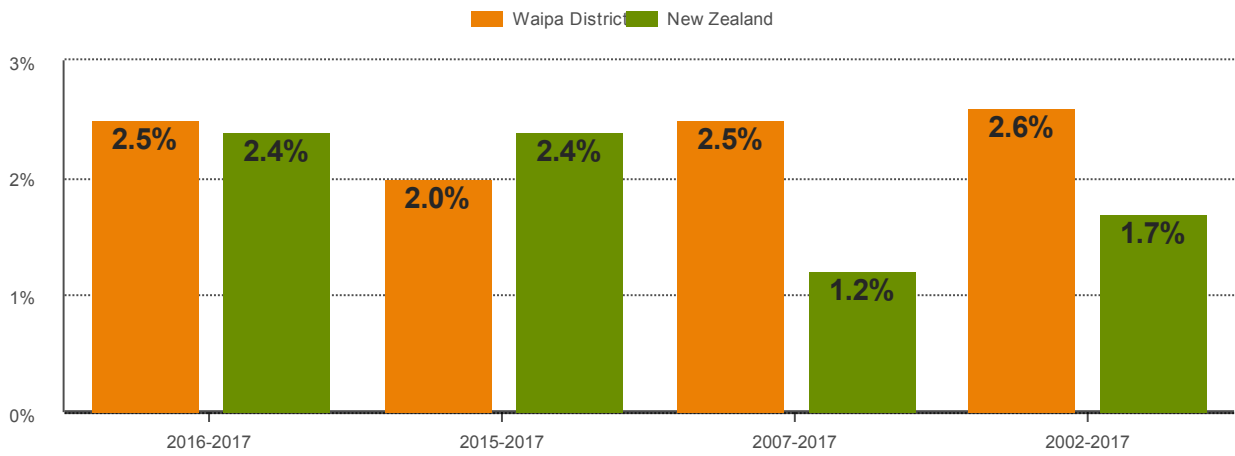
- Total employment in Waipa District averaged 21,712 in the year to March 2017, up 2.5% from a year earlier. Employment in New Zealand increased by 2.4% over the same period.
- Employment growth in Waipa District averaged 2.5%pa over the last 10 years compared with 1.2%pa in the national economy.
- Employment growth in Waipa District reached a high of 7.0% in 2011 and a low of 0.3% in 2013.

Figure 7: Annual average employment growth



Change	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Waipa District	2.7%	5.2%	3.4%	0.9%	2.2%	1.6%	0.4%	2.4%	7.0%	3.5%	0.3%	2.6%	3.2%	1.6%	2.5%
New Zealand	2.6%	3.5%	3.3%	2.3%	2.2%	2.0%	0.6%	-2.4%	0.4%	1.0%	1.0%	1.9%	2.7%	2.3%	2.4%

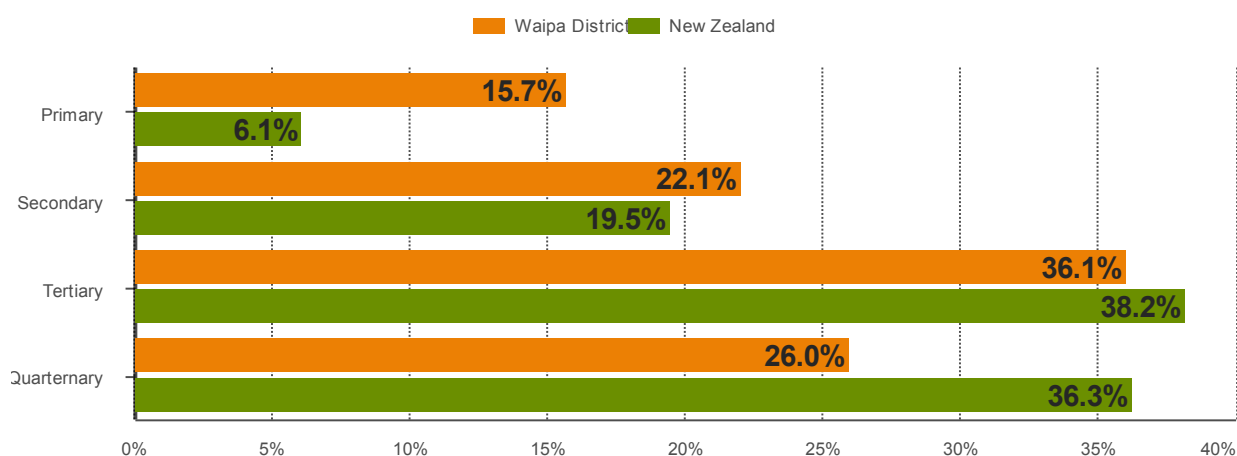
Figure 8: Employment growth over various time periods



What is the industrial structure of employment in Waipa District?

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

Figure 9: Employment by broad sector (2017)



- Primary accounted for 15.7% in Waipa District compared with 6.1% in New Zealand.
- Secondary accounted for 22.1% in Waipa District compared with 19.5% in New Zealand.
- Tertiary industries accounted for the largest proportion of employment (36.1%) in Waipa District, which is lower than in New Zealand (38.2%).
- Quaternary accounted for 26.0% in Waipa District compared with 36.3% in New Zealand.

Which are the largest employing industries in Waipa District?

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

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

Industry	Waipa District		New Zealand	
	Level	Share of total	Level	Share of total
Agriculture, Forestry and Fishing	3,387	15.6%	140,452	5.8%
Mining	31	0.1%	5,647	0.2%
Manufacturing	2,292	10.6%	233,757	9.7%
Electricity, Gas, Water and Waste Services	109	0.5%	15,695	0.7%
Construction	2,401	11.1%	220,190	9.1%
Wholesale Trade	934	4.3%	119,716	5.0%
Retail Trade	2,186	10.1%	222,038	9.2%
Accommodation and Food Services	1,163	5.4%	161,349	6.7%
Transport, Postal and Warehousing	852	3.9%	100,709	4.2%
Information Media and Telecommunications	127	0.6%	42,603	1.8%
Financial and Insurance Services	262	1.2%	63,939	2.7%
Rental, Hiring and Real Estate Services	631	2.9%	58,328	2.4%
Professional, Scientific and Technical Services	1,760	8.1%	229,917	9.5%
Administrative and Support Services	556	2.6%	121,001	5.0%
Public Administration and Safety	392	1.8%	112,555	4.7%
Education and Training	1,818	8.4%	188,236	7.8%
Health Care and Social Assistance	1,287	5.9%	236,735	9.8%
Arts and Recreation Services	686	3.2%	46,100	1.9%
Other Services	839	3.9%	91,194	3.8%
Total	21,712	100%	2,410,161	100%

- Among broad industries Agriculture, Forestry and Fishing was the largest in Waipa District in 2017 accounting for 15.6% of total.
- The second largest was Construction (11.1%) followed by Manufacturing (10.6%)

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

- Dairy Cattle Farming was the largest 7-digit industry in Waipa District in 2017 employing 1,543 persons and accounting for 7.1% of total employment in the district. By contrast this industry accounted for 1.5% of total employment in New Zealand.
- The second largest employing industries were primary education (654) followed by supermarket and grocery stores (585).

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

Rank	Industry	Waipa District		New Zealand
		Jobs	% of total	% of total
1	Dairy Cattle Farming	1,543	7.1%	1.5%
2	Primary Education	654	3.0%	2.1%
3	Supermarket and Grocery Stores	585	2.7%	2.4%
4	Cheese and Other Dairy Product Manufacturing	549	2.5%	0.5%
5	Secondary Education	548	2.5%	1.5%
6	Cafes and Restaurants	541	2.5%	2.9%
7	Other Agriculture and Fishing Support Services	535	2.5%	0.9%
8	Road Freight Transport	493	2.3%	1.3%
9	House Construction	438	2.0%	1.8%
10	Site Preparation Services	343	1.6%	0.5%
11	Aged Care Residential Services	320	1.5%	1.4%
12	Management Advice and Other Consulting Services	307	1.4%	1.6%
13	Hardware and Building Supplies Retailing	296	1.4%	0.8%
14	Aircraft Manufacturing and Repair Services	284	1.3%	0.2%
15	Accounting Services	280	1.3%	1.0%
16	Takeaway Food Services	262	1.2%	1.2%
17	Corporate Head Office Management Services	254	1.2%	1.1%
18	Preschool Education	248	1.1%	1.1%
19	Real Estate Services	233	1.1%	1.0%
20	Other Horse and Dog Racing Activities	228	1.1%	0.0%
21	Electrical Services	225	1.0%	0.9%
22	Agricultural and Construction Machinery Wholesaling	209	1.0%	0.2%
23	Non-Residential Property Operators	205	0.9%	0.6%
24	Beef Cattle Farming (Specialised)	205	0.9%	0.4%
25	Local Government Administration	204	0.9%	0.9%
26	Child Care Services	200	0.9%	0.6%
27	Other Automotive Repair and Maintenance	200	0.9%	0.7%
28	Adult, Community and Other Education n.e.c.	191	0.9%	0.5%
29	Horse Farming	187	0.9%	0.1%
30	Veterinary Services	184	0.8%	0.2%
31	General Practice Medical Services	181	0.8%	0.7%
32	Plumbing Services	174	0.8%	0.6%
33	Hairdressing and Beauty Services	172	0.8%	0.7%
34	Non-Residential Building Construction	158	0.7%	0.5%
35	Berry Fruit Growing	157	0.7%	0.1%
36	Landscape Construction Services	156	0.7%	0.3%
37	Legal Services	155	0.7%	0.8%
38	Engineering Design and Engineering Consulting Services	154	0.7%	1.1%
39	Accommodation	152	0.7%	1.4%
40	Department Stores	142	0.7%	0.7%
41	Other Crop Growing n.e.c.	138	0.6%	0.1%
42	Computer Systems Design and Related Services	133	0.6%	1.8%
43	Other Agricultural Product Wholesaling	132	0.6%	0.2%
44	Car Retailing	126	0.6%	0.5%
45	Buildings Cleaning Services	125	0.6%	1.1%
46	Poultry Processing	120	0.6%	0.1%
47	Hospitals (except Psychiatric Hospitals)	120	0.6%	2.9%
48	Agricultural Machinery and Equipment Manufacturing	119	0.5%	0.1%
49	Other Food Products Manufacturing n.e.c.	118	0.5%	0.3%
50	Pubs, Taverns and Bars	117	0.5%	0.6%
	All other industries total	7,913	36.4%	55.8%
	Total	21,712	100%	100%

Which industries have created the most jobs?

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

Table 8: 1-digit industries ranked by number of jobs created

Industry	2016	2017	Change	Annual Growth
Construction	2,076	2,401	325	15.7%
Health Care and Social Assistance	1,210	1,287	76	6.3%
Transport, Postal and Warehousing	784	852	69	8.8%
Retail Trade	2,120	2,186	66	3.1%
Rental, Hiring and Real Estate Services	592	631	39	6.6%
Accommodation and Food Services	1,129	1,163	34	3.0%
Education and Training	1,784	1,818	34	1.9%
Administrative and Support Services	526	556	30	5.6%
Arts and Recreation Services	659	686	27	4.1%
Wholesale Trade	925	934	9	1.0%
Public Administration and Safety	385	392	7	1.8%
Information Media and Telecommunications	122	127	5	4.4%
Other Services	834	839	5	0.6%
Professional, Scientific and Technical Services	1,756	1,760	5	0.3%
Mining	28	31	2	8.7%
Financial and Insurance Services	268	262	-6	-2.2%
Electricity, Gas, Water and Waste Services	116	109	-7	-5.8%
Agriculture, Forestry and Fishing	3,407	3,387	-19	-0.6%
Manufacturing	2,460	2,292	-168	-6.8%
Total	21,178	21,712	535	2.5%

- Construction made the largest contribution to employment growth in Waipa District between 2016 and 2017 with the industry adding 325 jobs.
- The next largest contributor was Health Care and Social Assistance (76 jobs) followed by Transport, Postal and Warehousing (69 jobs).
- The largest detractor from growth over the year was Manufacturing in which employment declined by 168.

The table on the next page shows the 50 industries (out of a total of approximately 500 industries of the ANZSIC 2006 industry classification¹) that created the most number of jobs over the past year. Table 15 shows the 50 detailed industries that made the lowest contribution to job creation over the same period.

- Site Preparation Services was the largest creator of jobs in Waipa District between 2016 and 2017 generating an additional 74 positions.
- This was followed by Road Freight Transport, which added 71 jobs over the same period.
- Cheese and Other Dairy Product Manufacturing was the largest detractor of jobs in Waipa District between 2016 and 2017 losing 99 positions.
- This was followed by Dairy Cattle Farming, which lost 95 jobs over the same period.

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

Rank	Industry	Jobs		Change 2016 - 2017	% of total 2017
		2016	2017		
1	Site Preparation Services	270	343	74	1.6%
2	Road Freight Transport	422	493	71	2.3%
3	Non-Residential Building Construction	97	158	61	0.7%
4	House Construction	382	438	56	2.0%
5	Other Agriculture and Fishing Support Services	481	535	54	2.5%
6	Aged Care Residential Services	279	320	41	1.5%
7	Child Care Services	169	200	31	0.9%
8	Other Grain Growing	17	44	27	0.2%
9	Berry Fruit Growing	138	157	19	0.7%
10	Higher Education	25	42	17	0.2%
11	Taxi and Other Road Transport	47	64	17	0.3%
12	Plumbing Services	158	174	16	0.8%
13	Other Construction Services n.e.c.	55	70	15	0.3%
14	Primary Education	639	654	15	3.0%
15	Car Retailing	110	126	15	0.6%
16	Gardening Services	100	114	14	0.5%
17	Takeaway Food Services	248	262	14	1.2%
18	Clothing Retailing	94	106	13	0.5%
19	Electrical Services	213	225	13	1.0%
20	Residential Property Operators	50	62	12	0.3%
21	Other Machinery and Equipment Wholesaling n	39	50	12	0.2%
22	Landscape Construction Services	144	156	12	0.7%
23	Sports and Physical Recreation Venues, Grounds and Facilities Operation	57	68	11	0.3%
24	Carpentry Services	24	35	11	0.2%
25	Computer Systems Design and Related Services	123	133	11	0.6%
26	Other Residential Care Services	59	69	11	0.3%
27	Heavy Machinery and Scaffolding Rental and Hiring	24	34	10	0.2%
28	Other Goods and Equipment Rental and Hiring n.e.c.	35	45	10	0.2%
29	Accommodation	142	152	10	0.7%
30	Architectural Aluminium Product Manufacturing	14	24	10	0.1%
31	Accounting Services	270	280	10	1.3%
32	Sport and Physical Recreation Clubs and Sports Professionals	59	69	9	0.3%
33	Other Livestock Farming n.e.c.	42	51	9	0.2%
34	Cafes and Restaurants	533	541	9	2.5%
35	Other Specialised Design Services	69	77	9	0.4%
36	Other Machinery and Equipment Manufacturing n.e.c.	98	107	8	0.5%
37	Supermarket and Grocery Stores	576	585	8	2.7%
38	Roofing Services	41	49	8	0.2%
39	Real Estate Services	225	233	8	1.1%
40	Bricklaying Services	76	84	8	0.4%
41	Hairdressing and Beauty Services	164	172	7	0.8%
42	Pubs, Taverns and Bars	110	117	7	0.5%
43	Other Heavy and Civil Engineering Construction	86	93	7	0.4%
44	Wooden Furniture and Upholstered Seat Manufacturing	79	86	7	0.4%
45	Ready-Mixed Concrete Manufacturing	60	67	7	0.3%
46	Plastering and Ceiling Services	41	47	7	0.2%
47	Hardware and Building Supplies Retailing	290	296	6	1.4%
48	Fire and Security Alarm Installation Services	18	24	6	0.1%
49	Pharmaceutical, Cosmetic and Toiletry Goods Retailing	99	105	6	0.5%
50	Painting and Decorating Services	69	75	6	0.3%
	All other industries	13,522	13,199	-323	60.8%
	Total	21,178	21,712	535	100%

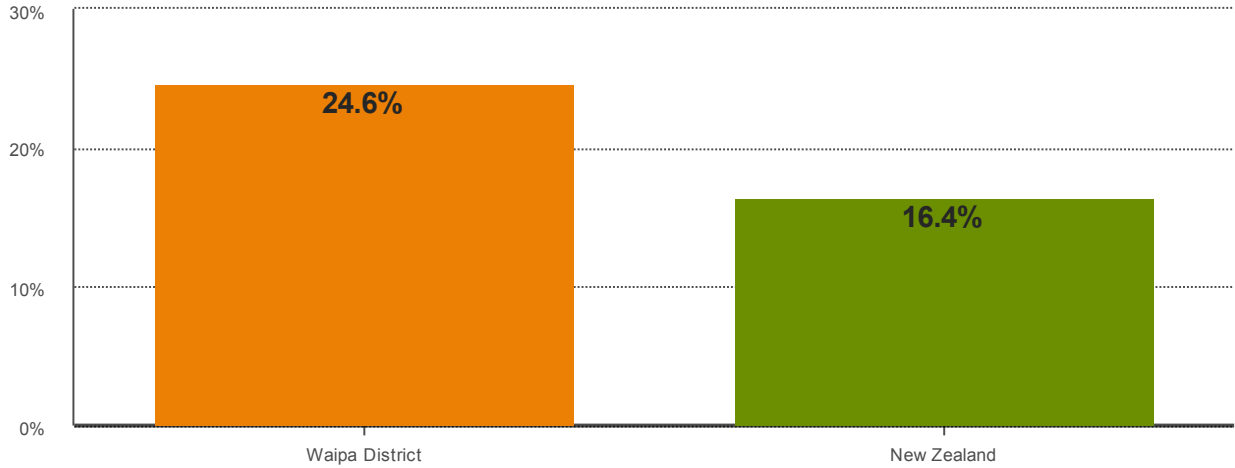
Table 10: The 50 seven-digit industries that lost the most jobs between 2016 and 2017

Rank	Industry	Jobs		Change 2016 - 2017	% of total 2017
		2016	2017		
1	Cheese and Other Dairy Product Manufacturing	648	549	-99	2.5%
2	Dairy Cattle Farming	1,637	1,543	-95	7.1%
3	Scientific Testing and Analysis Services	79	51	-29	0.2%
4	Wooden Structural Fittings and Components Manufacturing	142	115	-28	0.5%
5	Other Food Products Manufacturing n.e.c.	144	118	-25	0.5%
6	Other Social Assistance Services	66	46	-20	0.2%
7	Aircraft Manufacturing and Repair Services	302	284	-19	1.3%
8	Secondary Education	565	548	-17	2.5%
9	Other Crop Growing n.e.c.	154	138	-16	0.6%
10	Department Stores	158	142	-15	0.7%
11	Other Automotive Repair and Maintenance	214	200	-14	0.9%
12	Fruit and Vegetable Processing	34	20	-14	0.1%
13	Video and Other Electronic Media Rental	18	7	-11	0.0%
14	Other Machinery and Equipment Repair and Maintenance	59	49	-11	0.2%
15	Other Fabricated Metal Product Manufacturing n.e.c.	47	37	-10	0.2%
16	Vegetable Growing (Under Cover)	18	8	-10	0.0%
17	Air and Space Transport	42	33	-9	0.2%
18	Hospitals (except Psychiatric Hospitals)	129	120	-8	0.6%
19	Engineering Design and Engineering Consulting Services	162	154	-7	0.7%
20	Other Specialised Industrial Machinery and Equipment Wholesaling	42	35	-7	0.2%
21	Non-depository Financing	23	16	-7	0.1%
22	Financial Asset Investing	35	28	-7	0.1%
23	Banking	107	100	-7	0.5%
24	Bakery Product Manufacturing (Non-factory-based)	68	61	-7	0.3%
25	Shearing Services	32	26	-6	0.1%
26	Non Store Retailing	23	17	-6	0.1%
27	Wired Telecommunications Network Operation	9	4	-6	0.0%
28	Boatbuilding and Repair Services	8	3	-5	0.0%
29	Other Waste Collection Services	14	9	-5	0.0%
30	Other Goods Wholesaling n.e.c.	35	31	-4	0.1%
31	Other Electrical Equipment Manufacturing	10	6	-4	0.0%
32	Waste Treatment and Disposal Services	15	11	-4	0.1%
33	Urban Bus Transport (Including Tramway)	55	51	-4	0.2%
34	Machine Tool and Parts Manufacturing	10	6	-4	0.0%
35	Catering Services	51	47	-4	0.2%
36	Vegetable Growing (Outdoors)	10	6	-4	0.0%
37	Apple and Pear Growing	56	52	-3	0.2%
38	Agricultural Machinery and Equipment Manufacturing	123	119	-3	0.5%
39	Other Basic Non-Ferrous Metal Product Manufacturing	6	2	-3	0.0%
40	Other Sheet Metal Product Manufacturing	13	10	-3	0.0%
41	Footwear Retailing	10	7	-3	0.0%
42	Optometry and Optical Dispensing	25	22	-3	0.1%
43	Fertiliser Manufacturing	11	8	-3	0.0%
44	Advertising Services	32	29	-3	0.1%
45	Health and Fitness Centres and Gymnasias Operation	44	41	-3	0.2%
46	Scientific Research Services	7	5	-2	0.0%
47	Grape Growing	6	4	-2	0.0%
48	Other Transport Support Services n.e.c.	12	9	-2	0.0%
49	Other Fruit and Tree Nut Growing	10	8	-2	0.0%
50	Forestry	9	7	-2	0.0%
	All other industries	15,650	16,772	1,122	77.2%
	Total	21,178	21,712	535	100%

What proportion of the workforce is self-employed in Waipa District?

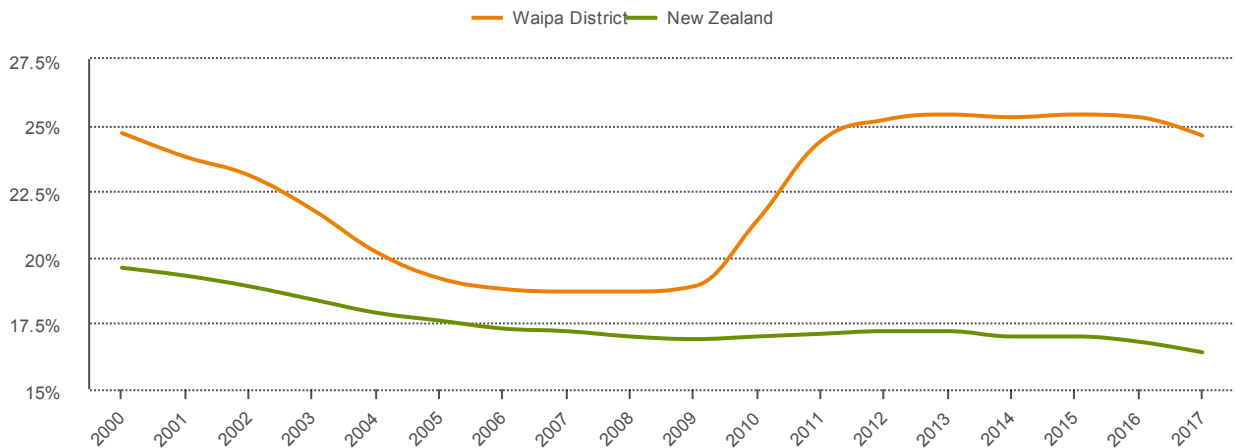
Self-employment makes up a sizeable proportion of total employment in New Zealand although it declined through the economic boom years and stabilised since the recession. This section contrasts self-employment in Waipa District with the national economy.

Figure 10: Self employment rate, 2017



- Self-employed workers accounted for 24.6% of the workforce in Waipa District in 2017, which was a higher rate than in the national economy (16.4%)
- A total of 5,334.0 workers were self-employed in Waipa District in 2017.

Figure 11: Self employment rate



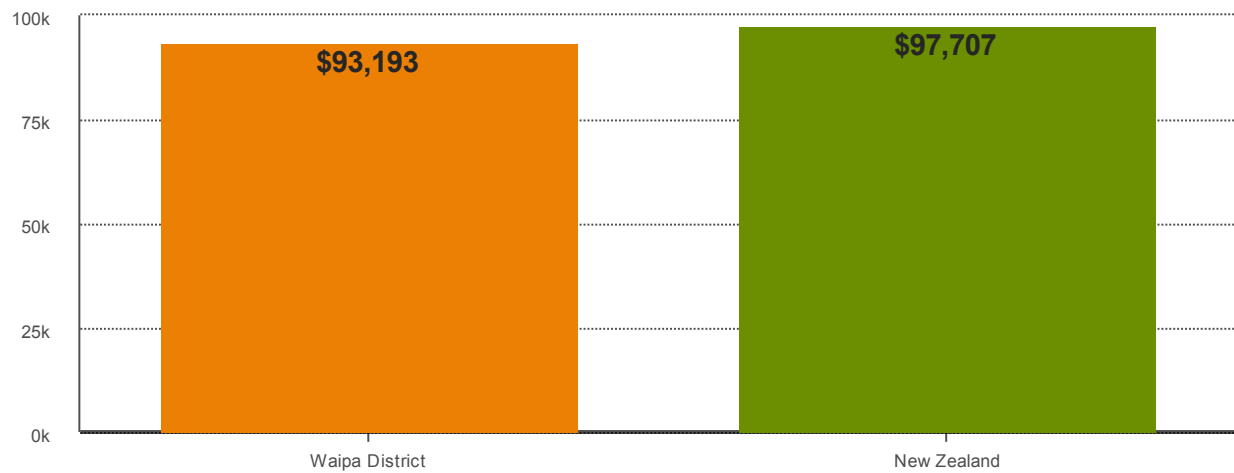
Level	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Waipa District	21.8%	20.2%	19.2%	18.8%	18.7%	18.7%	18.9%	21.4%	24.4%	25.2%	25.4%	25.3%	25.4%	25.3%	24.6%
New Zealand	18.4%	17.9%	17.6%	17.3%	17.2%	17.0%	16.9%	17.0%	17.1%	17.2%	17.2%	17.0%	17.0%	16.8%	16.4%

PRODUCTIVITY

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

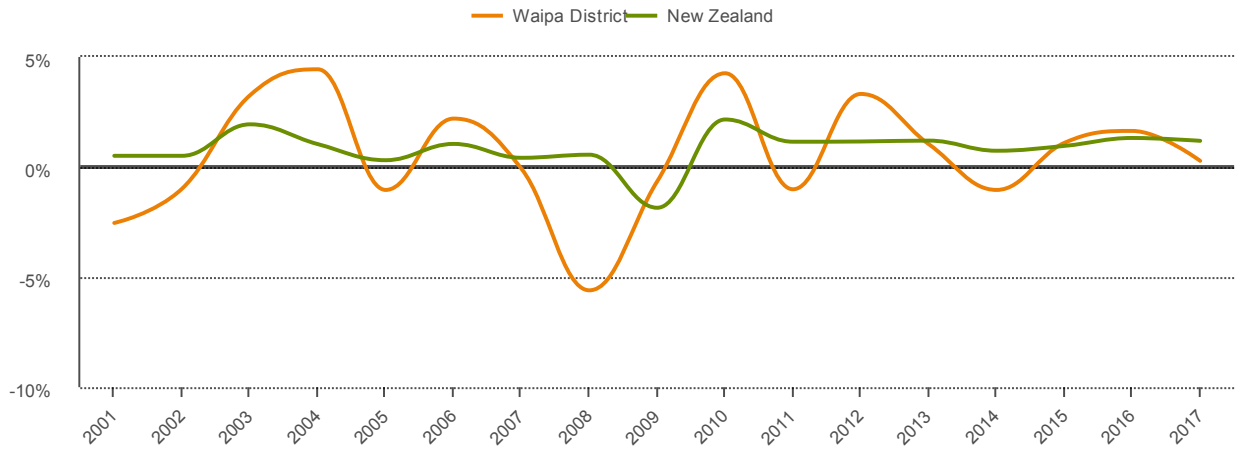
This section describes Waipa District's productivity level during the year to March 2017 and previous years. Productivity is measured by GDP per employee (in constant 2010 prices).

Figure 12: Productivity 2017



- GDP per employee in Waipa District measured \$93,193 in the year to March 2017, which was 4.6% lower than in New Zealand.
- Productivity in Waipa District increased by 0.3% from a year earlier compared with an increase of 1.2% in New Zealand).
- Productivity growth in Waipa District averaged 0.3%pa over the last ten years compared with an average of 0.9%pa in New Zealand.

Figure 13: Productivity growth



Change	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Waipa District	3.3%	4.4%	-1.0%	2.2%	-0.1%	-5.6%	-0.7%	4.3%	-1.0%	3.3%	1.0%	-1.0%	1.1%	1.6%	0.3%
New Zealand	1.9%	1.0%	0.3%	1.0%	0.4%	0.6%	-1.9%	2.2%	1.1%	1.2%	1.2%	0.7%	1.0%	1.3%	1.2%

What are the most productive industries in Waipa District

This section ranks industries according to their level of GDP per employee in Waipa District. The level of GDP per employee may differ between industries because of the skill levels of workers and their inherent efficiency, as well as due to different amounts of machinery, technology, and land being used as production inputs. Table 17 below ranks broad industries by GDP per employee in Waipa District and shows the corresponding GDP per employee in the national economy. Since the capital intensity of industries is often a significant explainer of productivity we also show the capital intensity of each industry in the table. Capital intensity is measured as the share of GDP which is attributable to capital. Industries with a high proportion are thus highly capital intensive.

Table 11: 1-digit industries ranked by productivity (2017)

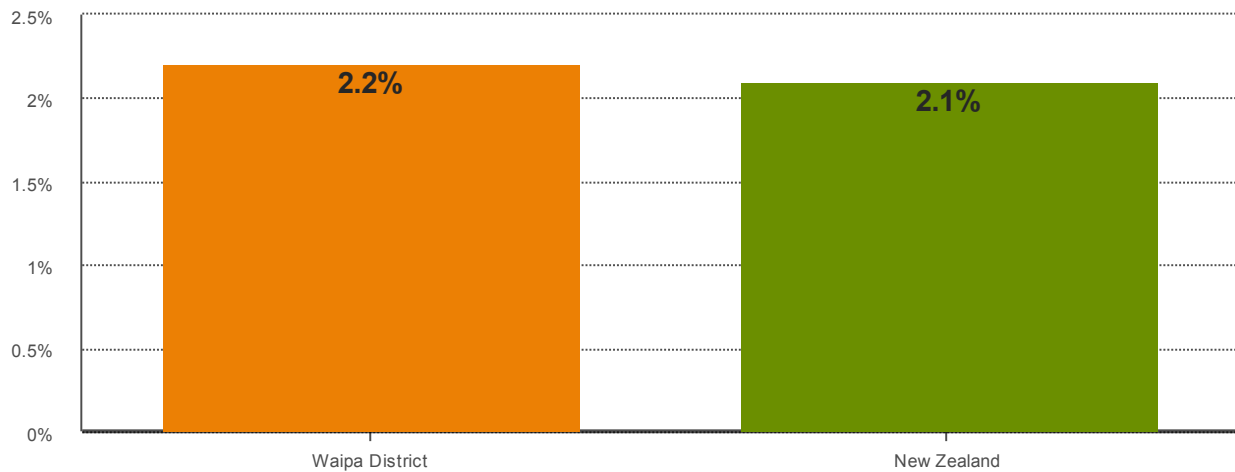
Industry	Productivity		Capital intensity
	Waipa District	New Zealand	New Zealand
Electricity, Gas, Water and Waste Services	667,429	436,006	0.80
Rental, Hiring and Real Estate Services	288,653	282,250	0.84
Financial and Insurance Services	156,953	210,247	0.52
Information Media and Telecommunications	136,974	201,934	0.56
Agriculture, Forestry and Fishing	107,548	92,131	0.63
Wholesale Trade	94,073	98,308	0.40
Manufacturing	93,475	99,360	0.39
Transport, Postal and Warehousing	73,216	105,323	0.42
Professional, Scientific and Technical Services	71,065	82,834	0.24
Public Administration and Safety	67,417	87,264	0.17
Mining	66,472	545,219	0.79
Arts and Recreation Services	63,134	72,408	0.42
Health Care and Social Assistance	60,725	59,510	0.12
Construction	58,733	67,837	0.23
Education and Training	50,228	50,325	0.24
Retail Trade	48,426	51,550	0.31
Other Services	39,136	46,253	0.20
Administrative and Support Services	32,230	39,892	0.17
Accommodation and Food Services	27,135	31,175	0.26
Total	93,193	97,707	

BUSINESS GROWTH

How fast did the number of business units grow in Waipa District?

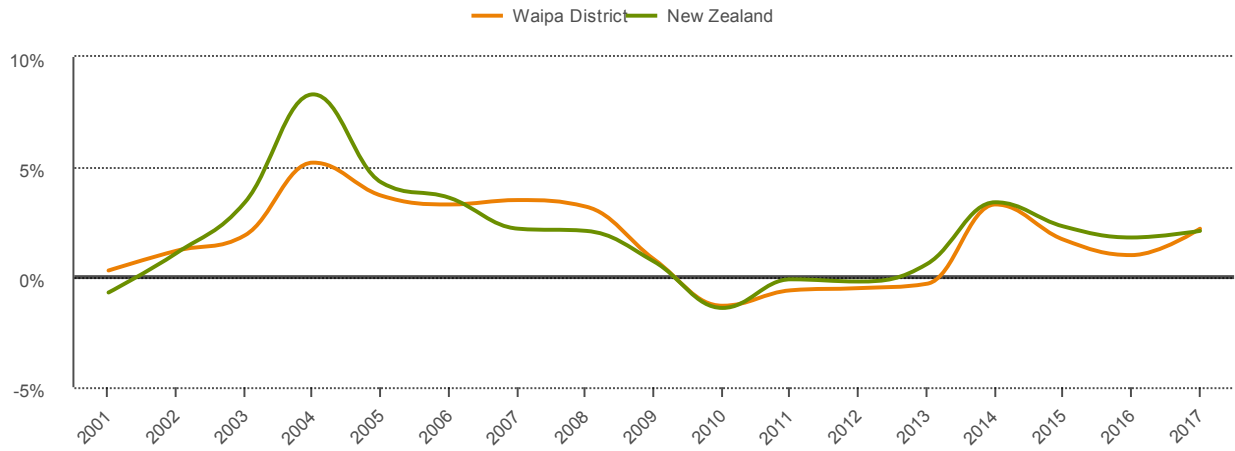
Growth in the number of business units is an indicator of entrepreneurial activity. It indicates an environment in which entrepreneurs are prepared to take risks to start new ventures. This section contrasts Waipa District's recent performance in business unit growth with other regions in the country.

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



- A total of 7,422 business units were recorded in Waipa District in 2017, up 2.2% from a year earlier.
- The number of business units in New Zealand increased by 2.1% over the same period.
- Growth in the number of business units in Waipa District averaged 0.9%pa over the past 10 years compared with 1.1%pa in the national economy.
- Business unit growth in Waipa District varied from a high of 5.2% in 2004 to a low of -1.3% in 2010.

Figure 15: Annual average business unit growth



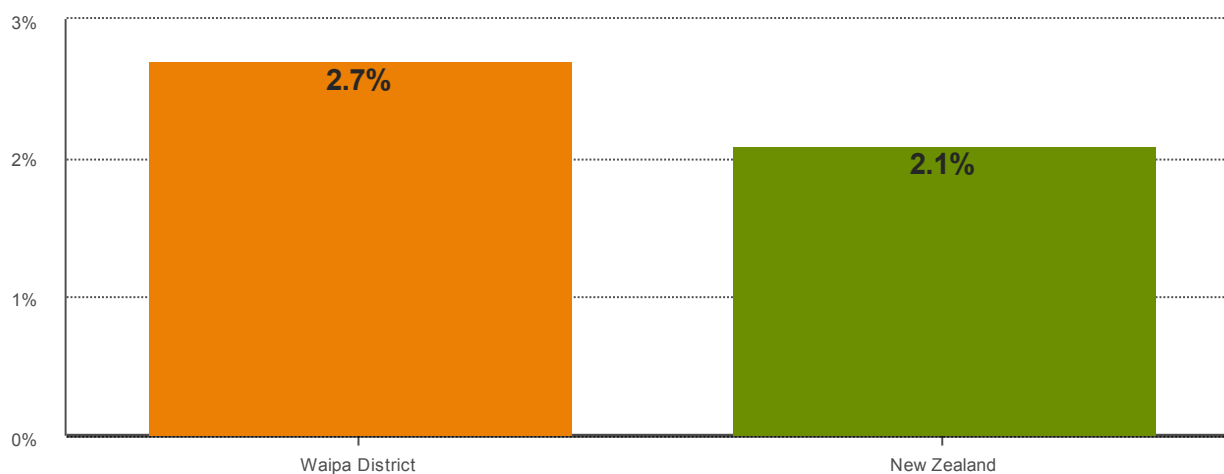
Change	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Waipa District	1.9%	5.2%	3.7%	3.3%	3.5%	3.2%	0.8%	-1.3%	-0.6%	-0.5%	-0.3%	3.3%	1.7%	1.0%	2.2%
New Zealand	3.4%	8.3%	4.3%	3.6%	2.2%	2.1%	0.7%	-1.4%	-0.1%	-0.2%	0.6%	3.4%	2.3%	1.8%	2.1%

POPULATION GROWTH

How fast has Waipa District's population grown?

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

Figure 16: Population growth (year to Jun 2017)



- Waipa District's population was 53,000 in 2017, up 2.7% from a year earlier. New Zealand's total population grew by 2.1% over the same period.
- Population growth in Waipa District averaged 1.9%pa over the last 5 years compared with 1.7%pa in New Zealand.
- Since 2000 growth in Waipa District reached a high of 2.7%pa in 2017 and a low of 0.5%pa in 2001.

Figure 17: Annual population growth

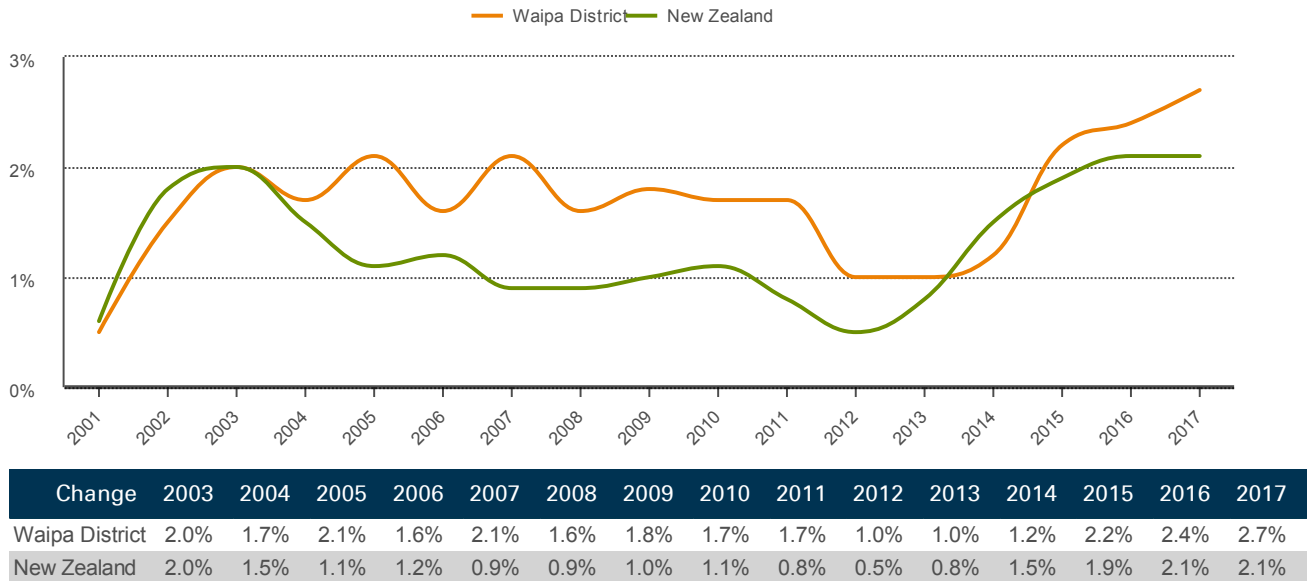
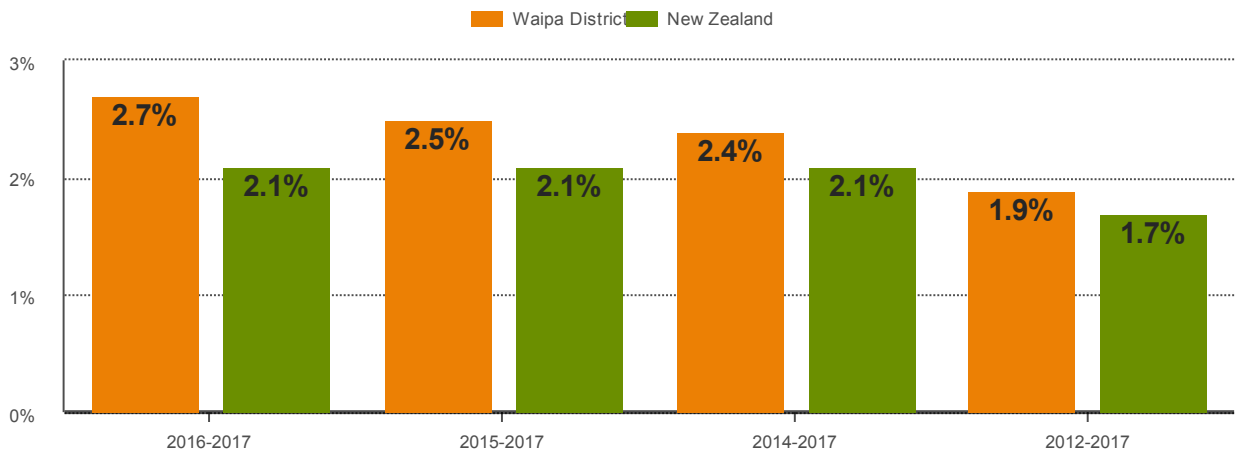


Figure 18: Population growth last 1,2,3 and 5 years

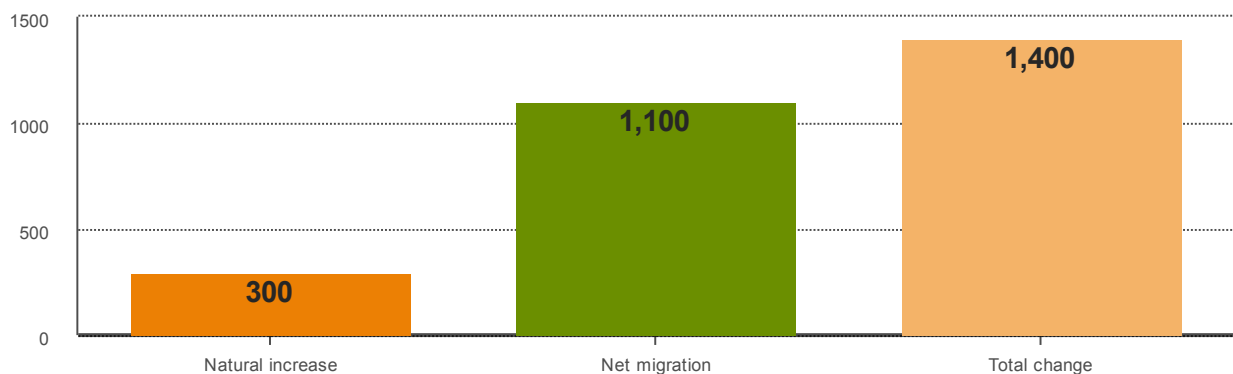


What is the source of Waipa District's population growth?

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

- Waipa District's population increased by 1,400 people in the year to June 2017. This net increase was made up of net migration of 1,100 and natural increase of 300.

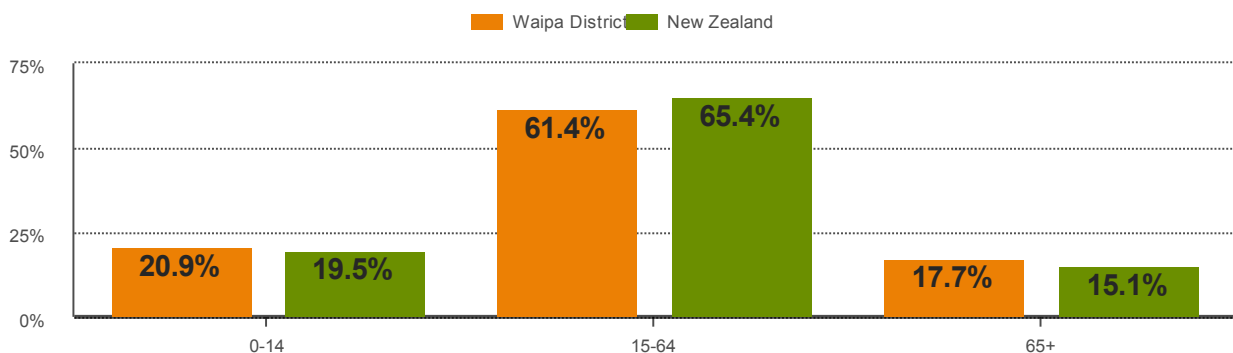
Figure 19: Source of population growth (year to June 2017)



What is the age structure of Waipa District's population?

- In 2017, 61.4% of Waipa District's population was of working age (15-64). This was significantly lower than the proportion of the national population (65.4%).
- Waipa District had a slightly higher proportion (20.9%) of young people (0-14) than the country as a whole (19.5%) and a significantly higher proportion (17.7%) of people 65 years and older compared with New Zealand (15.1%).
- Overall the dependency ratio in Waipa District (62.9%) was higher than in the national economy (52.8%). The dependency ratio expresses the number of persons outside of the working age as a proportion of the number of persons of working age (15 to 64 years).

Figure 20: Age composition of the population (year to June 2017)



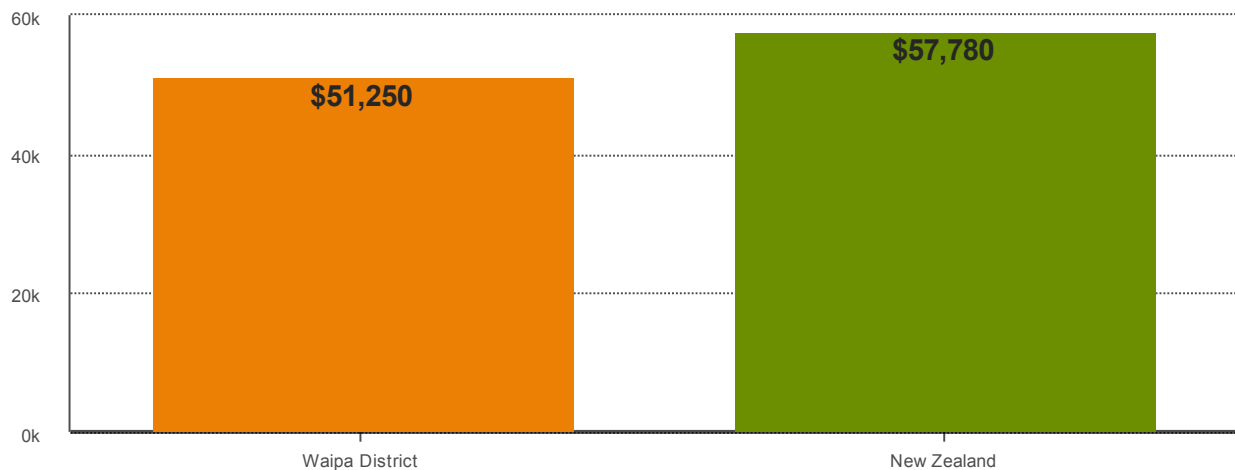
STANDARD OF LIVING

This section describes a few indicators of economic standard of living. It investigates average earnings, house prices and housing affordability. Note that due to data constraints earnings data are provided for the year to March 2016.

What are the mean earnings in Waipa District?

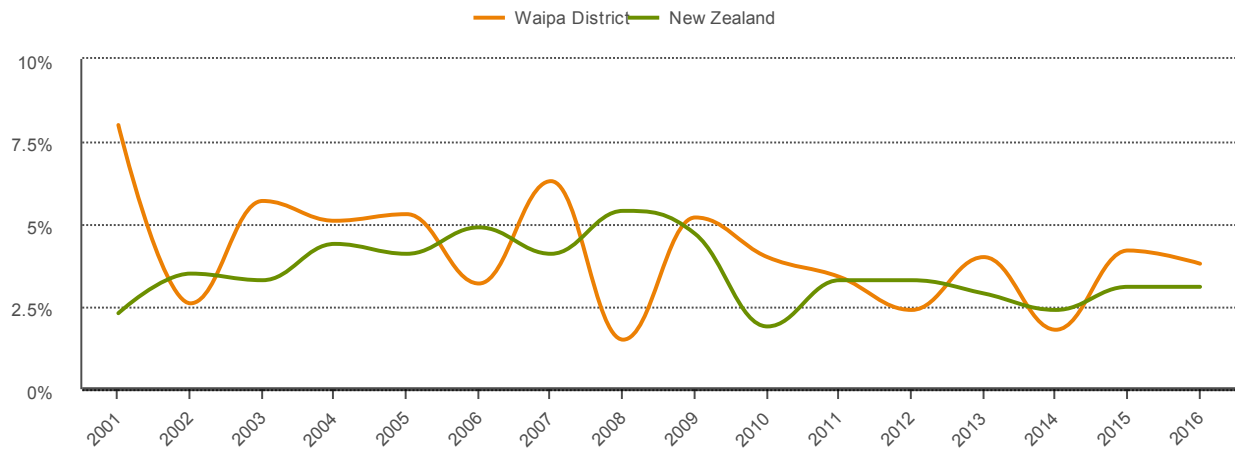
Income earned in the labour market is an important source of household income. This section contrasts Waipa District's mean annual earnings with the country as a whole.

Figure 21: Earnings, 2016



- Mean annual earnings in Waipa District was \$51,250 in the year to March 2016, which was lower than the New Zealand mean of \$57,780.
- Mean earnings in Waipa District increased by 3.8% over the year to March 2016 compared with an increase of 3.1% in New Zealand.
- Over the last ten years earnings growth in Waipa District reached a maximum of 8.0% in 2001 and a minimum of 1.5% in 2008.

Figure 22: Annual earnings growth



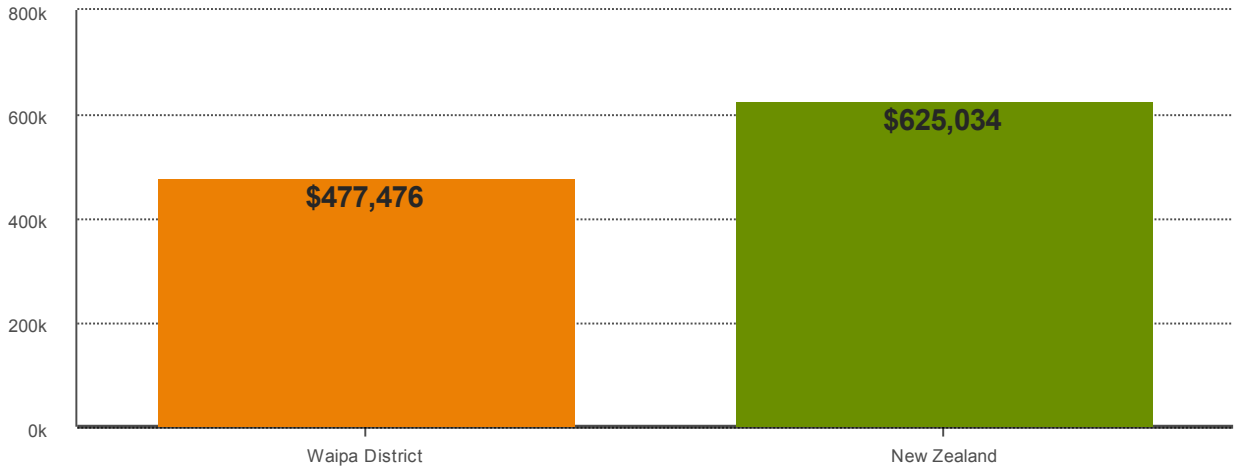
Change	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Waipa District	5.7%	5.1%	5.3%	3.2%	6.3%	1.5%	5.2%	4.0%	3.4%	2.4%	4.0%	1.8%	4.2%	3.8%
New Zealand	3.3%	4.4%	4.1%	4.9%	4.1%	5.4%	4.7%	1.9%	3.3%	3.3%	2.9%	2.4%	3.1%	3.1%

- Mean annual earnings in Waipa District was \$51,250 in the year to March 2016, which was lower than the New Zealand mean of \$57,780.
- Mean earnings in Waipa District increased by 3.8% over the year to March 2016 compared with an increase of 3.1% in New Zealand.
- Over the last ten years earnings growth in Waipa District reached a maximum of 8.0% in 2001 and a minimum of 1.5% in 2008.

How do house prices in Waipa District compare?

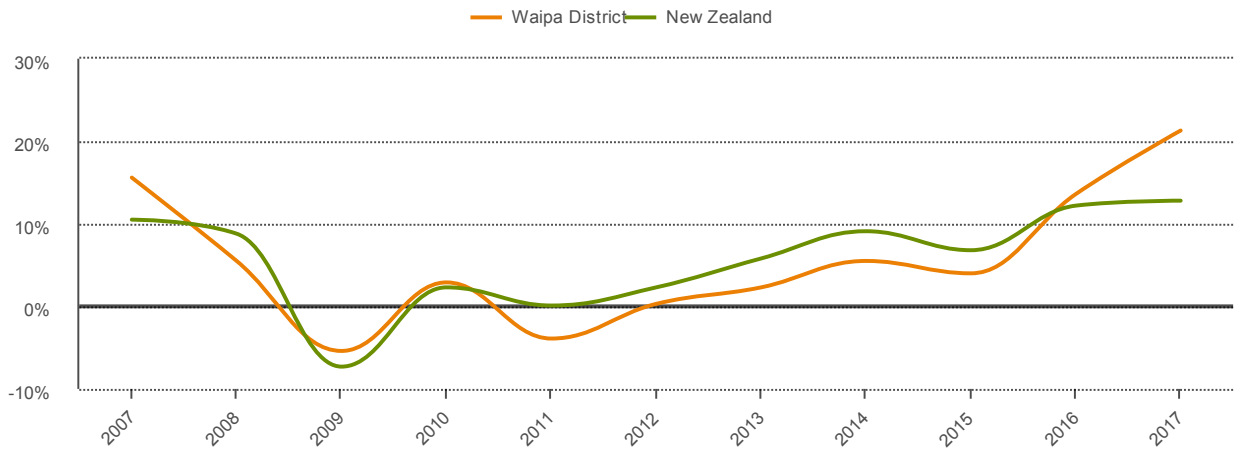
The cost of housing is a major component of household spending. This section describes the cost of housing in Waipa District relative to the rest of the country.

Figure 23: Average current house value, 2017



- The Average current house value in Waipa District was \$477,476 in 2017, which was lower than the New Zealand median of \$625,034.
- House price growth in Waipa District was 21% for the year to March 2017. Growth was stronger than in New Zealand (13%).

Figure 24: Annual Average current house value growth

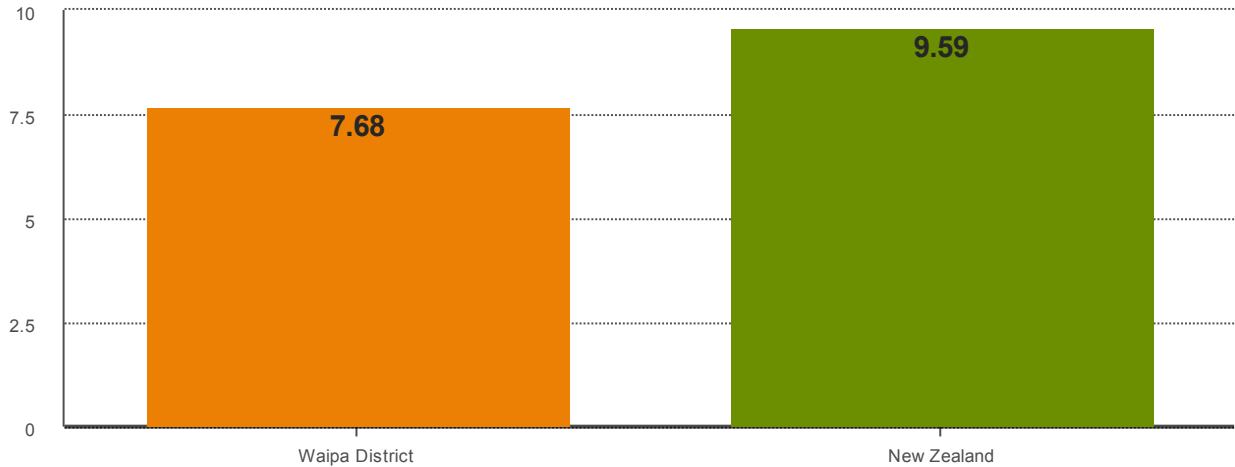


Change	2009	2010	2011	2012	2013	2014	2015	2016	2017
Waipa District	-5.4%	2.9%	-3.9%	0.3%	2.3%	5.5%	4.0%	13.6%	21.3%
New Zealand	-7.3%	2.3%	0.1%	2.3%	5.8%	9.1%	6.8%	12.2%	12.8%

How affordable is housing in Waipa District?

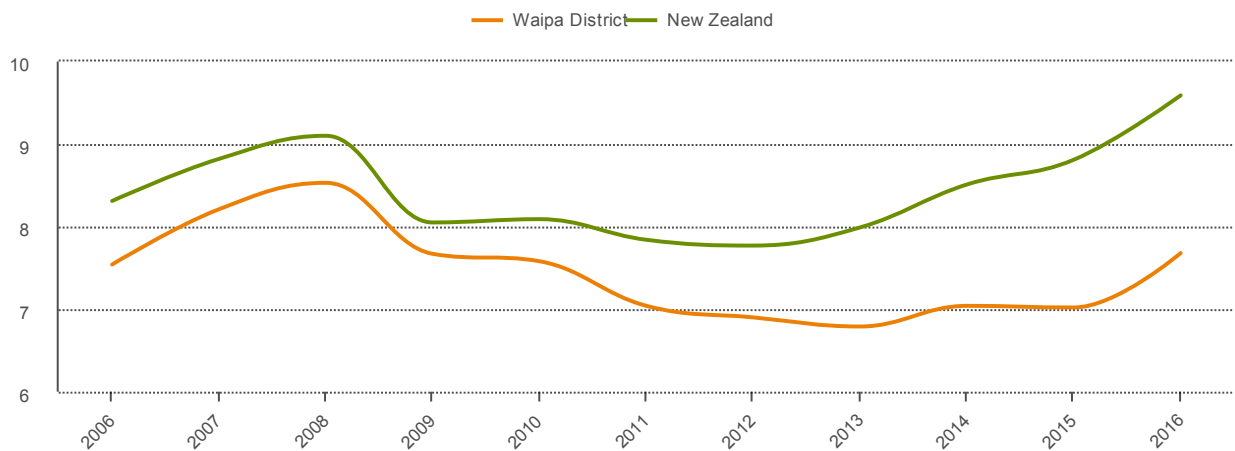
This section investigates the affordability of housing by comparing Average current house values with average earnings. We have estimated a housing affordability index which is the ratio of the Average current house value to annual average earnings measured in the Linked Employer Employee Data. A higher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

Figure 25: Housing affordability index 2016



- The housing affordability index in Waipa District was 7.7 in the year to March 2016, which was lower than New Zealand's index of 9.6. This means that housing is more affordable in Waipa District than in New Zealand.

Figure 26: Housing affordability



Level	2009	2010	2011	2012	2013	2014	2015	2016
Waipa District	7.7	7.6	7.0	6.9	6.8	7.0	7.0	7.7
New Zealand	8.1	8.1	7.8	7.8	8.0	8.5	8.8	9.6

TOURISM

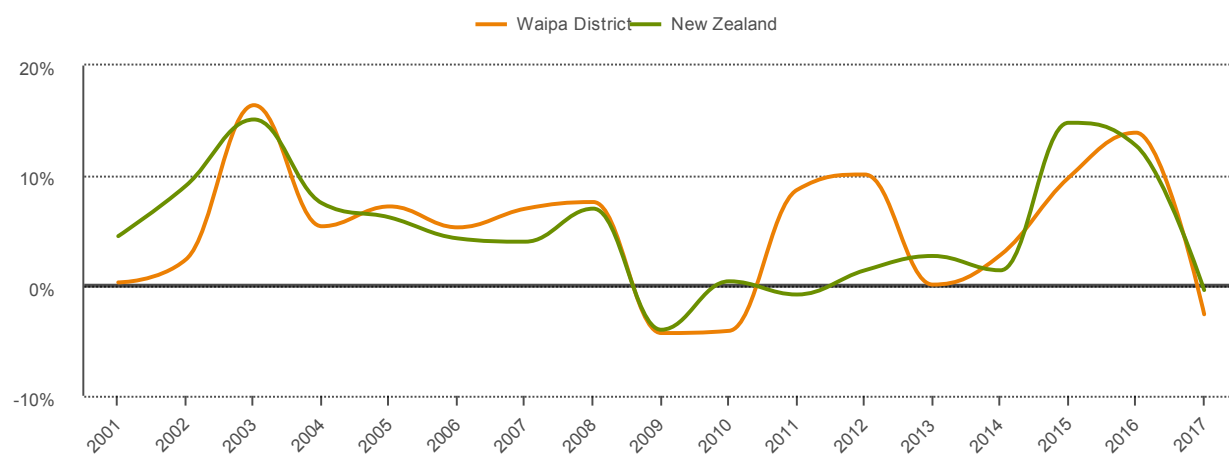
Tourism has grown rapidly in New Zealand since 2000. Not only has the number of overseas tourist arrivals increased substantially, but the level of domestic tourism has also expanded rapidly as spending on leisure by New Zealand residents increased. This section describes the contribution of tourism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

Tourism GDP

Table 12: Tourism GDP (2001-2017)

Year	Waipa District		New Zealand	
	Level	Change	Level	Change
2000	\$31.5m		\$5,714m	
2001	\$31.6m	0.3%	\$5,970m	4.5%
2002	\$32.4m	2.4%	\$6,512m	9.1%
2003	\$37.7m	16.4%	\$7,492m	15.1%
2004	\$39.7m	5.4%	\$8,055m	7.5%
2005	\$42.6m	7.2%	\$8,555m	6.2%
2006	\$44.8m	5.3%	\$8,925m	4.3%
2007	\$48.0m	7.0%	\$9,284m	4.0%
2008	\$51.6m	7.6%	\$9,936m	7.0%
2009	\$49.4m	-4.3%	\$9,540m	-4.0%
2010	\$47.4m	-4.1%	\$9,582m	0.4%
2011	\$51.5m	8.7%	\$9,503m	-0.8%
2012	\$56.7m	10.1%	\$9,635m	1.4%
2013	\$56.8m	0.1%	\$9,896m	2.7%
2014	\$58.4m	2.8%	\$10,032m	1.4%
2015	\$64.1m	9.8%	\$11,518m	14.8%
2016	\$73.0m	13.9%	\$12,978m	12.7%
2017	\$71.1m	-2.6%	\$12,930m	-0.4%

Figure 27: Annual average tourism GDP growth (2001-2017)



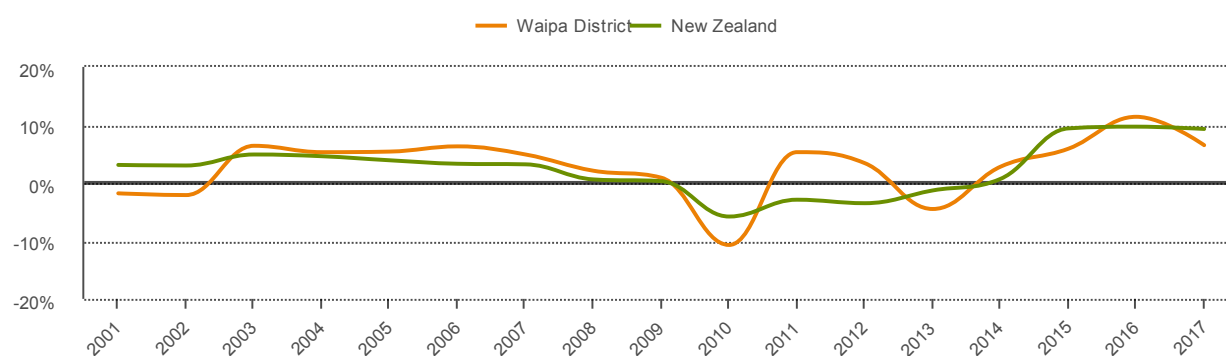
- The tourism industry contributed \$71.1m towards GDP in Waipa District in 2017. This amounted to 3.5% of the Waipa District's economic output in 2017, up from 3.1% ten years ago.
- Economic output in Waipa District's tourism industry declined by -2.6% in 2017, compared with a -0.4% decline in New Zealand.
- Growth in the industry in Waipa District has averaged 4.0% over the last ten years, compared with 3.4% in New Zealand.

Tourism Employment

Table 13: Tourism employment (2001-2017)

Year	Waipa District		New Zealand	
	Level	Change	Level	Change
2000	716		153,942	
2001	703	-1.8%	158,751	3.1%
2002	688	-2.1%	163,440	3.0%
2003	732	6.4%	171,423	4.9%
2004	771	5.3%	179,373	4.6%
2005	813	5.4%	186,321	3.9%
2006	865	6.3%	192,507	3.3%
2007	907	4.9%	198,687	3.2%
2008	926	2.1%	199,935	0.6%
2009	934	0.9%	200,445	0.3%
2010	834	-10.7%	188,727	-5.8%
2011	878	5.3%	183,330	-2.9%
2012	908	3.4%	176,985	-3.5%
2013	867	-4.5%	174,762	-1.3%
2014	891	2.8%	176,043	0.7%
2015	943	5.9%	192,504	9.4%
2016	1,051	11.4%	211,089	9.7%
2017	1,119	6.5%	230,793	9.3%

Figure 28: Annual average tourism employment growth (2001-2017)



- The tourism industry employed an average of 1,119 people in Waipa District in 2017. This amounted to 5.2% of the Waipa District's total employment in 2017, down from 5.3% in 2007.
- Employment growth in the industry in New Zealand has averaged 2.1% over the last ten years, compared with 1.5% in New Zealand.
- Employment in the tourism industry increased by 6.5% in 2017, compared with a 9.3% increase in New Zealand.

TECHNICAL NOTES

Time period

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

Gross Domestic Product

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

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

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

GDP is measured in constant 2010 prices .

Prices

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

Industrial classification

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

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

Unallocated

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

Broad economic sectors

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

Employment by industry

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

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

Self-employment

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

Employment by occupation

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

Productivity

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

Earnings

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

House prices

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

Population

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

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

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

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

The estimated resident population is sourced from Statistics New Zealand.

Dependency ratio

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

Business Units

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

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

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

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

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