



ANNUAL ECONOMIC PROFILE

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# Lower Hutt City

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Economics put simply

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# ECONOMY

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## The New Zealand economy in 2021

The New Zealand economy contracted 1.2% in the March 2021 year, following revised 2.2%pa growth in the year 2020 year. The March 2021 year captures the initial turmoil of COVID-19 in New Zealand, including the vast majority of the Level 4 lockdown in April 2020. The period also includes the August 2020 Auckland outbreak and resulting Level 3 restrictions, as well as further Auckland restrictions in February and March 2021.

The 1.2% fall in economic activity in the 2021 year was slightly less of an economic blow than the 1.3% fall experienced in 2009 as the Global Financial Crisis (GFC) hit. New Zealand's economic response to COVID-19 has been different, with substantial fiscal spending support and incredibly accommodative monetary policy with record-low interest rates.

A need to expand the public sector to support New Zealand through COVID-19 has seen the public administration and safety industry as the largest positive contributor to growth in 2021. Expanded work with MIQ, administering the Wage Subsidy, and more work across government has contributed to this growth. Retail trade also helped limit the economic blow, with higher spending on groceries and more spending on goods in New Zealand as households direct their holiday funds into other areas. Unsurprisingly for a health crisis, the health care and social assistance sector also helped bolster activity.

However, 11 out of 19 headline sectors experienced a contraction in activity. The collapse of international tourism hit the transport sector particularly hard, with a 20% collapse in activity. Administrative and support services also fell, as travel agency work plummeted.

The fall in economic activity in many sectors of the economy was largely due to the restrictions on activity at higher Alert Levels. For example, the contraction in construction output was due to the inability to build at higher Alert Levels, with workers having to stay home.

Employment activity held up better, with a limited 0.1% increase in the number of filled jobs across New Zealand. The Wage Subsidy enabled businesses to keep more workers employed than otherwise. Some sectors have seen considerable increases in their workforce, and others have seen large drops, as resources are reallocated across New Zealand.

The economy showed stronger signs towards the end of the 2021 year, with expectations for better activity to be reported for the 2022 year.

## How fast has Lower Hutt City's economy grown?

This section measures economic performance in Lower Hutt City during the year to March 2021 and previous years. All GDP estimates are measured in constant 2021 prices.

- GDP in Lower Hutt City measured \$6,721m in the year to March 2021, up 1.0% from a year earlier. New Zealand's GDP decreased by -1.2% over the same period.
- Economic growth in Lower Hutt City averaged 1.1%pa over the last 10 years compared with an average of 2.6%pa in the national economy.
- Growth in Lower Hutt City reached a high of 5.7% in 2001 and a low of -5.2% in 2002.
- Lower Hutt City accounted for 2.1% of national GDP in 2021.

Figure 1: GDP growth, year to Mar 2021

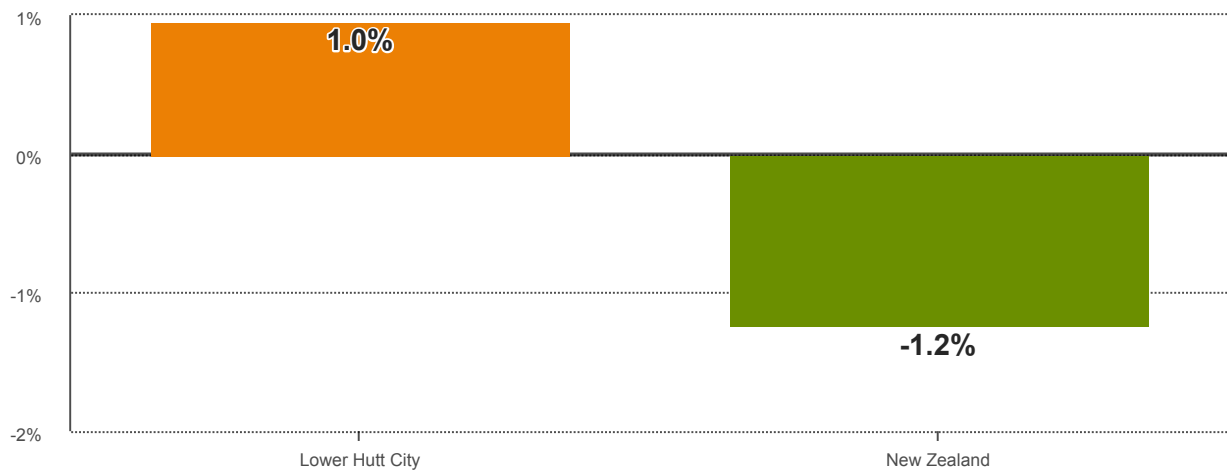


Figure 2: Annual average GDP growth, 2001-2021

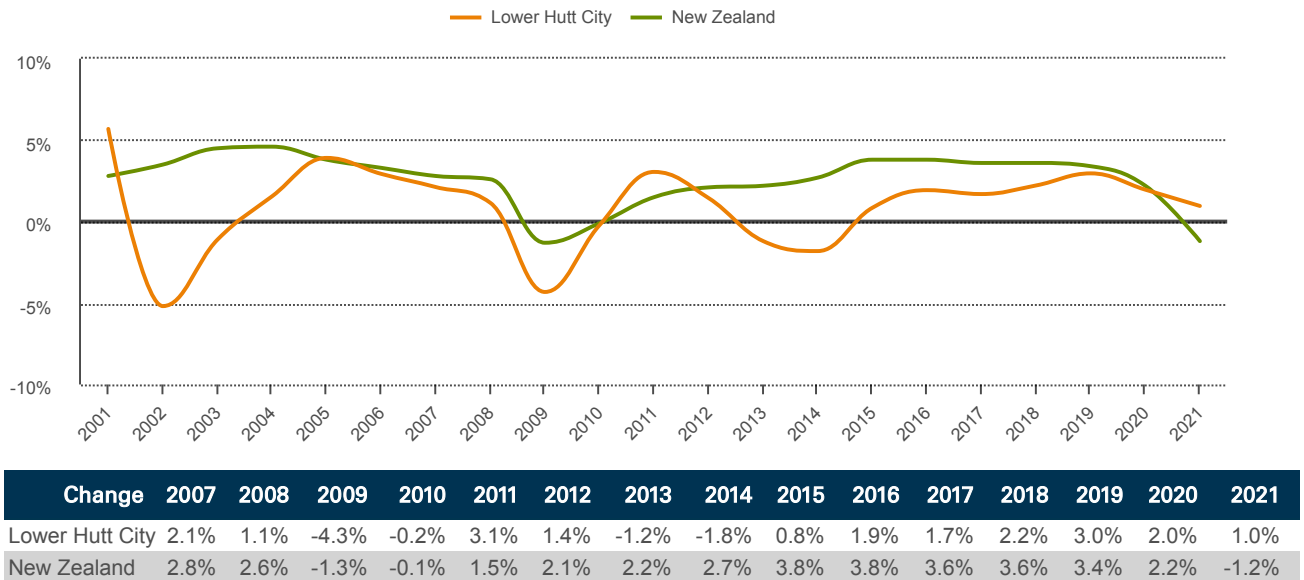
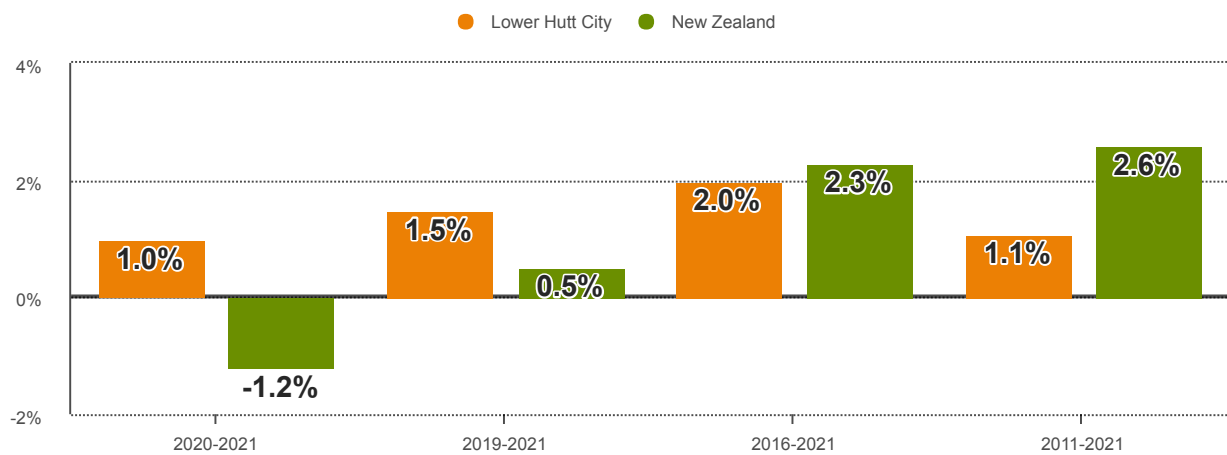


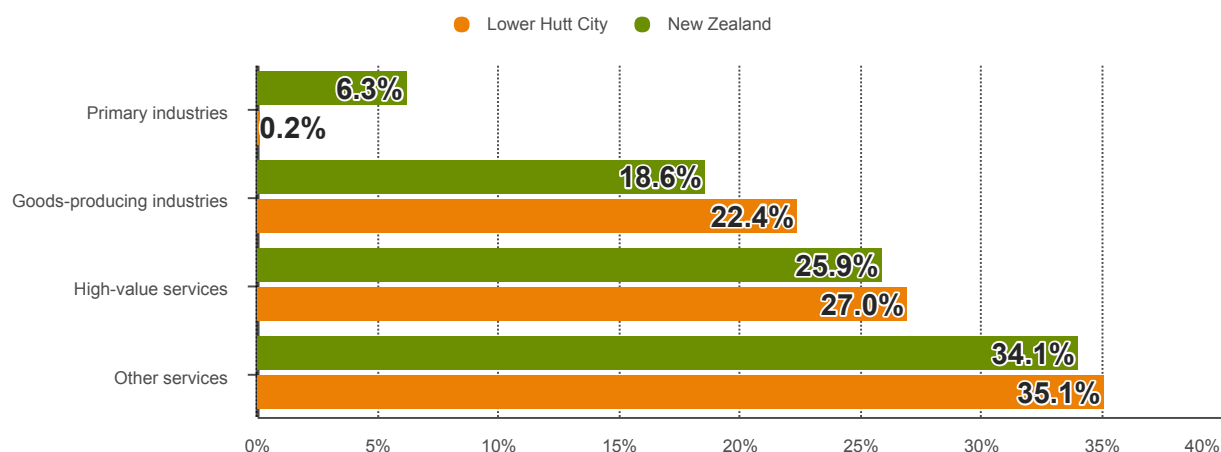
Figure 3: GDP growth over the last 1, 2, 5 & 10 years



## What is the industrial structure of Lower Hutt City's economy?

This section describes the structure of the economy in terms of the broad sectors of primary industries, goods-producing industries, high-values services and other services. Primary industries make direct use of natural resources. They extract or harvest products from the earth. Goods-producing industries produce manufactured and other processed goods. High-value services include the higher value-adding, knowledge-based service industries. More detail of the sectors is given in the technical appendix.

Figure 4: Share of total GDP, 2021



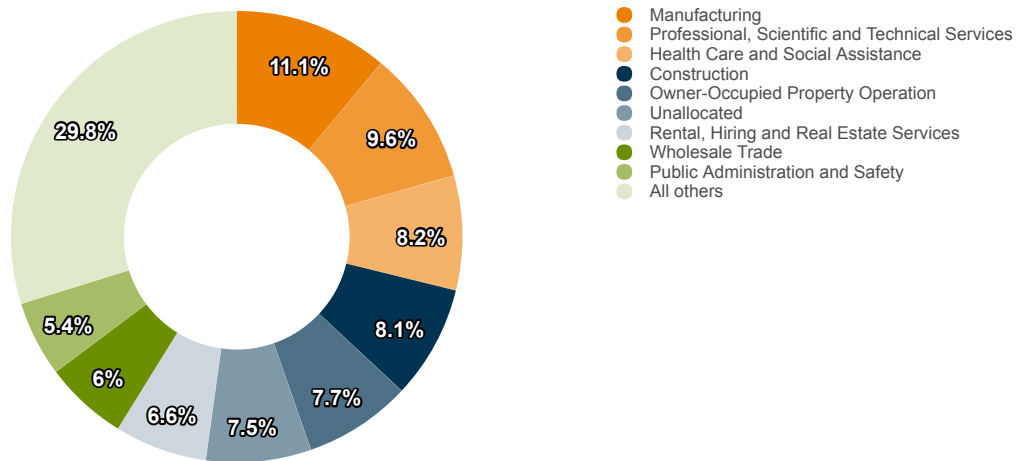
- Primary industries accounted for the smallest proportion in Lower Hutt City: 0.2% compared with 6.3% in the national economy.
- Goods-producing industries accounted for 22.4% compared with 18.6% in the national economy.
- Other services accounted for the largest proportion of GDP (35.1%) in Lower Hutt City, which is higher than in the national economy (34.1%).
- High-value services accounted for 27.0% compared with 25.9% in the national economy.

Table 1: GDP by ANZSIC 1-digit industry, 2021

Industry	Lower Hutt City		New Zealand	
	Level	Share of total	Level	Share of total
Manufacturing	\$743m	11.1%	\$30,248m	9.3%
Professional, Scientific and Technical Services	\$644m	9.6%	\$28,779m	8.8%
Health Care and Social Assistance	\$551m	8.2%	\$20,217m	6.2%
Construction	\$546m	8.1%	\$21,578m	6.6%
Rental, Hiring and Real Estate Services	\$445m	6.6%	\$21,591m	6.6%
Wholesale Trade	\$401m	6.0%	\$16,581m	5.1%
Public Administration and Safety	\$363m	5.4%	\$15,570m	4.8%
Retail Trade	\$362m	5.4%	\$17,105m	5.2%
Transport, Postal and Warehousing	\$256m	3.8%	\$11,507m	3.5%
Education and Training	\$248m	3.7%	\$11,730m	3.6%
Electricity, Gas, Water and Waste Services	\$217m	3.2%	\$8,804m	2.7%
Financial and Insurance Services	\$208m	3.1%	\$18,745m	5.7%
Information Media and Telecommunications	\$164m	2.4%	\$12,158m	3.7%
Administrative and Support Services	\$160m	2.4%	\$5,577m	1.7%
Other Services	\$158m	2.4%	\$5,615m	1.7%
Accommodation and Food Services	\$110m	1.6%	\$6,405m	2.0%
Arts and Recreation Services	\$105m	1.6%	\$3,984m	1.2%
Agriculture, Forestry and Fishing	\$14.9m	0.2%	\$17,030m	5.2%
Mining	\$0.97m	0.0%	\$3,378m	1.0%
Owner-Occupied Property Operation	\$518m	7.7%	\$25,112m	7.7%
Unallocated	\$506m	7.5%	\$24,586m	7.5%
<b>Total</b>	<b>\$6,721m</b>	<b>100%</b>	<b>\$326,300m</b>	<b>100%</b>

- Among broad industries Manufacturing was the largest in Lower Hutt City in 2021 accounting for 11.1% of total.
- The second largest was Professional, Scientific and Technical Services (9.6%) followed by Health Care and Social Assistance (8.2%)

Figure 5: Share of total GDP, 2021



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

- Among detailed industries Professional, Scientific & Tech Services was the largest in Lower Hutt City in 2021 accounting for 9.6% of total.
- The second largest was Health Care & Social Assistance (8.2%) followed by Wholesale Trade (6.0%)

Table 2: GDP by 54 industries, 2021

Industry	Lower Hutt City		New Zealand	
	Level	Share of total	Level	Share of total
Professional, Scientific & Tech Services	\$644m	9.6%	\$28,779m	8.8%
Health Care & Social Assistance	\$551m	8.2%	\$20,217m	6.2%
Wholesale Trade	\$401m	6.0%	\$16,581m	5.1%
Property Operators & Real Estate Services	\$367m	5.5%	\$18,164m	5.6%
Central Gov Admin, Defence & Safety	\$322m	4.8%	\$13,720m	4.2%
Construction Services	\$294m	4.4%	\$11,036m	3.4%
Education & Training	\$248m	3.7%	\$11,730m	3.6%
Other Store & Non Store Retailing	\$209m	3.1%	\$9,631m	3.0%
Administrative & Support Services	\$160m	2.4%	\$5,577m	1.7%
Other Services	\$158m	2.4%	\$5,615m	1.7%
Polymer Product & Rubber Product Manu	\$155m	2.3%	\$1,562m	0.5%
Heavy & Civil Engineering Construction	\$149m	2.2%	\$5,815m	1.8%
Road Transport	\$147m	2.2%	\$4,621m	1.4%
Finance	\$136m	2.0%	\$12,476m	3.8%
Water, Sewerage & Waste Services	\$133m	2.0%	\$1,532m	0.5%
Accommodation & Food Services	\$110m	1.6%	\$6,405m	2.0%
Postal, Courier & Warehousing Services	\$108m	1.6%	\$5,882m	1.8%
Arts & Recreation Services	\$105m	1.6%	\$3,984m	1.2%
Building Construction	\$103m	1.5%	\$4,727m	1.4%
Telecomms, Internet & Library Services	\$100m	1.5%	\$8,801m	2.7%
Supermarket & Specialised Food Retailing	\$96.9m	1.4%	\$5,098m	1.6%
Fruit, Cereal & Other Food Product Manu	\$84.0m	1.2%	\$2,604m	0.8%
Electricity & Gas Supply	\$83.6m	1.2%	\$7,272m	2.2%
Machinery & Other Equipment Manu	\$82.1m	1.2%	\$4,270m	1.3%
Rental & Hiring Services	\$77.2m	1.1%	\$3,427m	1.1%
Beverage & Tobacco Product Manu	\$72.3m	1.1%	\$2,640m	0.8%
Information Media Services	\$63.8m	0.9%	\$3,356m	1.0%
Auxiliary Finance & Insurance Services	\$63.5m	0.9%	\$3,415m	1.0%
Fabricated Metal Product Manufacturing	\$57.9m	0.9%	\$2,555m	0.8%
Motor Vehicle, Parts & Fuel Retailing	\$56.1m	0.8%	\$2,376m	0.7%
Wood Product Manufacturing	\$51.6m	0.8%	\$1,762m	0.5%
Local Government Administration	\$41.4m	0.6%	\$1,849m	0.6%
Non-Metallic Mineral Product Manu	\$40.6m	0.6%	\$1,386m	0.4%
Printing	\$38.8m	0.6%	\$661m	0.2%
Basic Chemical & Chemical Product Manu	\$37.3m	0.6%	\$1,818m	0.6%
Pulp & Paper Product Manufacturing	\$33.3m	0.5%	\$952m	0.3%
Transport Equipment Manufacturing	\$32.0m	0.5%	\$1,571m	0.5%
Textile, Leather, Clothing, Footwear Manu	\$21.2m	0.3%	\$703m	0.2%
Furniture & Other Manufacturing	\$20.2m	0.3%	\$950m	0.3%
Primary Metal & Metal Product Manu	\$11.9m	0.2%	\$727m	0.2%
Insurance & Superannuation Funds	\$8.11m	0.1%	\$2,855m	0.9%
Sheep, Beef Cattle & Grain Farming	\$4.43m	0.1%	\$3,315m	1.0%
Dairy Cattle Farming	\$4.38m	0.1%	\$6,461m	2.0%
Petroleum & Coal Product Manufacturing	\$2.69m	0.0%	\$1,421m	0.4%
Forestry & Logging	\$1.73m	0.0%	\$2,039m	0.6%
Dairy Product Manufacturing	\$1.57m	0.0%	\$1,800m	0.6%
Poultry, Deer & Other Livestock Farming	\$1.48m	0.0%	\$462m	0.1%
Agric Support Services & Hunting	\$1.40m	0.0%	\$2,616m	0.8%
Horticulture & Fruit Growing	\$1.17m	0.0%	\$1,638m	0.5%
Rail, Water, Air & Other Transport	\$1.10m	0.0%	\$1,004m	0.3%
Mining	\$0.97m	0.0%	\$3,378m	1.0%
Seafood Processing	\$0.72m	0.0%	\$501m	0.2%
Fishing & Aquaculture	\$0.33m	0.0%	\$500m	0.2%
Meat & Meat Product Manufacturing	\$0.00m	0.0%	\$2,365m	0.7%
Owner-Occupied Property Operation	\$518m	7.7%	\$25,112m	7.7%
Unallocated	\$506m	7.5%	\$24,586m	7.5%
<b>Total</b>	<b>\$6,721m</b>	<b>100%</b>	<b>\$326,300m</b>	<b>100%</b>



## 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 Lower Hutt City's economy taking into account their relative sizes.

- Public Administration and Safety made the largest contribution to overall growth in Lower Hutt City between 2020 and 2021. The industry grew by 13.6% over the year and contributed 0.65 percentage points to the district's total growth of 1.0%.
- The next largest contributor was health care and social assistance (0.63 percentage points) followed by information media and telecommunications (0.18 percentage points).
- The largest detractor from growth over the year was Transport, Postal and Warehousing which declined by 7.0% and contributed -0.29 percentage points to the total growth of 1.0%. Arts and Recreation Services (-0.21 percentage points) was the next largest detractor.

**Table 3: ANZSIC 1-digit industries ranked by % point contribution to GDP growth, 2020-2021**

Industry	2020	2021	% point contribution to growth	Annual Growth
Public Administration and Safety	320	363	0.65%	13.6%
Health Care and Social Assistance	509	551	0.63%	8.3%
Information Media and Telecommunications	152	164	0.18%	7.9%
Retail Trade	351	362	0.15%	2.9%
Administrative and Support Services	153	160	0.09%	4.0%
Financial and Insurance Services	203	208	0.07%	2.4%
Manufacturing	741	743	0.03%	0.3%
Agriculture, Forestry and Fishing	13	15	0.03%	15.3%
Mining	1	1	0.00%	-11.0%
Wholesale Trade	401	401	0.00%	-0.1%
Accommodation and Food Services	113	110	-0.04%	-2.2%
Professional, Scientific and Technical Services	647	644	-0.05%	-0.5%
Other Services	162	158	-0.06%	-2.6%
Education and Training	254	248	-0.10%	-2.7%
Rental, Hiring and Real Estate Services	453	445	-0.13%	-1.9%
Electricity, Gas, Water and Waste Services	226	217	-0.13%	-3.9%
Construction	556	546	-0.16%	-1.9%
Arts and Recreation Services	119	105	-0.21%	-11.7%
Transport, Postal and Warehousing	275	256	-0.29%	-7.0%
Owner-Occupied Property Operation	492.3	518.3	0.39%	5.3%
Unallocated	513.2	506.3	-0.10%	-1.3%
<b>Total</b>	<b>6,657</b>	<b>6,721</b>	<b>1.0%</b>	<b>1.0%</b>

## 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.

- Health Care & Social Assistance made the largest contribution to overall growth in Lower Hutt City between 2020 and 2021. The industry grew by 8.3% over the year and contributed 0.63 percentage points to the district's total growth of 1.0%.
- The next largest contributor was central gov admin, defence & safety (0.63 percentage points) followed by telecomms, internet & library services (0.16 percentage points).
- The largest detractor from growth over the year was Arts & Recreation Services which declined by 11.7% and contributed -0.21 percentage points to the total growth of 1.0%. Beverage & Tobacco Product Manu (-0.19 percentage points) was the next largest detractor.

Table 4: 54 industries ranked by percentage point contribution to growth, 2020-2021

Industry	2020	2021	% point contribution to growth	Annual Growth
Health Care & Social Assistance	509	551	0.63%	8.3%
Central Gov Admin, Defence & Safety	280	322	0.63%	15.0%
Telecomms, Internet & Library Services	89	100	0.16%	12.3%
Finance	127	136	0.14%	7.5%
Building Construction	95	103	0.12%	8.5%
Other Store & Non Store Retailing	202	209	0.10%	3.3%
Fruit, Cereal & Other Food Product Manu	77	84	0.10%	8.4%
Administrative & Support Services	153	160	0.09%	4.0%
Machinery & Other Equipment Manu	77	82	0.08%	6.9%
Wood Product Manufacturing	47	52	0.07%	10.7%
Polymer Product & Rubber Product Manu	152	155	0.04%	1.9%
Non-Metallic Mineral Product Manu	38	41	0.04%	7.1%
Motor Vehicle, Parts & Fuel Retailing	54	56	0.03%	4.0%
Furniture & Other Manufacturing	18	20	0.03%	10.9%
Local Government Administration	40	41	0.02%	4.0%
Supermarket & Specialised Food Retailing	96	97	0.02%	1.4%
Information Media Services	63	64	0.02%	1.8%
Sheep, Beef Cattle & Grain Farming	4	4	0.01%	20.3%
Dairy Cattle Farming	4	4	0.01%	19.8%
Dairy Product Manufacturing	1	2	0.01%	45.9%
Insurance & Superannuation Funds	8	8	0.01%	4.3%
Poultry, Deer & Other Livestock Farming	1	1	0.00%	17.1%
Horticulture & Fruit Growing	1	1	0.00%	19.0%
Forestry & Logging	2	2	0.00%	9.0%
Agric Support Services & Hunting	1	1	0.00%	7.5%
Petroleum & Coal Product Manufacturing	3	3	0.00%	3.5%
Seafood Processing	1	1	0.00%	0.3%
Meat & Meat Product Manufacturing	0	0	0.00%	-
Mining	1	1	0.00%	-11.0%
Fishing & Aquaculture	0	0	0.00%	-27.9%
Wholesale Trade	401	401	0.00%	-0.1%
Rail, Water, Air & Other Transport	1	1	-0.01%	-26.0%
Transport Equipment Manufacturing	33	32	-0.01%	-1.6%
Textile, Leather, Clothing, Footwear Manu	22	21	-0.01%	-3.6%
Printing	40	39	-0.01%	-2.4%
Pulp & Paper Product Manufacturing	35	33	-0.02%	-4.1%
Fabricated Metal Product Manufacturing	59	58	-0.02%	-2.7%
Electricity & Gas Supply	85	84	-0.02%	-1.9%
Primary Metal & Metal Product Manu	14	12	-0.03%	-15.8%
Accommodation & Food Services	113	110	-0.04%	-2.2%
Basic Chemical & Chemical Product Manu	40	37	-0.04%	-6.4%
Professional, Scientific & Tech Services	647	644	-0.05%	-0.5%
Rental & Hiring Services	81	77	-0.06%	-5.0%
Other Services	162	158	-0.06%	-2.6%
Property Operators & Real Estate Services	372	367	-0.07%	-1.2%
Auxiliary Finance & Insurance Services	69	64	-0.07%	-7.3%
Education & Training	254	248	-0.10%	-2.7%
Water, Sewerage & Waste Services	141	133	-0.11%	-5.1%
Road Transport	154	147	-0.11%	-4.7%
Construction Services	302	294	-0.12%	-2.6%
Heavy & Civil Engineering Construction	160	149	-0.16%	-6.8%
Postal, Courier & Warehousing Services	120	108	-0.18%	-9.8%
Beverage & Tobacco Product Manu	85	72	-0.19%	-14.9%
Arts & Recreation Services	119	105	-0.21%	-11.7%
Owner-Occupied Property Operation	492.3	518.3	0.39%	5.3%
Unallocated	513.2	506.3	-0.10%	-1.3%
<b>Total</b>	<b>6,657</b>	<b>6,721</b>	<b>1.0%</b>	<b>1.0%</b>

## In which industries does Lower Hutt City 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 Lower Hutt City has the largest comparative advantages are Polymer Product & Rubber Product Manu (location quotient = 4.8), Water, Sewerage & Waste Services (4.2), and Printing (2.8).

Table 5: Location Quotient, 2021

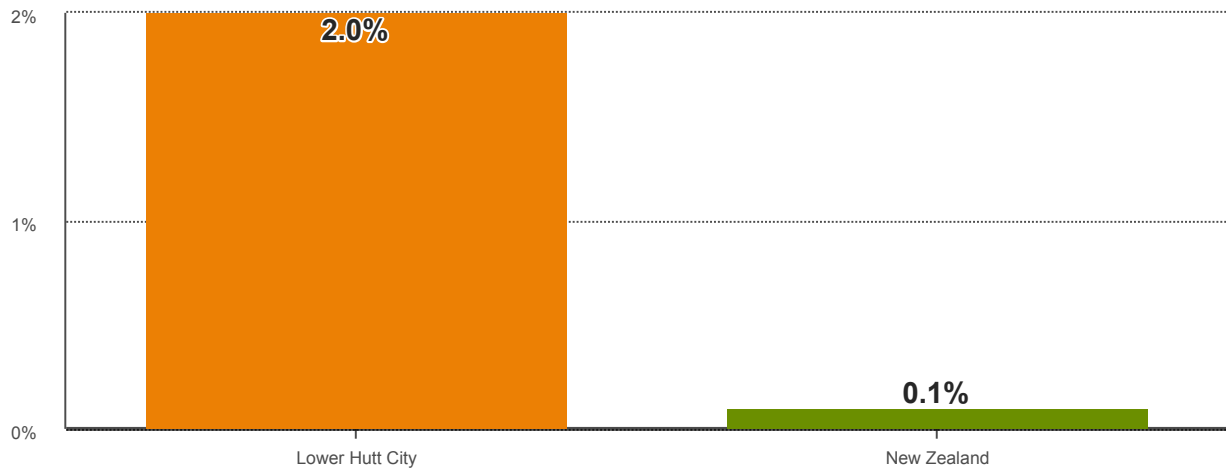
Industry	Lower Hutt City		New Zealand
	Location Quotient	Share of total GDP	Share of total GDP
Polymer Product & Rubber Product Manu	4.8	2.3%	0.5%
Water, Sewerage & Waste Services	4.2	2.0%	0.5%
Printing	2.8	0.6%	0.2%
Pulp & Paper Product Manufacturing	1.7	0.5%	0.3%
Fruit, Cereal & Other Food Product Manu	1.6	1.2%	0.8%
Road Transport	1.5	2.2%	1.4%
Textile, Leather, Clothing, Footwear Manu	1.5	0.3%	0.2%
Wood Product Manufacturing	1.4	0.8%	0.5%
Non-Metallic Mineral Product Manu	1.4	0.6%	0.4%
Administrative & Support Services	1.4	2.4%	1.7%
Other Services	1.4	2.4%	1.7%
Beverage & Tobacco Product Manu	1.3	1.1%	0.8%
Health Care & Social Assistance	1.3	8.2%	6.2%
Construction Services	1.3	4.4%	3.4%
Arts & Recreation Services	1.3	1.6%	1.2%
Heavy & Civil Engineering Construction	1.2	2.2%	1.8%
Wholesale Trade	1.2	6.0%	5.1%
Motor Vehicle, Parts & Fuel Retailing	1.1	0.8%	0.7%
Central Gov Admin, Defence & Safety	1.1	4.8%	4.2%
Fabricated Metal Product Manufacturing	1.1	0.9%	0.8%
Rental & Hiring Services	1.1	1.1%	1.1%
Local Government Administration	1.1	0.6%	0.6%
Professional, Scientific & Tech Services	1.1	9.6%	8.8%
Building Construction	1.1	1.5%	1.4%
Other Store & Non Store Retailing	1.1	3.1%	3.0%
Furniture & Other Manufacturing	1.0	0.3%	0.3%
Education & Training	1.0	3.7%	3.6%
Basic Chemical & Chemical Product Manu	1.0	0.6%	0.6%
Transport Equipment Manufacturing	1.0	0.5%	0.5%
Property Operators & Real Estate Services	1.0	5.5%	5.6%
Machinery & Other Equipment Manu	0.9	1.2%	1.3%
Information Media Services	0.9	0.9%	1.0%
Supermarket & Specialised Food Retailing	0.9	1.4%	1.6%
Auxiliary Finance & Insurance Services	0.9	0.9%	1.0%
Postal, Courier & Warehousing Services	0.9	1.6%	1.8%
Accommodation & Food Services	0.8	1.6%	2.0%
Primary Metal & Metal Product Manu	0.8	0.2%	0.2%
Electricity & Gas Supply	0.6	1.2%	2.2%
Telecomms, Internet & Library Services	0.6	1.5%	2.7%
Finance	0.5	2.0%	3.8%
Poultry, Deer & Other Livestock Farming	0.2	0.0%	0.1%
Insurance & Superannuation Funds	0.1	0.1%	0.9%
Petroleum & Coal Product Manufacturing	0.1	0.0%	0.4%
Seafood Processing	0.1	0.0%	0.2%
Sheep, Beef Cattle & Grain Farming	0.1	0.1%	1.0%
Rail, Water, Air & Other Transport	0.1	0.0%	0.3%
Dairy Product Manufacturing	0.0	0.0%	0.6%
Forestry & Logging	0.0	0.0%	0.6%
Horticulture & Fruit Growing	0.0	0.0%	0.5%
Dairy Cattle Farming	0.0	0.1%	2.0%
Fishing & Aquaculture	0.0	0.0%	0.2%
Agric Support Services & Hunting	0.0	0.0%	0.8%
Mining	0.0	0.0%	1.0%
Meat & Meat Product Manufacturing	0.0	0.0%	0.7%

# EMPLOYMENT

## How fast has employment grown in Lower Hutt City?

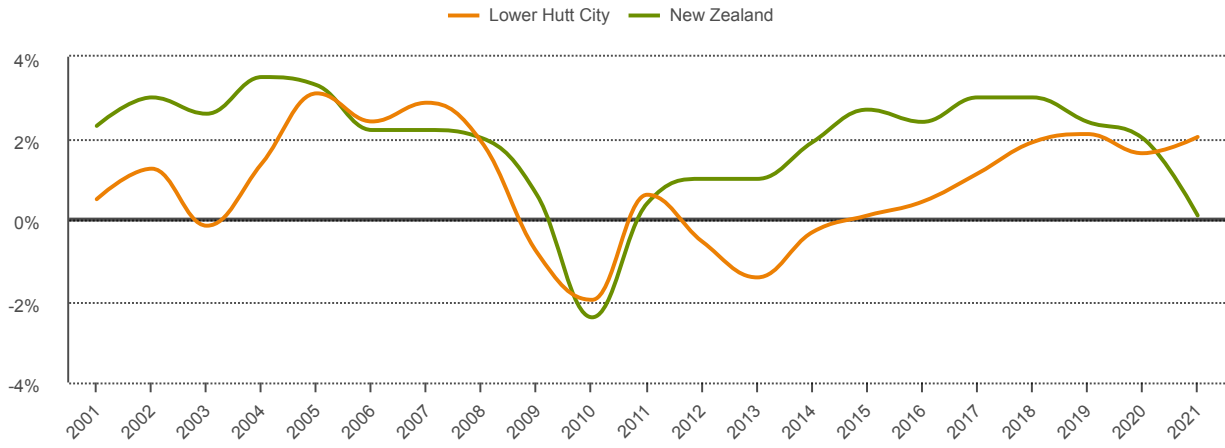
Employment growth provides new opportunities for the region's population to earn income and contribute to the region's economy. This section contrasts Lower Hutt City's recent performance in creating jobs with other regions in the country.

Figure 6: Employment growth, year to Mar 2021



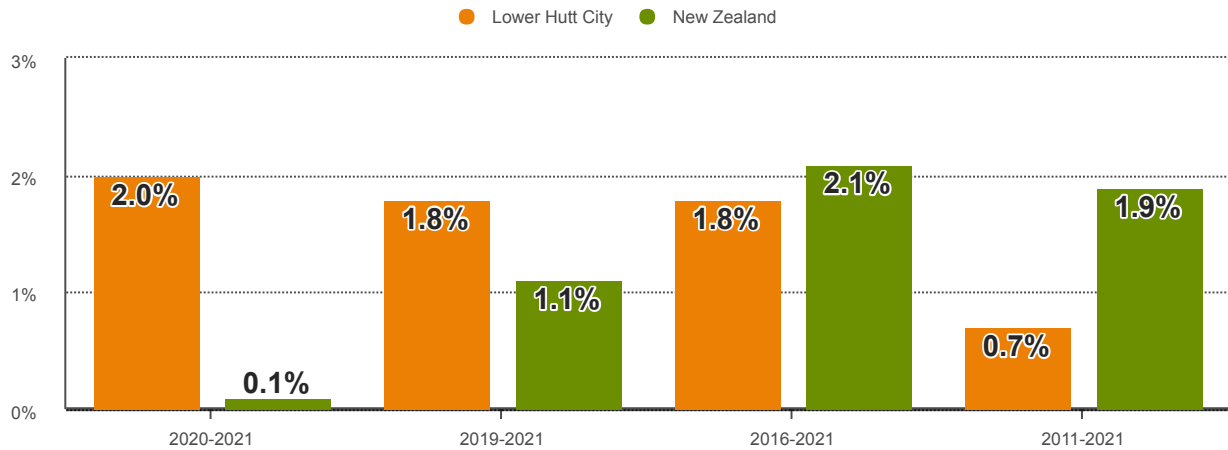
- Total employment in Lower Hutt City averaged 52,567 in the year to March 2021, up 2.0% from a year earlier. Employment in New Zealand increased by 0.1% over the same period.
- Employment growth in Lower Hutt City averaged 0.7%pa over the last 10 years compared with 1.9%pa in the national economy.
- Employment growth in Lower Hutt City reached a high of 3.1% in 2005 and a low of -2.0% in 2010.

Figure 7: Annual average employment growth, 2001-2021



Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	2.9%	1.9%	-0.8%	-2.0%	0.6%	-0.5%	-1.4%	-0.3%	0.1%	0.4%	1.1%	1.9%	2.1%	1.6%	2.0%
New Zealand	2.2%	2.0%	0.6%	-2.4%	0.4%	1.0%	1.0%	1.9%	2.7%	2.4%	3.0%	3.0%	2.4%	2.0%	0.1%

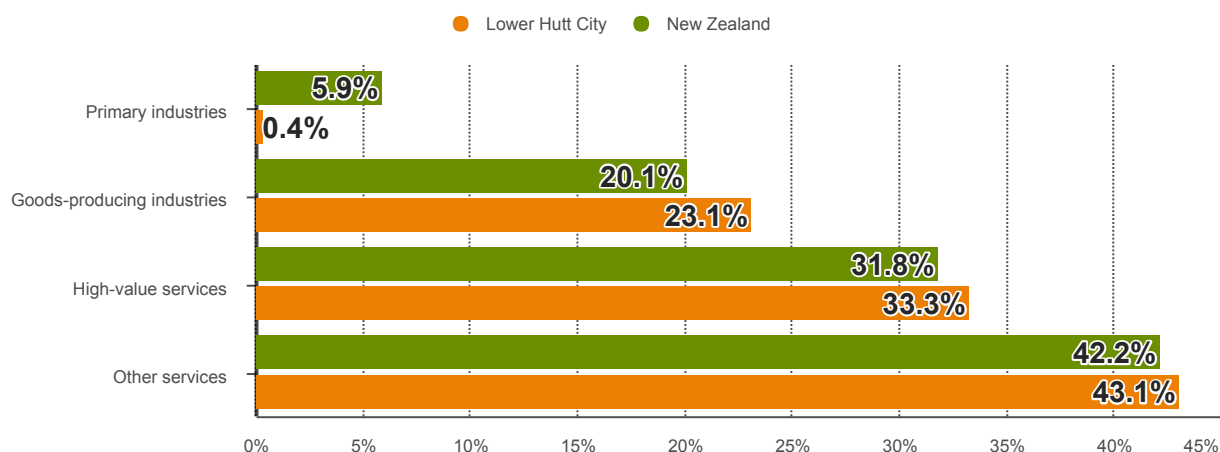
Figure 8: Employment growth over the last 1, 2, 5 & 10 years



## What is the industrial structure of employment in Lower Hutt City?

This section describes the structure of the labour market in terms of the broad sectors of primary industries, goods-producing industries, high-values services and other services. Primary industries make direct use of natural resources. They extract or harvest products from the earth. Goods-producing industries produce manufactured and other processed goods. High-value services include the higher value-adding, knowledge-based service industries. More detail of the sectors is given in the technical appendix.

Figure 9: Employment by broad sector, 2021



- Primary industries accounted for 0.4% in Lower Hutt City compared with 5.9% in New Zealand.
- Goods-producing industries accounted for 23.1% in Lower Hutt City compared with 20.1% in New Zealand.
- Other services industries accounted for the largest proportion of employment (43.1%) in Lower Hutt City, which is higher than in New Zealand (42.2%).
- High-value services accounted for 33.3% in Lower Hutt City compared with 31.8% in New Zealand.



## Which are the largest employing industries in Lower Hutt City?

This section identifies the broad industries that make the largest contribution to employment in Lower Hutt City.

**Table 6: ANZSIC 1-digit industries ranked by size of employment, 2021**

Industry	Lower Hutt City		New Zealand	
	Level	Share of total	Level	Share of total
Construction	6,718	12.8%	264,339	10.1%
Health Care and Social Assistance	6,311	12.0%	262,664	10.1%
Retail Trade	5,232	10.0%	230,256	8.8%
Professional, Scientific and Technical Services	4,888	9.3%	252,284	9.7%
Manufacturing	4,839	9.2%	242,053	9.3%
Education and Training	4,305	8.2%	199,597	7.6%
Administrative and Support Services	3,564	6.8%	130,569	5.0%
Accommodation and Food Services	3,158	6.0%	165,223	6.3%
Wholesale Trade	2,729	5.2%	124,512	4.8%
Public Administration and Safety	2,665	5.1%	139,448	5.3%
Other Services	2,105	4.0%	101,262	3.9%
Transport, Postal and Warehousing	1,710	3.3%	103,968	4.0%
Rental, Hiring and Real Estate Services	1,164	2.2%	63,943	2.4%
Arts and Recreation Services	955	1.8%	47,872	1.8%
Financial and Insurance Services	814	1.5%	70,182	2.7%
Information Media and Telecommunications	596	1.1%	41,212	1.6%
Electricity, Gas, Water and Waste Services	595	1.1%	19,188	0.7%
Agriculture, Forestry and Fishing	194	0.4%	148,313	5.7%
Mining	26	0.0%	5,818	0.2%
<b>Total</b>	<b>52,567</b>	<b>100%</b>	<b>2,612,700</b>	<b>100%</b>

- Among broad industries Construction was the largest in Lower Hutt City in 2021 accounting for 12.8% of total.
- The second largest was Health Care and Social Assistance (12.0%) followed by Retail Trade (10.0%)

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 Lower Hutt City.

- Hospitals (except Psychiatric Hospitals) was the largest 7-digit industry in Lower Hutt City in 2021 employing 1,926 persons and accounting for 3.7% of total employment in the district. By contrast this industry accounted for 3.0% of total employment in New Zealand.
- The second largest employing industries were primary education (1,520) followed by central government administration (1,417).

Table 7: 50 largest employing ANZSIC 7-digit industries, 2021

Rank	Industry	Lower Hutt City		New Zealand
		Jobs	% of total	% of total
1	Hospitals (except Psychiatric Hospitals)	1,926	3.7%	3.0%
2	Primary Education	1,520	2.9%	2.2%
3	Central Government Administration	1,417	2.7%	1.8%
4	Supermarket and Grocery Stores	1,333	2.5%	2.4%
5	Cafes and Restaurants	1,267	2.4%	2.9%
6	Other Allied Health Services	1,233	2.3%	1.4%
7	House Construction	1,195	2.3%	2.1%
8	Buildings Cleaning Services	1,054	2.0%	1.1%
9	Employment Placement and Recruitment Services	1,002	1.9%	0.7%
10	Computer Systems Design and Related Services	997	1.9%	1.8%
11	Management Advice and Other Consulting Services	960	1.8%	1.7%
12	Road Freight Transport	795	1.5%	1.3%
13	Electrical Services	793	1.5%	0.9%
14	Takeaway Food Services	775	1.5%	1.2%
15	Higher Education	734	1.4%	1.4%
16	Labour Supply Services	711	1.4%	1.2%
17	Scientific Research Services	704	1.3%	0.3%
18	Other Residential Care Services	695	1.3%	0.6%
19	Other Heavy and Civil Engineering Construction	688	1.3%	0.8%
20	Secondary Education	687	1.3%	1.4%
21	Preschool Education	681	1.3%	1.1%
22	Other Social Assistance Services	676	1.3%	0.9%
23	Aged Care Residential Services	654	1.2%	1.4%
24	Hardware and Building Supplies Retailing	643	1.2%	0.8%
25	Department Stores	499	0.9%	0.6%
26	Plumbing Services	460	0.9%	0.6%
27	Painting and Decorating Services	430	0.8%	0.6%
28	Catering Services	425	0.8%	0.3%
29	Hairdressing and Beauty Services	419	0.8%	0.7%
30	Engineering Design and Engineering Consulting Services	419	0.8%	1.2%
31	Local Government Administration	413	0.8%	0.9%
32	Printing	412	0.8%	0.2%
33	Real Estate Services	411	0.8%	0.9%
34	Other Automotive Repair and Maintenance	410	0.8%	0.7%
35	Paint and Coatings Manufacturing	384	0.7%	0.0%
36	Clothing Retailing	359	0.7%	0.6%
37	Other Construction Services n.e.c.	350	0.7%	0.5%
38	Car Retailing	347	0.7%	0.5%
39	Road and Bridge Construction	328	0.6%	0.7%
40	General Practice Medical Services	327	0.6%	0.6%
41	Accounting Services	327	0.6%	1.0%
42	Child Care Services	326	0.6%	0.6%
43	Air Conditioning and Heating Services	324	0.6%	0.3%
44	Legal Services	320	0.6%	0.8%
45	Other Hardware Goods Wholesaling	318	0.6%	0.3%
46	Pubs, Taverns and Bars	314	0.6%	0.6%
47	Banking	311	0.6%	1.0%
48	Accommodation	307	0.6%	1.1%
49	Scientific Testing and Analysis Services	304	0.6%	0.2%
50	Other Machinery and Equipment Manufacturing n.e.c.	295	0.6%	0.5%
	<b>All other industries total</b>	<b>19,892</b>	<b>37.8%</b>	<b>49.3%</b>
	<b>Total</b>	<b>52,567</b>	<b>100%</b>	<b>100%</b>

## Which industries have created the most jobs?

The section investigates which industries have created and lost the most number of jobs in Lower Hutt City. 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: ANZSIC 1-digit industries ranked by number of jobs created, 2020-2021**

Industry	2020	2021	Change	Annual Growth
Health Care and Social Assistance	5,891	6,311	419	7.1%
Public Administration and Safety	2,340	2,665	325	13.9%
Construction	6,393	6,718	324	5.1%
Administrative and Support Services	3,240	3,564	324	10.0%
Manufacturing	4,730	4,839	110	2.3%
Electricity, Gas, Water and Waste Services	572	595	23	4.0%
Agriculture, Forestry and Fishing	172	194	23	13.2%
Financial and Insurance Services	804	814	10	1.2%
Information Media and Telecommunications	594	596	2	0.3%
Other Services	2,106	2,105	-1	-0.1%
Mining	29	26	-3	-9.2%
Education and Training	4,322	4,305	-17	-0.4%
Rental, Hiring and Real Estate Services	1,185	1,164	-20	-1.7%
Professional, Scientific and Technical Services	4,934	4,888	-46	-0.9%
Wholesale Trade	2,780	2,729	-51	-1.8%
Transport, Postal and Warehousing	1,779	1,710	-69	-3.9%
Accommodation and Food Services	3,236	3,158	-77	-2.4%
Arts and Recreation Services	1,036	955	-81	-7.8%
Retail Trade	5,380	5,232	-148	-2.8%
<b>Total</b>	<b>51,522</b>	<b>52,567</b>	<b>1,046</b>	<b>2.0%</b>

- Health Care and Social Assistance made the largest contribution to employment growth in Lower Hutt City between 2020 and 2021 with the industry adding 419 jobs.
- The next largest contributor was Public Administration and Safety (325 jobs) followed by Construction (324 jobs).
- The largest detractor from growth over the year was Retail Trade in which employment declined by 148.

The table on the next page shows the 20 industries (out of a total of approximately 500 industries of the ANZSIC 2006 industry classification<sup>1</sup>) that created the most number of jobs over the past year. Table 15 shows the 20 detailed industries that made the lowest contribution to job creation over the same period.

- Central Government Administration was the largest creator of jobs in Lower Hutt City between 2020 and 2021, generating an additional 273 positions.
- This was followed by Building Cleaning, Pest Control and Gardening Services, which added 193 jobs over the same period.
- Management and Other Consulting Services was the largest detractor of jobs in Lower Hutt City between 2020 and 2021, losing 144 positions.
- This was followed by Cafes, Restaurants and Takeaway Food Services, which lost 118 jobs over the same period.

Table 9: The 20 ANZSIC 4-digit industries that created the most jobs, 2020-2021

Rank	Industry	Jobs		Change 2020 - 2021	% of total 2021
		2020	2021		
1	Central Government Administration	1,145	1,417	273	2.7%
2	Building Cleaning, Pest Control and Gardening Services	1,055	1,248	193	2.4%
3	Residential Building Construction	1,232	1,408	176	2.7%
4	Allied Health Services	1,406	1,547	141	2.9%
5	Employment Services	1,590	1,713	123	3.3%
6	Hospitals	1,816	1,926	110	3.7%
7	Other Social Assistance Services	585	676	91	1.3%
8	Building Installation Services	1,892	1,963	71	3.7%
9	Pubs, Taverns and Bars	245	314	69	0.6%
10	Residential Care Services	1,287	1,349	61	2.6%
11	Computer Systems Design and Related Services	939	997	58	1.9%
12	Public Order and Safety Services	430	478	48	0.9%
13	Hardware, Building and Garden Supplies Retailing	649	695	46	1.3%
14	Polymer Product Manufacturing	606	651	45	1.2%
15	Building Completion Services	954	999	44	1.9%
16	Non-Residential Building Construction	217	257	40	0.5%
17	Depository Financial Intermediation	289	326	36	0.6%
18	Scientific Research Services	671	704	33	1.3%
19	Warehousing and Storage Services	123	154	30	0.3%
20	Property Operators	415	443	29	0.8%
	<b>All other industries</b>	<b>33,977</b>	<b>33,305</b>	<b>-673</b>	<b>63.4%</b>
	<b>Total</b>	<b>51,522</b>	<b>52,567</b>	<b>1,046</b>	<b>100%</b>

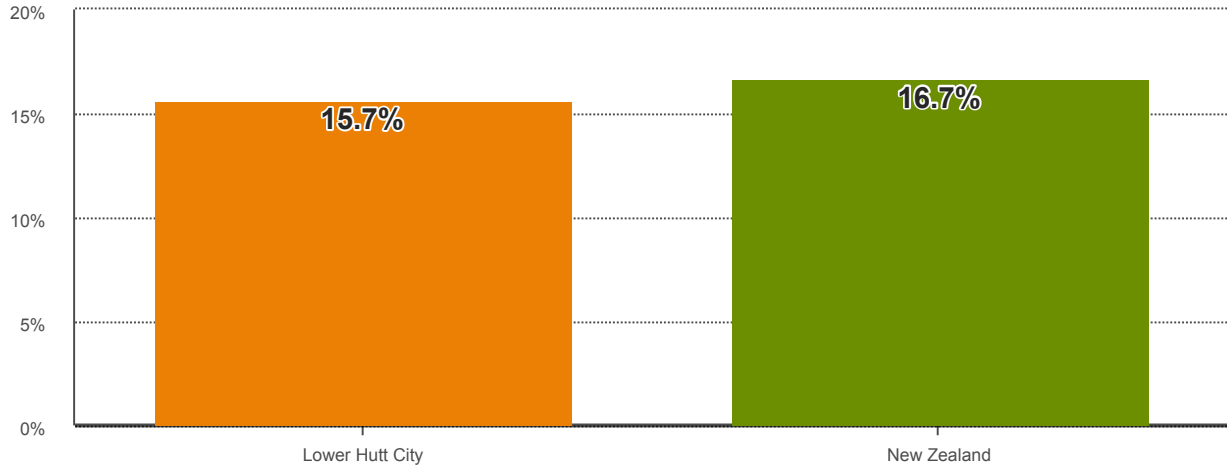
Table 10: The 20 ANZSIC 4-digit industries that lost the most jobs, 2020-2021

Rank	Industry	Jobs		Change 2020 - 2021	% of total 2021
		2020	2021		
1	Management and Other Consulting Services	1,283	1,139	-144	2.2%
2	Cafes, Restaurants and Takeaway Food Services	2,585	2,467	-118	4.7%
3	Postal and Courier Pick-up and Delivery Services	352	262	-90	0.5%
4	Preschool Education	761	681	-80	1.3%
5	Clothing, Footwear and Personal Accessories Retailing	599	530	-69	1.0%
6	Gambling Activities	396	330	-66	0.6%
7	Supermarket and Grocery Stores	1,395	1,333	-62	2.5%
8	Other Personal Services	363	306	-57	0.6%
9	Department Stores	555	499	-56	0.9%
10	Timber and Hardware Goods Wholesaling	422	372	-50	0.7%
11	Cigarette and Tobacco Product Manufacturing	178	129	-49	0.2%
12	Auxiliary Finance and Investment Services	307	266	-41	0.5%
13	Road Passenger Transport	394	357	-37	0.7%
14	Real Estate Services	444	411	-33	0.8%
15	Specialised Industrial Machinery and Equipment Wholesaling	290	258	-33	0.5%
16	Sport and Physical Recreation Activities	408	384	-24	0.7%
17	Other Health Care Services	69	46	-23	0.1%
18	Accommodation	328	307	-20	0.6%
19	Heavy and Civil Engineering Construction	1,035	1,015	-19	1.9%
20	Veterinary Services	77	58	-19	0.1%
	<b>All other industries</b>	<b>39,282</b>	<b>41,416</b>	<b>2,134</b>	<b>78.8%</b>
	<b>Total</b>	<b>51,522</b>	<b>52,567</b>	<b>1,046</b>	<b>100%</b>

## What proportion of the workforce is self-employed in Lower Hutt City?

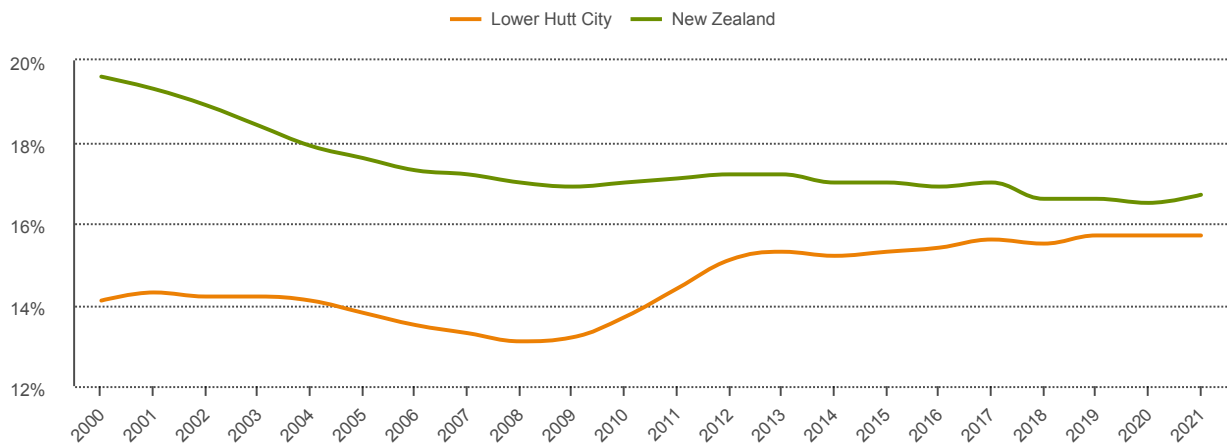
Self-employment makes up a sizeable proportion of total employment in New Zealand although it declined through the economic boom years and stabilised since the recession. This section contrasts self-employment in Lower Hutt City with the national economy.

Figure 10: Self employment rate, 2021



- Self-employed workers accounted for 15.7% of the workforce in Lower Hutt City in 2021, which was a lower rate than in the national economy (16.7%)
- A total of 8,235 workers were self-employed in Lower Hutt City in 2021.

Figure 11: Self employment rate, 2000-2021



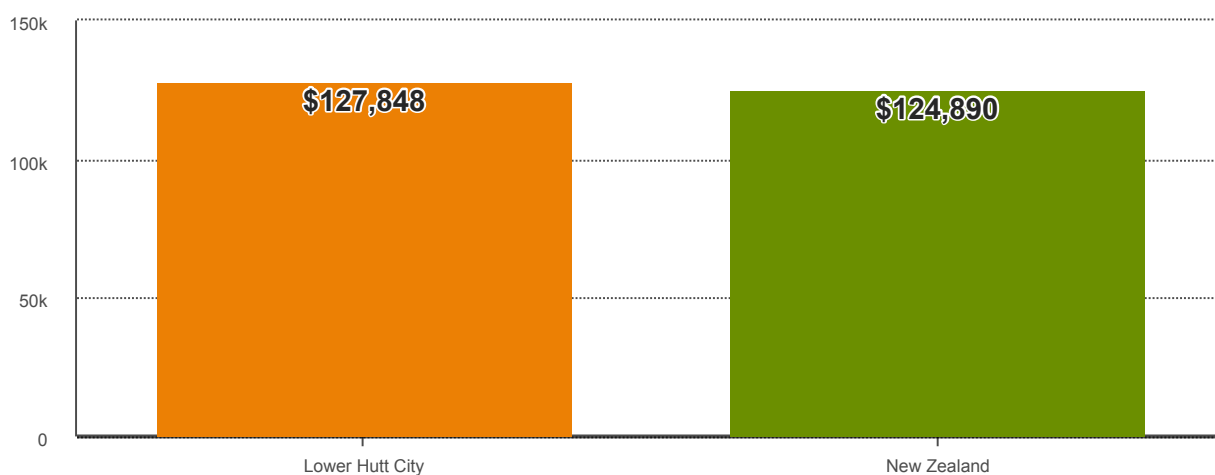
Level	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	13.3%	13.1%	13.2%	13.7%	14.4%	15.1%	15.3%	15.2%	15.3%	15.4%	15.6%	15.5%	15.7%	15.7%	15.7%
New Zealand	17.2%	17.0%	16.9%	17.0%	17.1%	17.2%	17.2%	17.0%	17.0%	16.9%	17.0%	16.6%	16.6%	16.5%	16.7%

# 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.

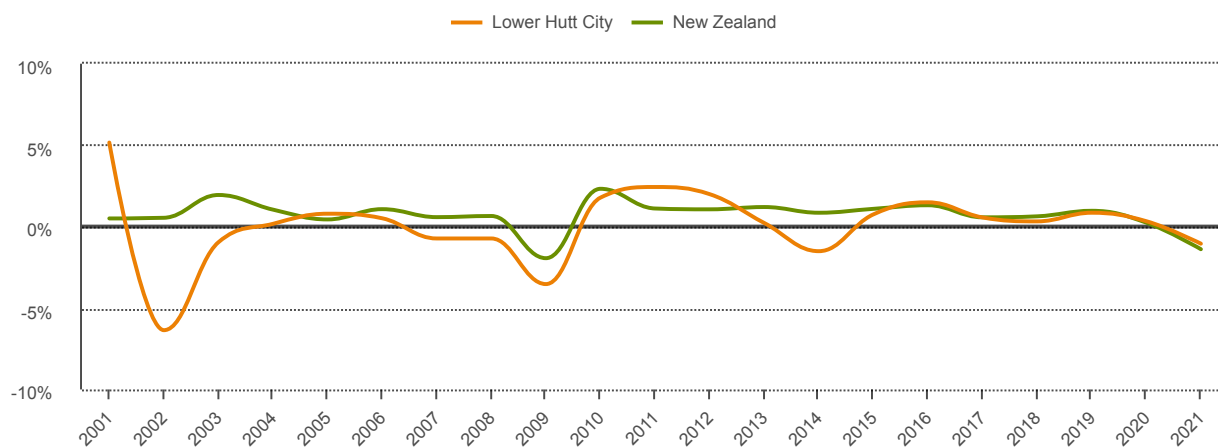
This section describes Lower Hutt City's productivity level during the year to March 2021 and previous years. Productivity is measured by GDP per employee (in constant 2021 prices).

Figure 12: Productivity, 2021



- GDP per employee in Lower Hutt City measured \$127,848 in the year to March 2021, which was 2.4% higher than in New Zealand.
- Productivity in Lower Hutt City decreased by 1.1% from a year earlier compared with an decrease of 1.4% in New Zealand).
- Productivity growth in Lower Hutt City averaged 0.4%pa over the last ten years compared with an average of 0.7%pa in New Zealand.

Figure 13: Productivity growth, 2001-2021



Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	-0.7%	-0.7%	-3.5%	1.8%	2.4%	2.0%	0.2%	-1.5%	0.7%	1.5%	0.6%	0.3%	0.9%	0.3%	-1.1%
New Zealand	0.6%	0.7%	-1.9%	2.3%	1.1%	1.1%	1.2%	0.9%	1.1%	1.3%	0.6%	0.6%	1.0%	0.2%	-1.4%

## What are the most productive industries in Lower Hutt City?

This section ranks industries according to their level of GDP per employee in Lower Hutt City. 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 11 below ranks broad industries by GDP per employee in Lower Hutt City 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: ANZSIC 1-digit industries ranked by productivity, 2021**

Industry	Productivity		Capital intensity
	Lower Hutt City	New Zealand	New Zealand
Rental, Hiring and Real Estate Services	381,852	337,663	0.82
Electricity, Gas, Water and Waste Services	364,753	458,851	0.77
Information Media and Telecommunications	275,055	295,003	0.58
Financial and Insurance Services	255,731	267,096	0.56
Manufacturing	153,590	124,965	0.43
Transport, Postal and Warehousing	149,706	110,675	0.42
Wholesale Trade	146,957	133,172	0.41
Public Administration and Safety	136,250	111,653	0.20
Professional, Scientific and Technical Services	131,791	114,072	0.23
Arts and Recreation Services	110,024	83,219	0.36
Health Care and Social Assistance	87,317	76,971	0.12
Construction	81,232	81,631	0.26
Agriculture, Forestry and Fishing	76,847	114,827	0.60
Other Services	75,090	55,446	0.19
Retail Trade	69,107	74,285	0.32
Education and Training	57,523	58,771	0.26
Administrative and Support Services	44,756	42,716	0.20
Mining	37,493	580,531	0.76
Accommodation and Food Services	34,967	38,765	0.25
<b>Total</b>	<b>127,848</b>	<b>124,890</b>	

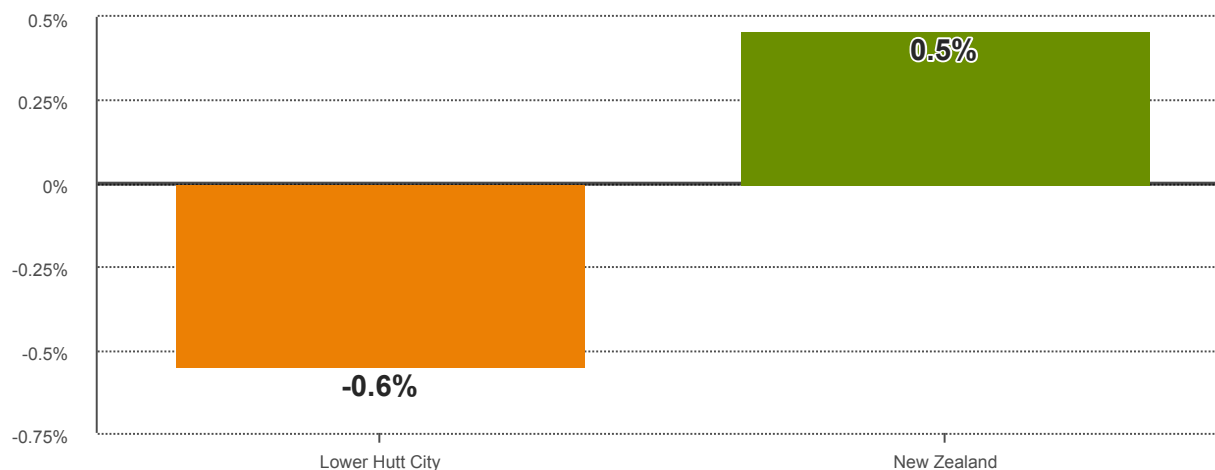


# BUSINESS GROWTH

## How fast did the number of business units grow in Lower Hutt City?

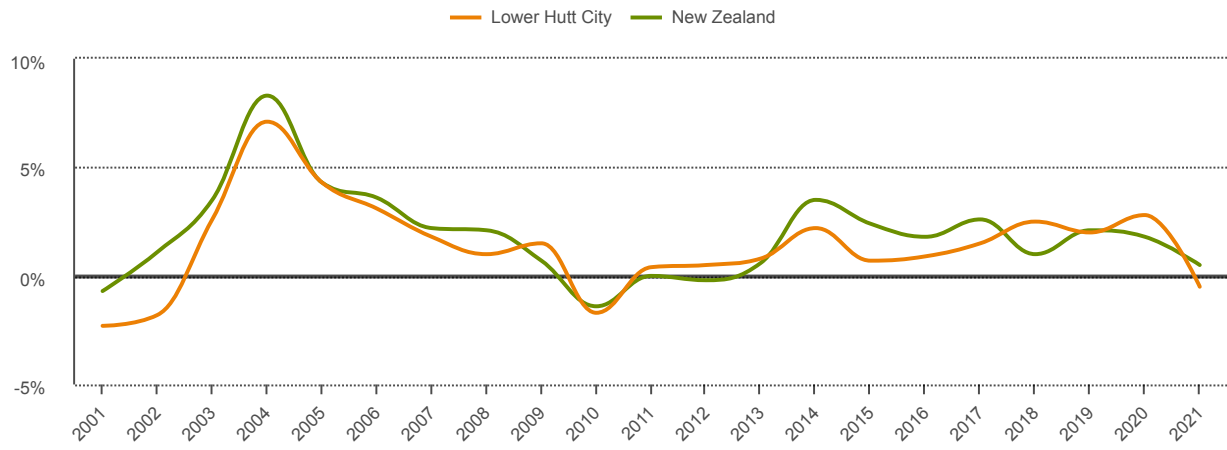
Growth in the number of business units is an indicator of entrepreneurial activity. It indicates an environment in which entrepreneurs are prepared to take risks to start new ventures. This section contrasts Lower Hutt City's recent performance in business unit growth with other regions in the country.

Figure 14: Business unit growth, year to Mar 2021



- A total of 10,884 business units were recorded in Lower Hutt City in 2021, down 0.5% from a year earlier.
- The number of business units in New Zealand increased by 0.5% over the same period.
- Growth in the number of business units in Lower Hutt City averaged 1.3%pa over the past 10 years compared with 1.6%pa in the national economy.
- Business unit growth in Lower Hutt City varied from a high of 7.1% in 2004 to a low of -2.3% in 2001.

Figure 15: Annual average business unit growth, 2001-2021



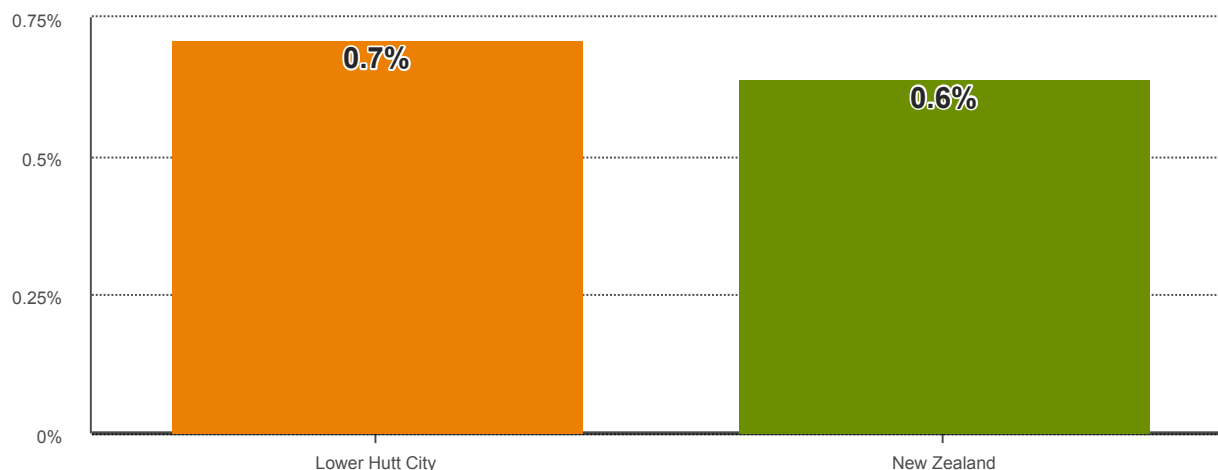
Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	1.8%	1.0%	1.5%	-1.7%	0.4%	0.5%	0.8%	2.2%	0.7%	0.9%	1.5%	2.5%	2.0%	2.8%	-0.5%
New Zealand	2.2%	2.1%	0.7%	-1.4%	0.0%	-0.2%	0.6%	3.5%	2.4%	1.8%	2.6%	1.0%	2.1%	1.8%	0.5%

# POPULATION GROWTH

## How fast has Lower Hutt City'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 Lower Hutt City's recent population growth with other districts and the country as a whole.

Figure 16: Population growth, year to Jun 2021



- Lower Hutt City's population was 112,800 in 2021, up 0.7% from a year earlier. New Zealand's total population grew by 0.6% over the same period.
- Population growth in Lower Hutt City averaged 1.3%pa over the last 5 years compared with 1.7%pa in New Zealand.
- Since 1996 growth in Lower Hutt City reached a high of 1.9%pa in 2016 and a low of -0.5%pa in 2012.

Figure 17: Annual population growth, 1997-2021

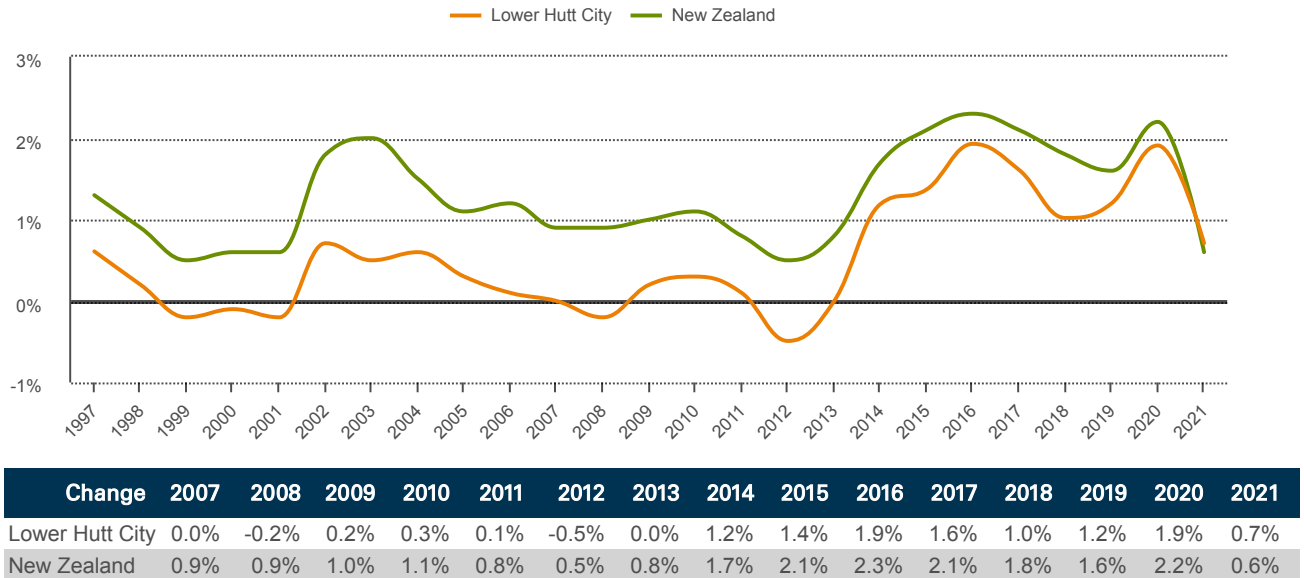
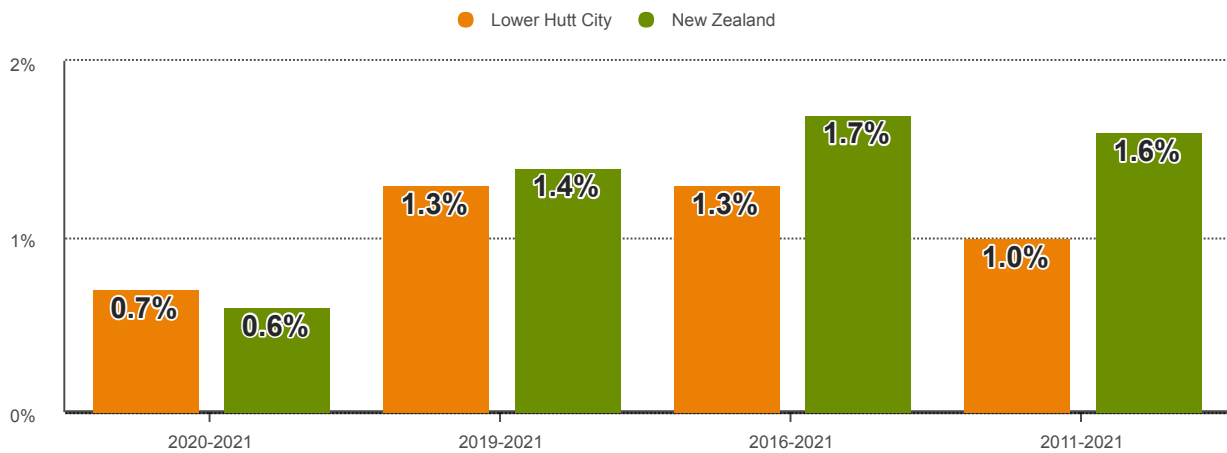


Figure 18: Population growth over the last 1, 2, 5, and 10 years

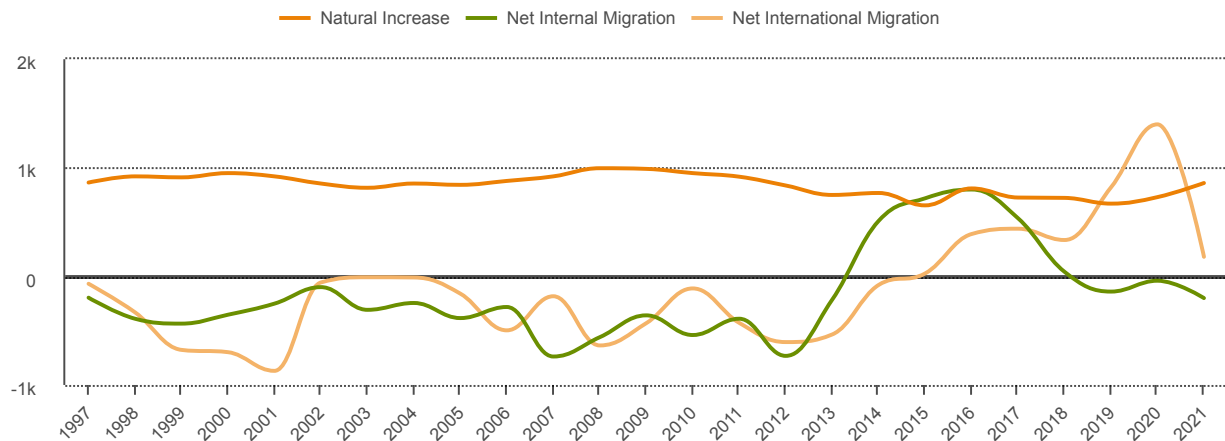


## What is the source of Lower Hutt City's population growth?

A region's population can grow through natural growth (births less deaths), net internal migration, and net international migration. This section describes the relative contributions of these two sources to population growth in Lower Hutt City.

- Lower Hutt City's population increased by 800 people in the year to June 2021. This net increase was made up of an internal net migration of -200, an international net migration of 180, and natural increase of 860.

Figure 19: Population source of Lower Hutt City, 1997-2021

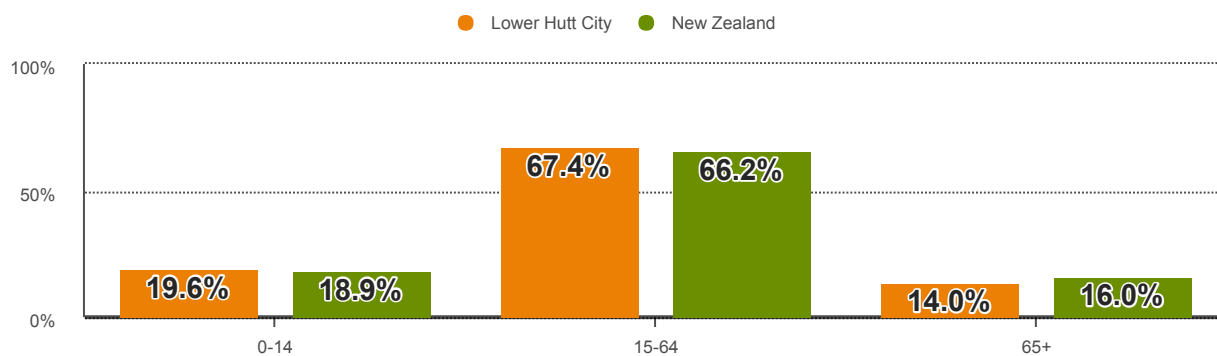


- The relative contribution of total net migration to natural growth in Lower Hutt City was lower than New Zealand in 2021.

## What is the age structure of Lower Hutt City's population?

- In 2021, 67.4% of Lower Hutt City's population was of working age (15-64). This was significantly higher than the proportion of the national population (66.2%).
- Lower Hutt City had a slightly higher proportion (19.6%) of young people (0-14) than the country as a whole (18.9%) and a significantly lower proportion (14.0%) of people 65 years and older compared with New Zealand (16.0%).
- Overall the dependency ratio in Lower Hutt City (48.3%) was lower than in the national economy (51.1%). 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 2021



# STANDARD OF LIVING

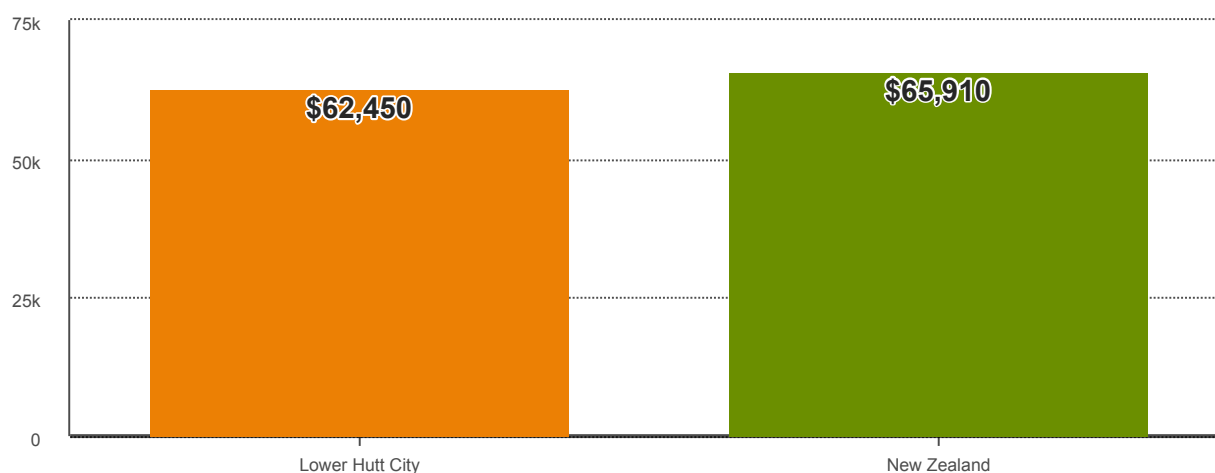
This section describes a few indicators of economic standard of living. It investigates average earnings, house prices and housing affordability.

## What are the mean earnings in Lower Hutt City?

**Income earned** in employment is an important source of household income, well-being and choices available. Average earnings in an area are determined by a number of factors including the industries in the area, the skills required in these industries and the ability of employers to find appropriately skilled labour.

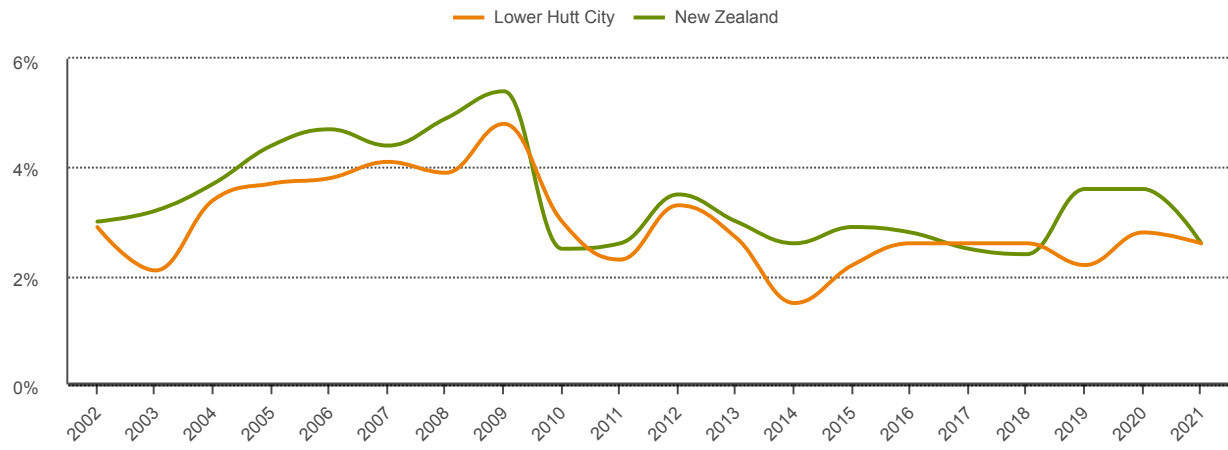
This section looks at how average annual earnings in the Lower Hutt City has changed over time and how this compares against annual average earnings nationally.

Figure 21: Earnings, 2021



- Mean annual earnings in Lower Hutt City was \$62,450 in the year to March 2021, which was lower than the New Zealand mean of \$65,910.
- Mean earnings in Lower Hutt City increased by 2.6% over the year to March 2021 compared with an increase of 2.6% in New Zealand.
- Over the last ten years earnings growth in Lower Hutt City reached a maximum of 4.8% in 2009 and a minimum of 1.5% in 2014.

Figure 22: Annual earnings growth, 2002-2021



Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	4.1%	3.9%	4.8%	3.0%	2.3%	3.3%	2.7%	1.5%	2.2%	2.6%	2.6%	2.6%	2.2%	2.8%	2.6%
New Zealand	4.4%	4.9%	5.4%	2.5%	2.6%	3.5%	3.0%	2.6%	2.9%	2.8%	2.5%	2.4%	3.6%	3.6%	2.6%

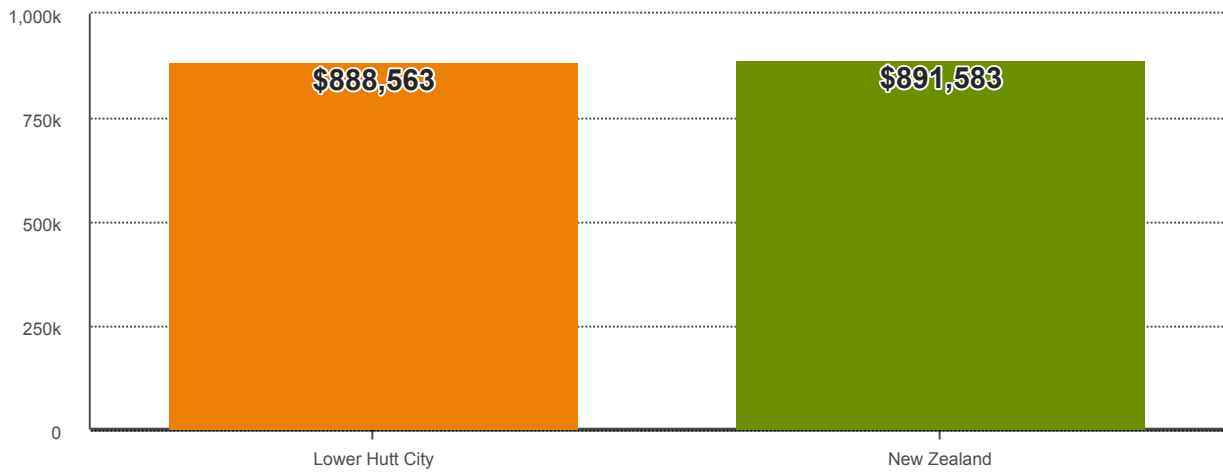
- Mean annual earnings in Lower Hutt City was \$62,450 in the year to March 2021, which was lower than the New Zealand mean of \$65,910.
- Mean earnings in Lower Hutt City increased by 2.6% over the year to March 2021 compared with an increase of 2.6% in New Zealand.
- Over the last ten years earnings growth in Lower Hutt City reached a maximum of 4.8% in 2009 and a minimum of 1.5% in 2014.



## How do house prices in Lower Hutt City compare?

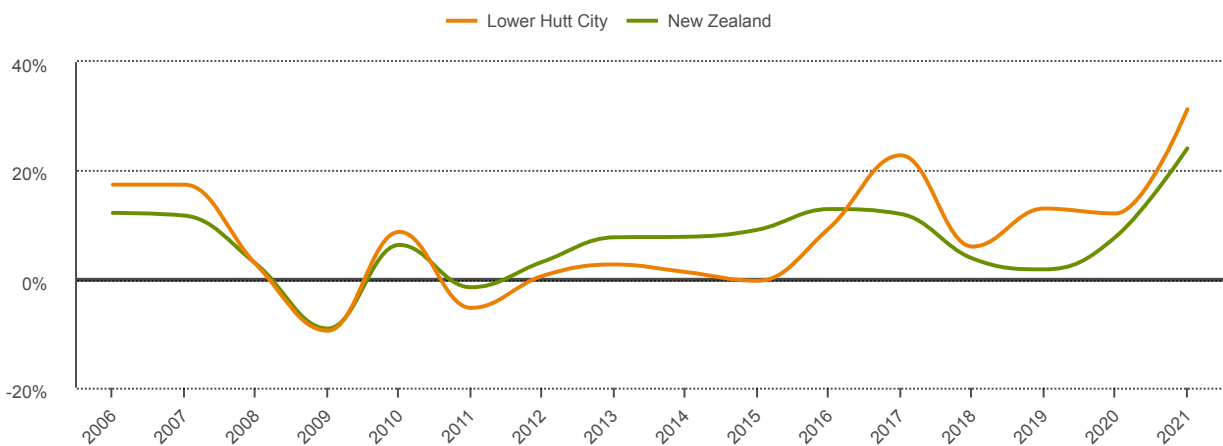
The cost of housing is a major component of household spending. This section describes the cost of housing in Lower Hutt City relative to the rest of the country.

Figure 23: Average current house value, 2021



- The Average current house value in Lower Hutt City was \$888,563 in 2021, which was lower than the New Zealand median of \$891,583.
- House price growth in Lower Hutt City was 31.3% for the year to March 2021. Growth was stronger than in New Zealand (24.1%).

Figure 24: Annual Average current house value growth, 2006-2021

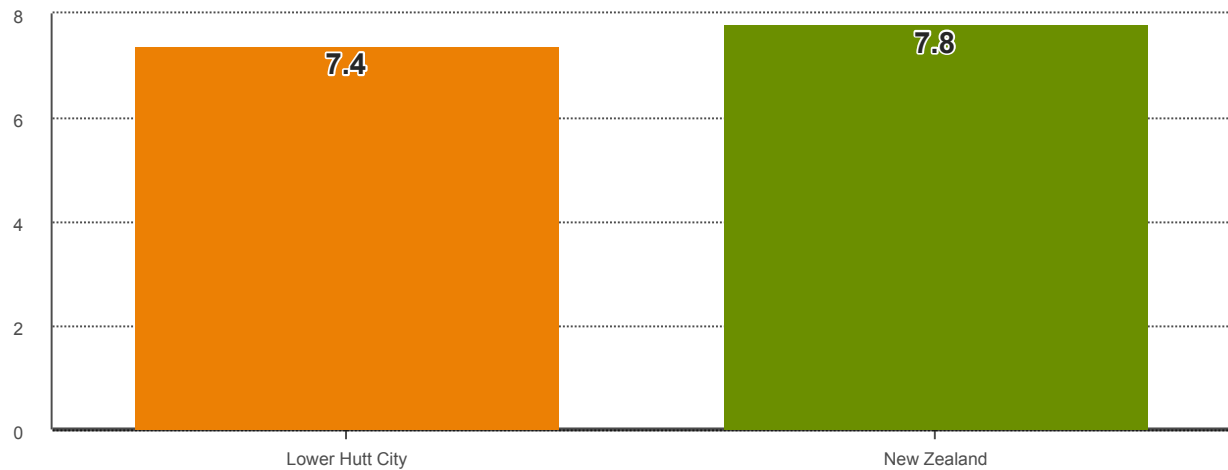


Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	17.4%	2.7%	-9.5%	8.7%	-5.3%	0.6%	2.7%	1.3%	-0.3%	9.4%	22.8%	6.0%	13.0%	12.1%	31.3%
New Zealand	11.7%	2.8%	-9.1%	6.3%	-1.5%	3.2%	7.7%	7.8%	9.1%	12.9%	12.0%	3.8%	1.8%	7.8%	24.1%

## How affordable is housing in Lower Hutt City?

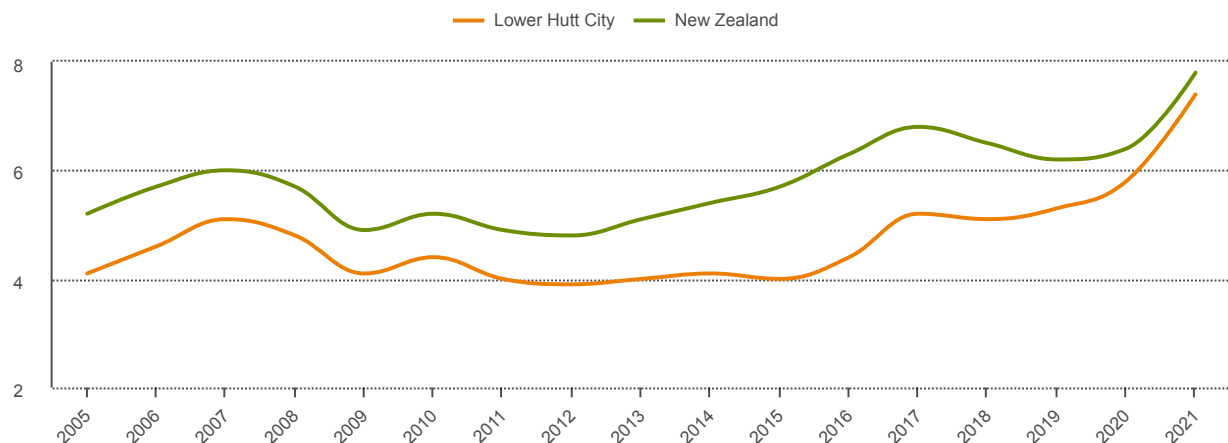
This section investigates the affordability of housing by comparing average current house values with average earnings. We have estimated a housing affordability index which is the ratio of the average current house value to annual average earnings measured in the Linked Employer Employee Data. A higher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

Figure 25: Housing affordability index, 2021



- The housing affordability index in Lower Hutt City was 7.4 in the year to March 2021, which was lower than New Zealand's index of 7.8. This means that housing is more affordable in Lower Hutt City than in New Zealand.

Figure 26: Housing affordability, 2005-2021



Level	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	5.1	4.8	4.1	4.4	4.0	3.9	4.0	4.1	4.0	4.4	5.2	5.1	5.3	5.8	7.4
New Zealand	6.0	5.7	4.9	5.2	4.9	4.8	5.1	5.4	5.7	6.3	6.8	6.5	6.2	6.4	7.8

# PERFORMANCE OF KEY INDUSTRIES

## How well has the high and medium technology industry performed?

The section describes the performance of the first key industry in Lower Hutt City: high and medium technology. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

A definition of the high and medium technology industry is provided at the end of this report.

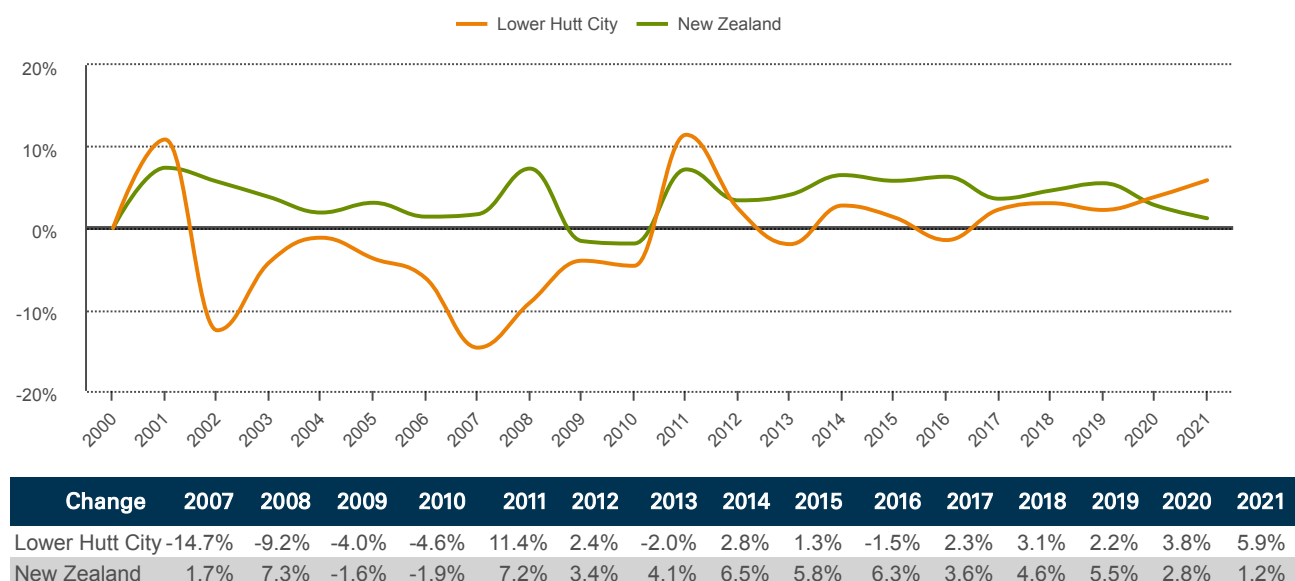
**Table 12: Economic indicators for the high and medium technology industry**

Indicator	2021	Industry share of regional economy	Regional share of national industry	Growth 2020 - 2021	
				Lower Hutt City	New Zealand
GDP	\$612m	9.1%	2.1%	5.9%	1.2%
Employment	4,047	7.7%	2.2%	4.7%	0.9%
Business units	1,065	9.8%	2.8%	-2.5%	0.9%

### Economic output

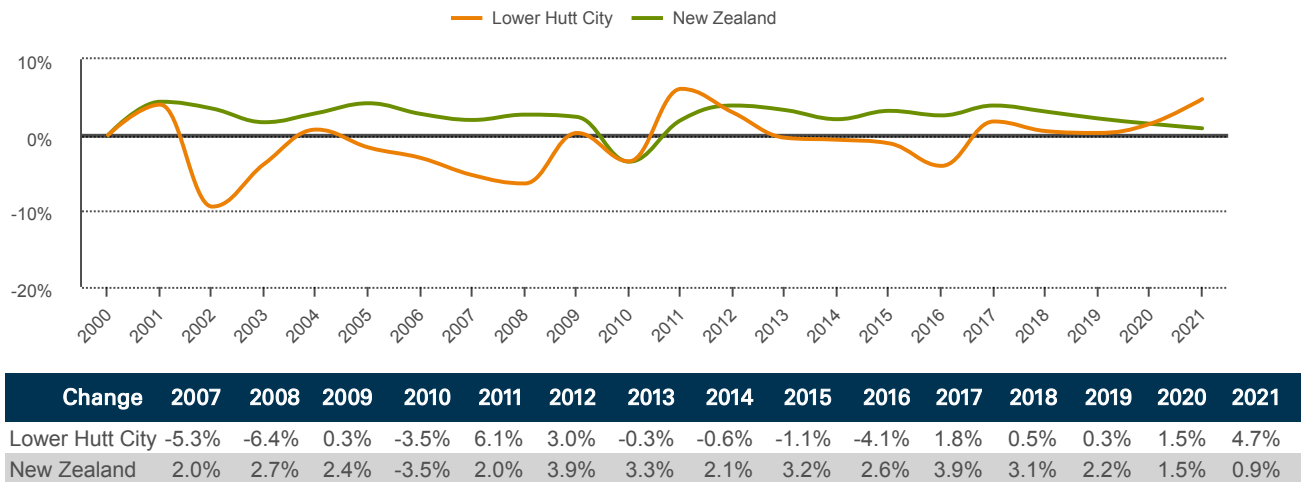
- The High and medium technology industry contributed \$612m towards GDP in Lower Hutt City in the year to March 2021. This amounted to 9.1% of Lower Hutt City's total economic output in 2021, up from 8.3% in ten years prior.
- Economic output in Lower Hutt City's High and medium technology industry grew by 5.9% in the year to March 2021 compared with growth of 1.2% in the industry nationally.
- Growth in the High and medium technology industry in Lower Hutt City has averaged -1.1% since 2000. Growth peaked at 11.4% in 2011.

**Figure 27: Output growth in the high and medium technology industry**



## Employment

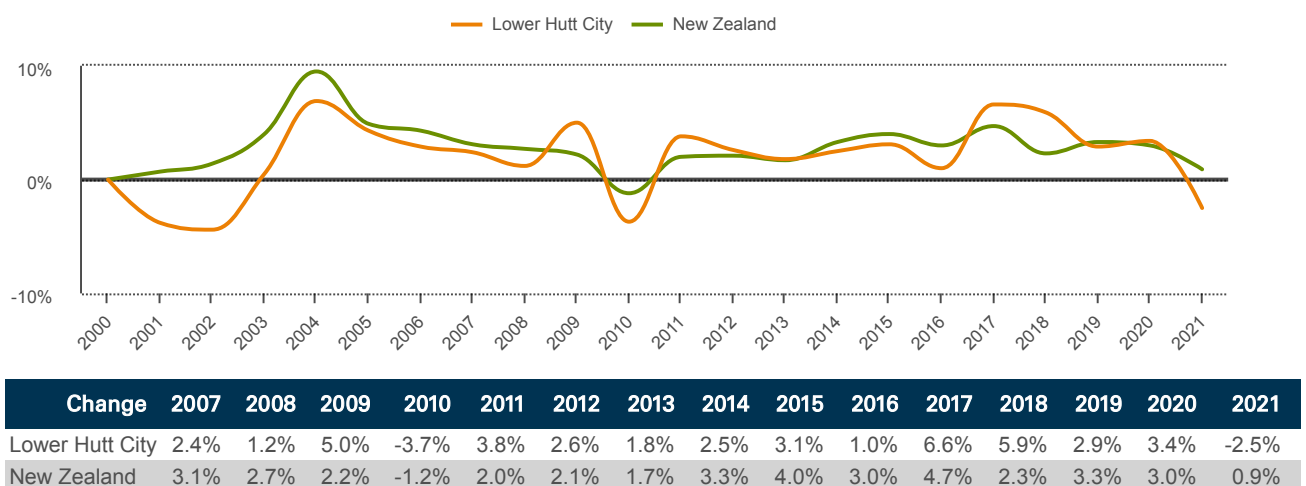
Figure 28: Employment growth in the high and medium technology industry



- The High and medium technology industry employed 4,047 persons in Lower Hutt City in the year to March 2021 which was up from 3,833 in ten years prior.
- Employment growth in Lower Hutt City's High and medium technology industry averaged 4.7% in the year to March 2021, compared with growth of 0.9% in the industry nationally.
- Employment growth in the High and medium technology industry in Lower Hutt City has averaged -0.8% since 2000. Growth peaked at 6.1% in 2011.

## Business units

Figure 29: Growth in business units in the high and medium technology industry



## How well has the education, health and community services industry performed?

The section describes the performance of the first key industry in Lower Hutt City: education, health and community services. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

A definition of the education, health and community services industry is provided at the end of this report.

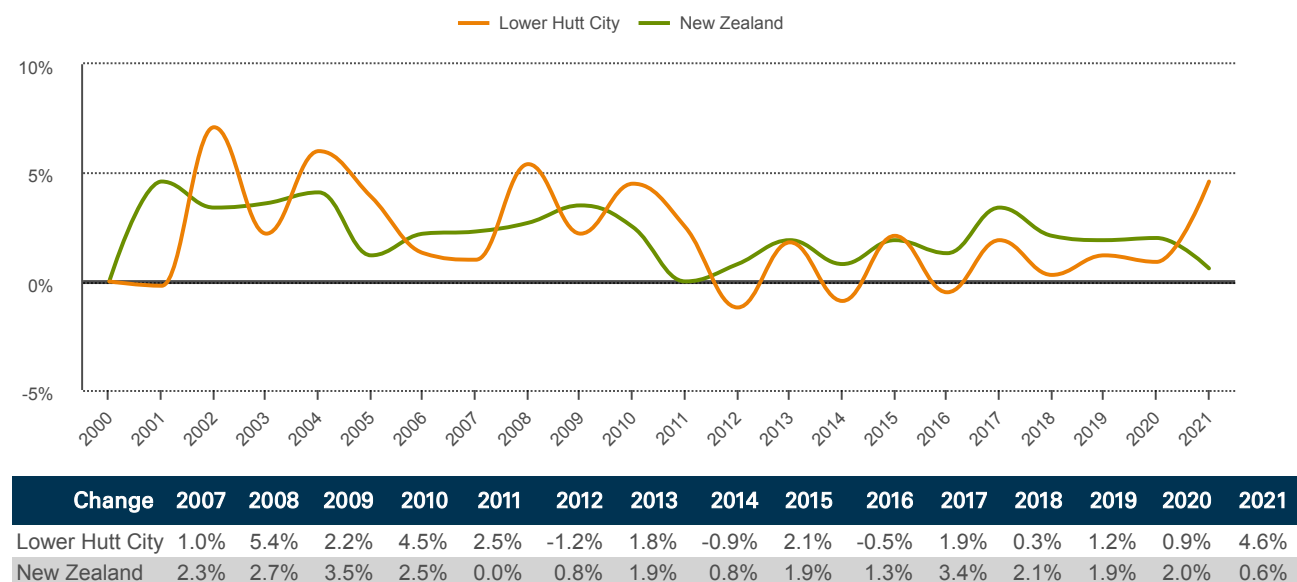
**Table 13: Economic indicators for the education, health and community services industry**

Indicator	2021	Industry share of regional economy	Regional share of national industry	Growth 2020 - 2021	
				Lower Hutt City	New Zealand
GDP	\$799m	11.9%	2.5%	4.6%	0.6%
Employment	10,615	20.2%	2.3%	3.9%	1.1%
Business units	720	6.6%	1.9%	0.8%	2.5%

### Economic output

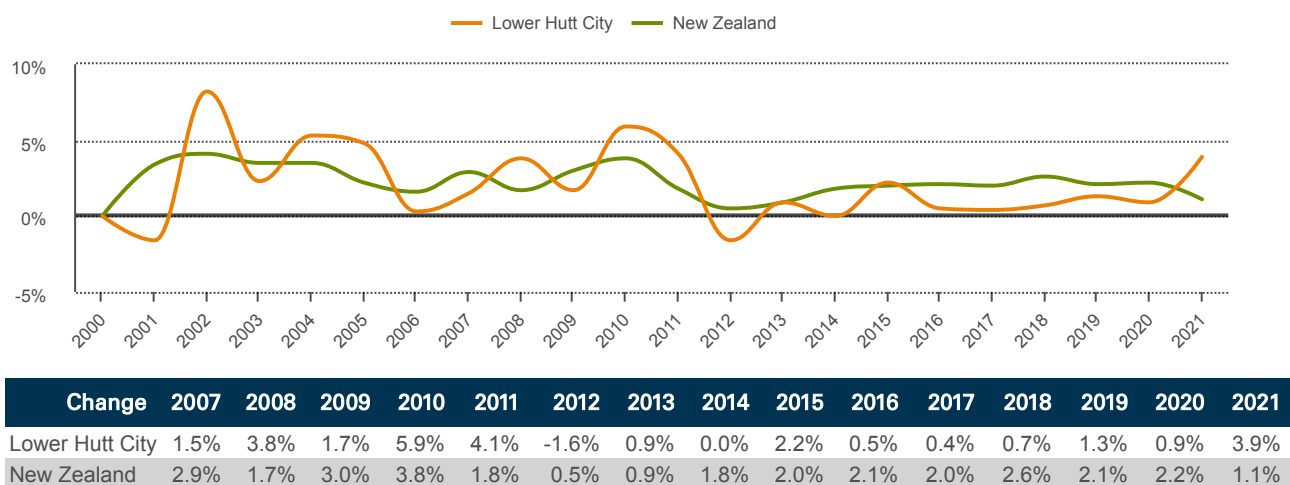
- The Education, health and community services industry contributed \$799m towards GDP in Lower Hutt City in the year to March 2021. This amounted to 11.9% of Lower Hutt City's total economic output in 2021, down from 12.0% in ten years prior.
- Economic output in Lower Hutt City's Education, health and community services industry grew by 4.6% in the year to March 2021 compared with growth of 0.6% in the industry nationally.
- Growth in the Education, health and community services industry in Lower Hutt City has averaged 2.2% since 2000. Growth peaked at 7.1% in 2002.

**Figure 30: Output growth in the education, health and community services industry**



## Employment

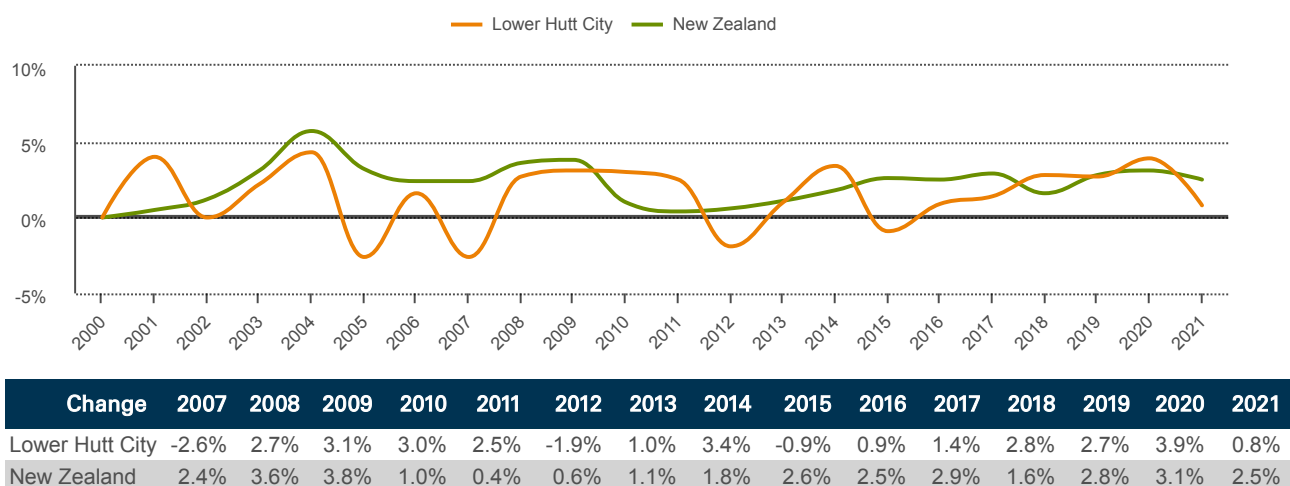
Figure 31: Employment growth in the education, health and community services industry



- The Education, health and community services industry employed 10,615 persons in Lower Hutt City in the year to March 2021 which was up from 9,692 in ten years prior.
- Employment growth in Lower Hutt City's Education, health and community services industry averaged 3.9% in the year to March 2021, compared with growth of 1.1% in the industry nationally.
- Employment growth in the Education, health and community services industry in Lower Hutt City has averaged 2.1% since 2000. Growth peaked at 8.2% in 2002.

## Business units

Figure 32: Growth in business units in the education, health and community services industry



## How well has the retail, accommodation, bars, cafes & restaurants industry performed?

The section describes the performance of the first key industry in Lower Hutt City: retail, accommodation, bars, cafes & restaurants. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

A definition of the retail, accommodation, bars, cafes & restaurants industry is provided at the end of this report.

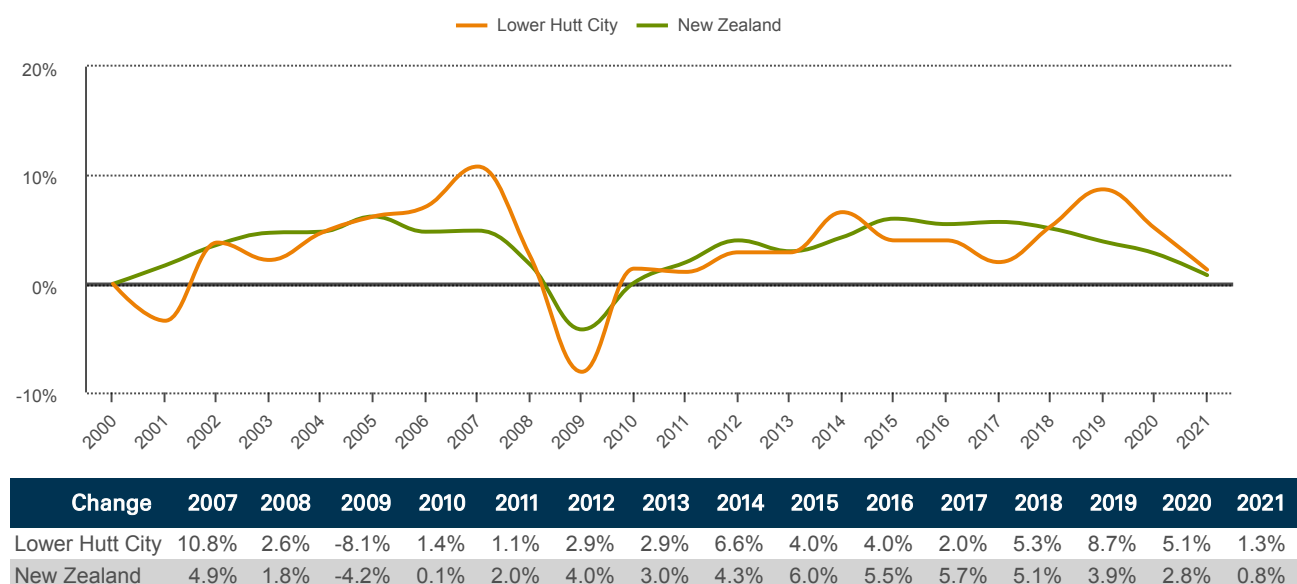
**Table 14: Economic indicators for the retail, accommodation, bars, cafes & restaurants industry**

Indicator	2021	Industry share of regional economy	Regional share of national industry	Growth 2020 - 2021	
				Lower Hutt City	New Zealand
GDP	\$468m	7.0%	2.0%	1.3%	0.8%
Employment	8,334	15.9%	2.1%	-2.9%	-2.7%
Business units	1,071	9.8%	1.8%	1.1%	0.1%

### Economic output

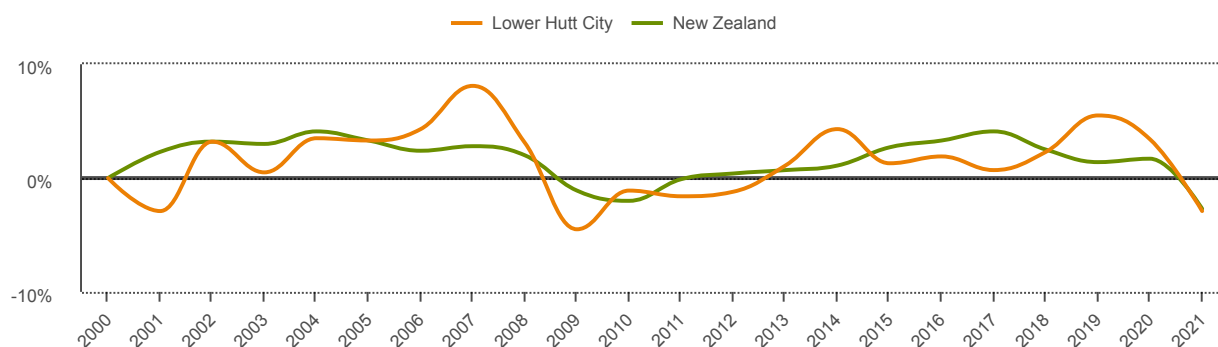
- The Retail, accommodation, bars, cafes & restaurants industry contributed \$468m towards GDP in Lower Hutt City in the year to March 2021. This amounted to 7.0% of Lower Hutt City's total economic output in 2021, up from 5.1% in ten years prior.
- Economic output in Lower Hutt City's Retail, accommodation, bars, cafes & restaurants industry grew by 1.3% in the year to March 2021 compared with growth of 0.8% in the industry nationally.
- Growth in the Retail, accommodation, bars, cafes & restaurants industry in Lower Hutt City has averaged 3.3% since 2000. Growth peaked at 10.8% in 2007.

**Figure 33: Output growth in the retail, accommodation, bars, cafes & restaurants industry**



## Employment

Figure 34: Employment growth in the retail, accommodation, bars, cafes & restaurants industry

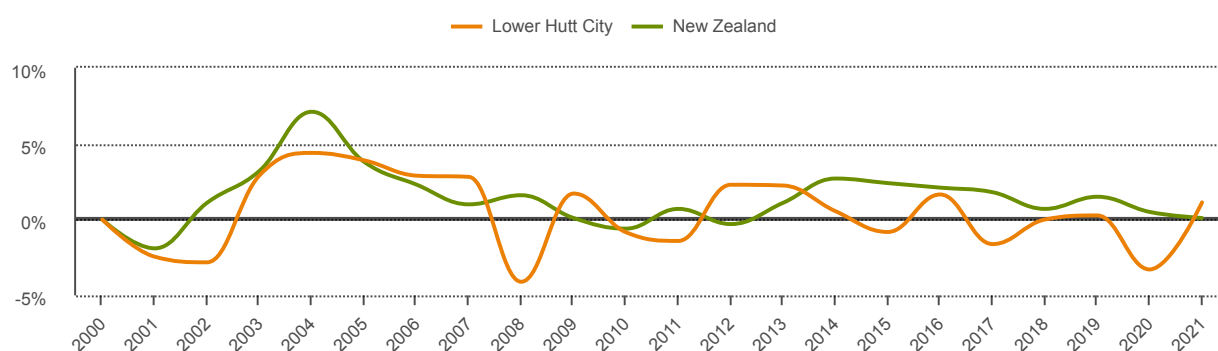


Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	8.1%	3.1%	-4.5%	-1.1%	-1.6%	-1.2%	1.1%	4.3%	1.3%	1.9%	0.7%	2.3%	5.5%	3.4%	-2.9%
New Zealand	2.8%	2.0%	-1.1%	-2.0%	-0.1%	0.4%	0.7%	1.1%	2.7%	3.3%	4.1%	2.5%	1.4%	1.7%	-2.7%

- The Retail, accommodation, bars, cafes & restaurants industry employed 8,334 persons in Lower Hutt City in the year to March 2021 which was up from 7,094 in ten years prior.
- Employment growth in Lower Hutt City's Retail, accommodation, bars, cafes & restaurants industry averaged -2.9% in the year to March 2021, compared with growth of -2.7% in the industry nationally.
- Employment growth in the Retail, accommodation, bars, cafes & restaurants industry in Lower Hutt City has averaged 1.5% since 2000. Growth peaked at 8.1% in 2007.

## Business units

Figure 35: Growth in business units in the retail, accommodation, bars, cafes & restaurants industry



Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	2.8%	-4.1%	1.7%	-0.8%	-1.4%	2.3%	2.2%	0.5%	-0.8%	1.6%	-1.6%	0.0%	0.3%	-3.3%	1.1%
New Zealand	1.0%	1.6%	0.1%	-0.6%	0.7%	-0.3%	1.1%	2.7%	2.4%	2.1%	1.8%	0.7%	1.5%	0.5%	0.1%



## How well has the building and construction industry performed?

The section describes the performance of the first key industry in Lower Hutt City: building and construction. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

A definition of the building and construction industry is provided at the end of this report.

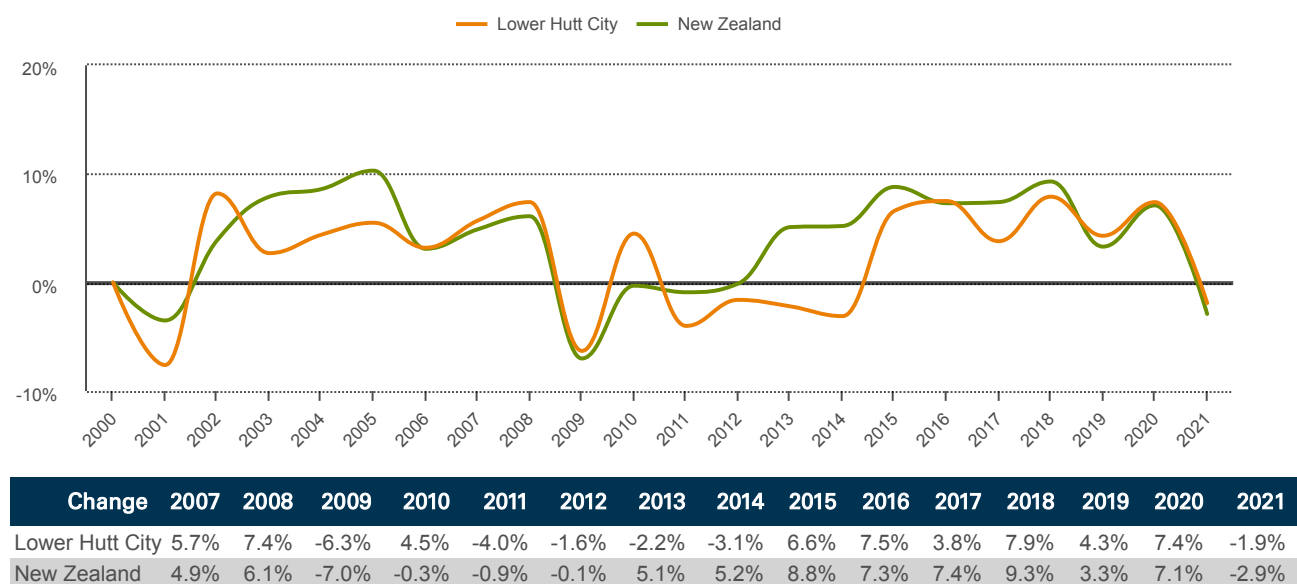
**Table 15: Economic indicators for the building and construction industry**

Indicator	2021	Industry share of regional economy	Regional share of national industry	Growth 2020 - 2021	
				Lower Hutt City	New Zealand
GDP	\$546m	8.1%	2.5%	-1.9%	-2.9%
Employment	6,718	12.8%	2.5%	5.1%	3.7%
Business units	1,608	14.8%	2.2%	4.1%	4.6%

### Economic output

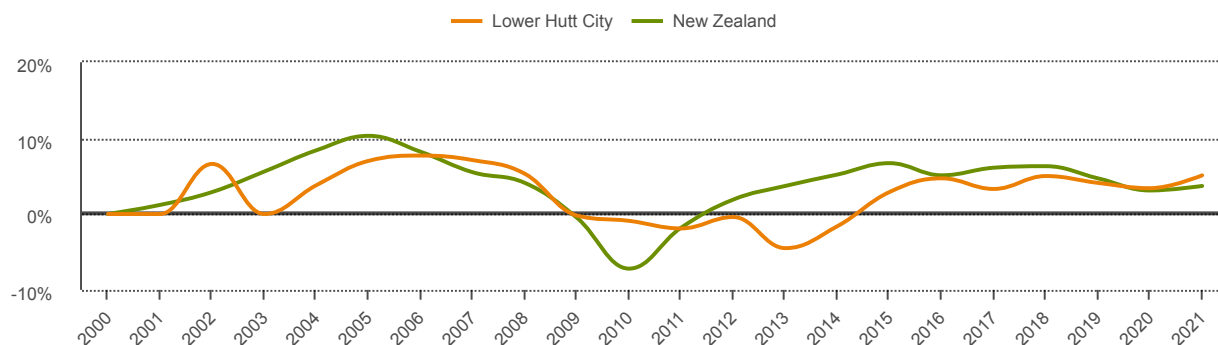
- The Building and construction industry contributed \$546m towards GDP in Lower Hutt City in the year to March 2021. This amounted to 8.1% of Lower Hutt City's total economic output in 2021, up from 6.9% in ten years prior.
- Economic output in Lower Hutt City's Building and construction industry grew by -1.9% in the year to March 2021 compared with growth of -2.9% in the industry nationally.
- Growth in the Building and construction industry in Lower Hutt City has averaged 2.4% since 2000. Growth peaked at 8.2% in 2002.

**Figure 36: Output growth in the building and construction industry**



## Employment

Figure 37: Employment growth in the building and construction industry

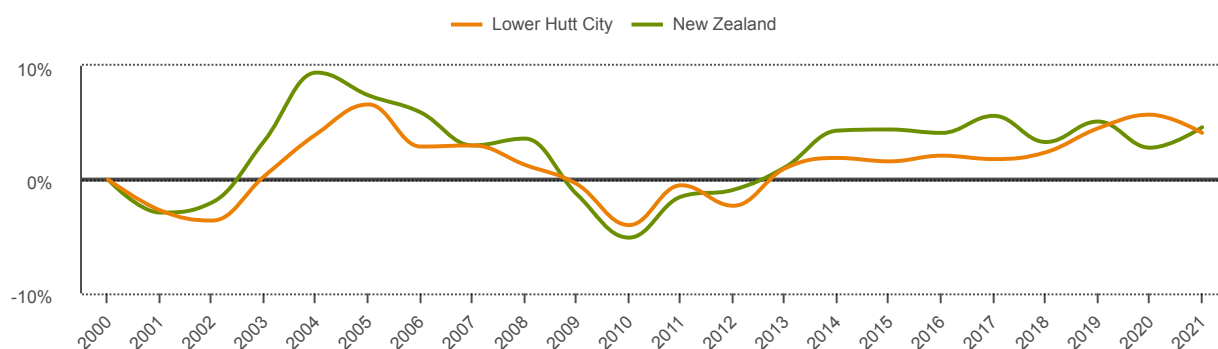


Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	7.1%	5.3%	-0.2%	-0.9%	-1.9%	-0.4%	-4.5%	-1.6%	2.9%	4.7%	3.3%	5.0%	4.1%	3.4%	5.1%
New Zealand	5.5%	4.1%	-0.5%	-7.2%	-1.8%	1.9%	3.7%	5.2%	6.7%	5.1%	6.1%	6.3%	4.7%	3.1%	3.7%

- The Building and construction industry employed 6,718 persons in Lower Hutt City in the year to March 2021 which was up from 5,434 in ten years prior.
- Employment growth in Lower Hutt City's Building and construction industry averaged 5.1% in the year to March 2021, compared with growth of 3.7% in the industry nationally.
- Employment growth in the Building and construction industry in Lower Hutt City has averaged 2.6% since 2000. Growth peaked at 7.9% in 2007.

## Business units

Figure 38: Growth in business units in the building and construction industry



Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	3.0%	1.3%	-0.4%	-4.0%	-0.5%	-2.3%	1.0%	1.9%	1.6%	2.1%	1.8%	2.4%	4.5%	5.7%	4.1%
New Zealand	3.0%	3.6%	-1.3%	-5.1%	-1.5%	-0.9%	1.1%	4.3%	4.4%	4.1%	5.6%	3.3%	5.1%	2.8%	4.6%

## How well has the high value services industry performed?

The section describes the performance of the first key industry in Lower Hutt City: high value services. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

A definition of the high value services industry is provided at the end of this report.

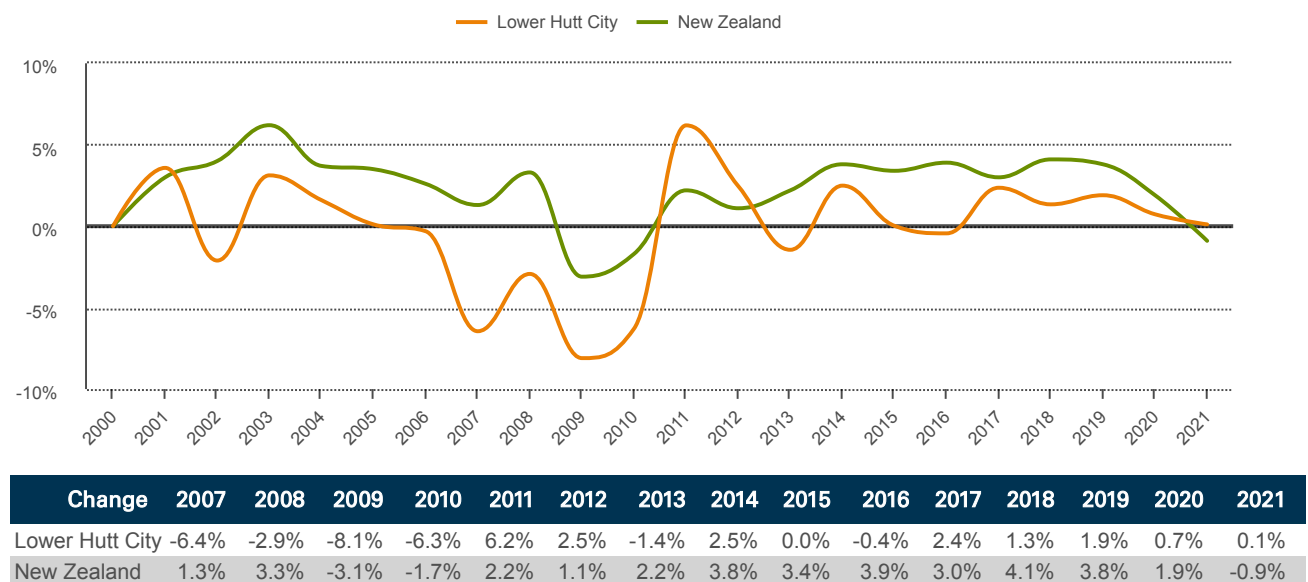
**Table 16: Economic indicators for the high value services industry**

Indicator	2021	Industry share of regional economy	Regional share of national industry	Growth 2020 - 2021	
				Lower Hutt City	New Zealand
GDP	\$1,864m	27.7%	2.0%	0.1%	-0.9%
Employment	12,088	23.0%	1.9%	0%	-0.1%
Business units	3,291	30.2%	2.2%	-2.1%	0.3%

### Economic output

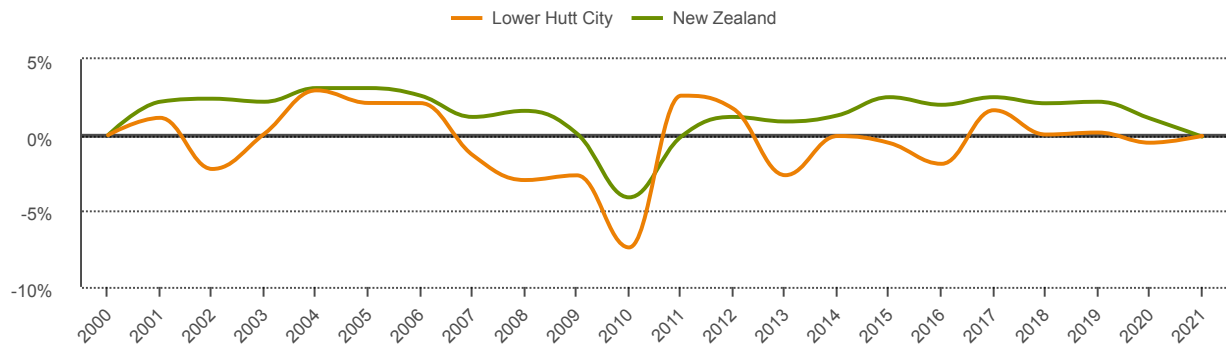
- The High value services industry contributed \$1,864m towards GDP in Lower Hutt City in the year to March 2021. This amounted to 27.7% of Lower Hutt City's total economic output in 2021, down from 28.1% in ten years prior.
- Economic output in Lower Hutt City's High value services industry grew by 0.1% in the year to March 2021 compared with growth of -0.9% in the industry nationally.
- Growth in the High value services industry in Lower Hutt City has averaged -0.2% since 2000. Growth peaked at 6.2% in 2011.

**Figure 39: Output growth in the high value services industry**



## Employment

Figure 40: Employment growth in the high value services industry

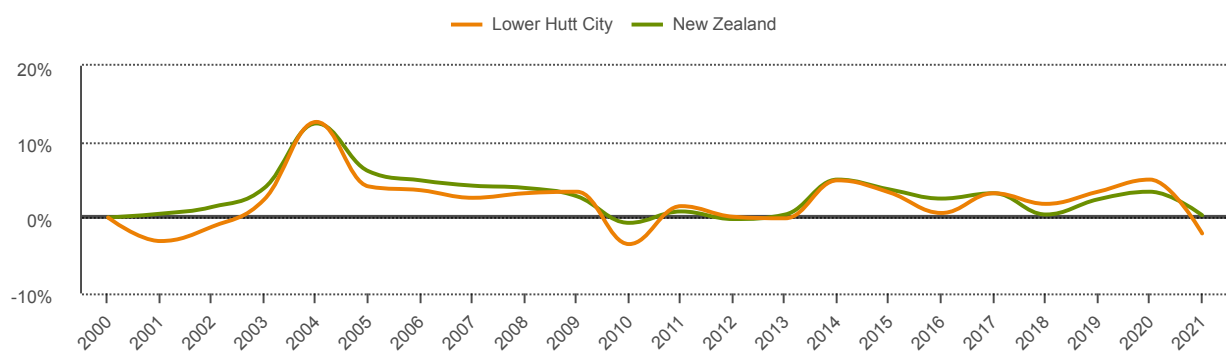


Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	-1.3%	-3.0%	-2.6%	-7.4%	2.6%	1.7%	-2.6%	-0.1%	-0.5%	-1.9%	1.6%	0.0%	0.2%	-0.5%	0.0%
New Zealand	1.2%	1.6%	0.1%	-4.1%	-0.1%	1.2%	0.9%	1.3%	2.5%	2.0%	2.5%	2.1%	2.2%	1.1%	-0.1%

- The High value services industry employed 12,088 persons in Lower Hutt City in the year to March 2021 which was down from 12,353 in ten years prior.
- Employment growth in Lower Hutt City's High value services industry averaged 0% in the year to March 2021, compared with growth of -0.1% in the industry nationally.
- Employment growth in the High value services industry in Lower Hutt City has averaged -0.4% since 2000. Growth peaked at 3.0% in 2004.

## Business units

Figure 41: Growth in business units in the high value services industry



Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lower Hutt City	2.6%	3.2%	3.4%	-3.5%	1.5%	0.1%	-0.1%	4.9%	3.3%	0.6%	3.2%	1.8%	3.4%	5.0%	-2.1%
New Zealand	4.2%	3.9%	2.8%	-0.7%	0.8%	-0.2%	0.4%	5.0%	3.7%	2.5%	3.2%	0.4%	2.4%	3.4%	0.3%

# TOURISM

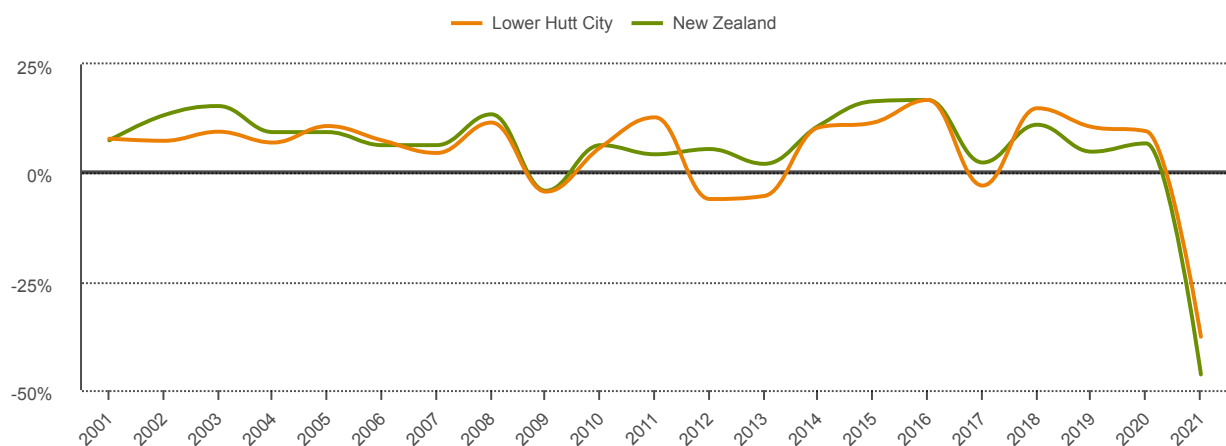
Tourism has grown rapidly in New Zealand since 2000. Not only has the number of overseas tourist arrivals increased substantially, but the level of domestic tourism has also expanded rapidly as spending on leisure by New Zealand residents increased. This section describes the contribution of tourism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

## Tourism GDP

Table 17: Tourism GDP, 2001-2021

Year	Lower Hutt City		New Zealand	
	Level	Change	Level	Change
2000	\$37.7m		\$3,343m	
2001	\$40.7m	7.9%	\$3,595m	7.5%
2002	\$43.7m	7.4%	\$4,074m	13.3%
2003	\$47.8m	9.5%	\$4,700m	15.4%
2004	\$51.2m	7.0%	\$5,141m	9.4%
2005	\$56.7m	10.8%	\$5,626m	9.4%
2006	\$61.0m	7.5%	\$5,985m	6.4%
2007	\$63.8m	4.6%	\$6,368m	6.4%
2008	\$71.2m	11.6%	\$7,227m	13.5%
2009	\$68.1m	-4.3%	\$6,932m	-4.1%
2010	\$72.1m	5.9%	\$7,379m	6.4%
2011	\$81.3m	12.8%	\$7,698m	4.3%
2012	\$76.4m	-6.0%	\$8,120m	5.5%
2013	\$72.4m	-5.3%	\$8,289m	2.1%
2014	\$80.0m	10.5%	\$9,191m	10.9%
2015	\$89.3m	11.6%	\$10,710m	16.5%
2016	\$104m	16.8%	\$12,508m	16.8%
2017	\$101m	-2.9%	\$12,809m	2.4%
2018	\$116m	14.9%	\$14,235m	11.1%
2019	\$129m	10.6%	\$14,937m	4.9%
2020	\$141m	9.6%	\$15,948m	6.8%
2021	\$87.9m	-37.7%	\$8,547m	-46.4%

Figure 42: Annual average tourism GDP growth, 2001-2021



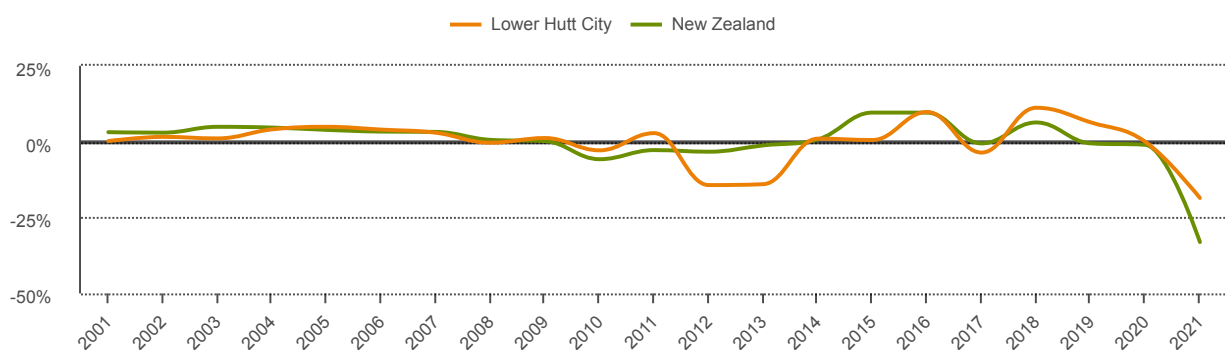
- The tourism industry contributed \$87.9m towards GDP in Lower Hutt City in 2021. This amounted to 1.3% of the Lower Hutt City's economic output in 2021, down from 1.3% ten years ago.
- Economic output in Lower Hutt City's tourism industry declined by -37.7% in 2021, compared with a -46.4% decline in New Zealand.
- Growth in the industry in Lower Hutt City has averaged 0.8% over the last ten years, compared with 1.1% in New Zealand.

## Tourism Employment

Table 18: Tourism employment, 2001-2021

Year	Lower Hutt City		New Zealand	
	Level	Change	Level	Change
2000	1,524		152,610	
2001	1,527	0.2%	157,389	3.1%
2002	1,551	1.6%	162,042	3.0%
2003	1,568	1.1%	169,965	4.9%
2004	1,631	4.0%	177,861	4.6%
2005	1,711	4.9%	184,761	3.9%
2006	1,780	4.0%	190,890	3.3%
2007	1,832	2.9%	197,028	3.2%
2008	1,825	-0.3%	198,219	0.6%
2009	1,847	1.2%	198,555	0.2%
2010	1,794	-2.9%	187,083	-5.8%
2011	1,845	2.8%	181,881	-2.8%
2012	1,581	-14.3%	175,866	-3.3%
2013	1,360	-14.0%	173,721	-1.2%
2014	1,373	1.0%	175,023	0.7%
2015	1,381	0.5%	191,796	9.6%
2016	1,516	9.8%	210,126	9.6%
2017	1,461	-3.6%	208,923	-0.6%
2018	1,625	11.2%	222,129	6.3%
2019	1,728	6.4%	220,875	-0.6%
2020	1,727	0.0%	218,580	-1.0%
2021	1,407	-18.6%	146,295	-33.1%

Figure 43: Annual average tourism employment growth, 2001-2021



- The tourism industry employed an average of 1,407 people in Lower Hutt City in 2021. This amounted to 2.7% of the Lower Hutt City's total employment in 2021, down from 3.8% in 2011.
- Employment growth in the industry in Lower Hutt City has averaged -2.7% over the last ten years, compared with -2.2% in New Zealand.
- Employment in the tourism industry declined by -18.6% in 2021, compared with a -33.1% decline in New Zealand.

# TECHNICAL NOTES

## Time period

This economic profile reports on March years (eg 2021 refers to the 12 months to March 2021) for all indicators except population (as at June) and dairy sector statistics (May year) and business units (snapshot as at February).

## Broad economic sectors

Primary industries extract or harvest products from the earth and include agriculture, forestry, fishing, and mining. Goods-producing industries produce manufactured and other processed goods and include manufacturing, electricity, gas and water, and construction. High-value services include **knowledge intensive** service industries. Other services include all service industries that are not knowledge intensive, such as retail trade, and food and accommodation services. 'Other' includes owner occupied property operation and **unallocated** activity.

## Broad skill levels

*Highly skilled* occupations typically require a bachelor degree or higher qualification and include professionals such as accountants, teachers, and engineers, as well as most managers such as chief executives. This category is consistent with skill level one of the Australia New Zealand Standard Classification of Occupations (ANZSCO).

*Medium-high skilled* occupations typically require an NZ Register Diploma, an Associate Degree or Advanced Diploma. The category includes some managers (such as retail managers) and technicians (such as architectural draftspersons, ICT support technicians and dental hygienists). This category is consistent with skill level two of the ANZSCO classification.

*Medium skilled* occupations typically require an NZ Register Level 4 qualification. The category includes tradespersons (such as motor mechanics), skilled service workers (such as firefighters), as well as skilled clerical and sales workers (such as legal secretaries and estate agents). This category is consistent with skill level three of the ANZSCO classification.

*Low skilled* occupations typically require an NZ Register Level 3 qualification or lower. It includes a range of lower skilled occupations from general clerks, caregivers, and sales assistants, through to cleaners and labourers. This category is consistent with skill level four and five of the ANZSCO classification.

## 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.

The number of business units is based on a snapshot as at February each year.

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

- working owners who do not 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).

## 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).

## 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.

## 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.

## 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).

## Employment by qualification and field of study

Employment by occupation is converted to employment by qualification using the unique matching between occupation and **the five qualification or skill levels used** in the Australian New Zealand Standard Classification of Occupations (ANZSCO). Fields of study for each combination of occupation and skill are obtained from Population Census. Shares of employment in a particular occupation and skill combination for each field of study can, thus, be aggregated into demand for labour by skill/qualification.



## 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.

Total GDP is calculated by summing the value added to all goods and services for final consumption – ie 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 for each industry (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 employment measured in the Linked Employer Employee Data (LEED), which is, in turn, based on taxation data. Our estimates are benchmarked on regional GDP published by Statistics New Zealand which ensures we capture differences in regional industry productivity and changes in productivity over time. In the 2021 GDP estimates we incorporate Infometrics' estimates of the proportions of industries in each territorial authority which were able to operate under each COVID-19 alert level to capture the economic impacts of the pandemic.

GDP is measured in constant 2021 prices.

## Household income

The Infometrics household income series is a comprehensive estimate of average household incomes within each region or territorial authority area. The series captures labour market earnings (wages, salaries and self-employment) as well as allowances (e.g. Disability Allowance), benefits (e.g. Jobseeker Support) and superannuation. Investment income is excluded.

Infometrics models the series with a top-down approach, first measuring all incomes received by households in New Zealand, then apportioning them to smaller areas using various sources of administrative data. As there is a time lag in the availability of administrative data we use contemporary indicators to project our estimates to the most recent quarter. Infometrics estimates of the number of occupied private households are used to translate total income in each area into a per household mean.

The Infometrics household income series tends to be slightly higher than Census measures. Census tends to underestimate household incomes because individuals often fail to recall all their income when completing their Census form.

## House values

House values (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.

## 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.

## Knowledge intensive employment

Knowledge intensive employment is measured as employment in industries (measured at the 7-digit industry level) which are defined as **knowledge intensive**.

## Knowledge intensive industries

Knowledge-intensive industries are industries that satisfy two basic criteria: At least 25 per cent of the workforce must be qualified to degree level and at least 30 per cent of the workforce must be employed in professional, managerial, as well as scientific and technical occupations.

## Māori industry and occupational employment

Infometrics models Māori industry and occupational employment data by drawing on detailed data from the Census, Household Labour Force Survey (HLFS) as well as the Infometrics Regional Employment Industry Model (REIM) and the Infometrics Regional Industry-Occupational matrix.

## Population

The population numbers presented in this profile are based on Statistics New Zealand's Estimated Resident Population (ERP). The ERP is an estimate of all people who usually live in an area at a given date. Visitors from elsewhere in New Zealand or from overseas are excluded.

The ERP is not directly comparable with the census usually resident population count because of a number of adjustments. The ERP at 30 June 2018 is based on the 2018 census usually resident population count, adjusted for:

- net census undercount (based on the 2018 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.

## Prices

In this profile, we present all GDP estimates in constant 2021 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.

## 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). 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.

## Self-employment

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

## Tourism employment

Our estimates of tourism employment leverage off our tourism GDP estimates. We are able to use our understanding of the proportion of output in each industry in a territorial authority that is associated with tourism and apply this proportion to underlying employment levels in that industry. Summing up tourism employment by industry gives us an indication of the total number of jobs in a region that are attributable to the tourism industry.

## Tourism GDP

Our estimates of tourism GDP are measured in 2021 **prices** and make use of the Tourism Satellite Accounts (TSA) published by Statistics New Zealand, in conjunction with data on guest nights, visitor expenditure data from MBIE, and Infometrics' regional GDP model. The TSA estimates the contribution of the tourism industry to GDP nationally. For the years 2009-2013, we have apportioned tourism GDP from the TSA to each territorial authority (TA) using constrained shares of visitor expenditure from MBIE's visitor expenditure data.

For the years before 2009, we have calculated growth rates in each TA's tourism GDP, by adjusting TSA industry ratios (that summarise the proportion each industry's output associated with tourism) and applying these adjusted ratios to our estimates of the TA's GDP. Our adjustment takes into consideration each TA's relative exposures to industries and guest night shares compared to the national economy. The estimates for each TA are then benchmarked on the national total from the TSA.

## 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.

## Definition of key industries

### Building and construction

The building and construction industry is made up of the following detailed industries: E301100: House Construction, E301900: Other Residential Building Construction, E302000: Non-Residential Building Construction, E310100: Road and Bridge Construction, E310900: Other Heavy and Civil Engineering Construction, E321100: Land Development and Subdivision, E321200: Site Preparation Services, E322100: Concreting Services, E322200: Bricklaying Services, E322300: Roofing Services, E322400: Structural Steel Erection Services, E323100: Plumbing Services, E323200: Electrical Services, E323300: Air Conditioning and Heating Services, E323400: Fire and Security Alarm Installation Services, E323900: Other Building Installation Services, E324100: Plastering and Ceiling Services, E324200: Carpentry Services, E324300: Tiling and Carpeting Services, E324400: Painting and Decorating Services, E324500: Glazing Services, E329100: Landscape Construction Services, E329200: Hire of Construction Machinery with Operator, E329900: Other Construction Services n.e.c..

### Education, health and community services

The education, health and community services industry is made up of the following detailed industries: P801000: Preschool Education, P802100: Primary Education, P802200: Secondary Education, P802300: Combined Primary and Secondary Education, P802400: Special School Education, P810100: Technical and Vocational Education and Training, P810200: Higher Education, P821100: Sports and Physical Recreation Instruction, P821200: Arts Education, P821900: Adult, Community and Other Education n.e.c., P822000: Educational Support Services, Q840100: Hospitals (except Psychiatric Hospitals), Q840200: Psychiatric Hospitals, Q851100: General Practice Medical Services, Q851200: Specialist Medical Services, Q852000: Pathology and Diagnostic Imaging Services, Q853100: Dental Services, Q853200: Optometry and Optical Dispensing, Q853300: Physiotherapy Services, Q853400: Chiropractic and Osteopathic Services, Q853900: Other Allied Health Services, Q859100: Ambulance Services, Q859900: Other Health Care Services n.e.c., Q860100: Aged Care Residential Services, Q860900: Other Residential Care Services, Q871000: Child Care Services, Q879000: Other Social Assistance Services.

### Retail, accommodation, bars, cafes & restaurants

The retail, accommodation, bars, cafes & restaurants industry is made up of the following detailed industries: G391100: Car Retailing, G391200: Motor Cycle Retailing, G391300: Trailer and Other Motor Vehicle Retailing, G392100: Motor Vehicle Parts Retailing, G392200: Tyre Retailing, G400000: Fuel Retailing, G411000: Supermarket and Grocery Stores, G412100: Fresh Meat, Fish and Poultry Retailing, G412200: Fruit and Vegetable Retailing, G412300: Liquor Retailing, G412900: Other Specialised Food Retailing, G421100: Furniture Retailing, G421200: Floor Coverings Retailing, G421300: Houseware Retailing, G421400: Manchester and Other Textile Goods Retailing, G422100: Electrical, Electronic and Gas Appliance Retailing, G422200: Computer and Computer Peripherals Retailing, G422900: Other Electrical and Electronic Goods Retailing, G423100: Hardware and Building Supplies Retailing, G423200: Garden Supplies Retailing, G424100: Sport and Camping Equipment Retailing, G424200: Entertainment Media Retailing, G424300: Toy and Game Retailing, G424400: Newspaper and Book Retailing, G424500: Marine Equipment Retailing, G425100: Clothing Retailing, G425200: Footwear Retailing, G425300: Watch and Jewellery Retailing, G425900: Other Personal Accessories Retailing, G426000: Department Stores, G427100: Pharmaceutical, Cosmetic and Toiletry Goods Retailing, G427200: Stationery Goods Retailing, G427400: Flower Retailing, G427900: Other Store-Based Retailing n.e.c., G431000: Non Store Retailing, G432000: Retail Commission Based Buying and/or Selling, H440000: Accommodation, H451100: Cafes and Restaurants, H451200: Takeaway Food Services, H451300: Catering Services, H452000: Pubs, Taverns and Bars, H453000: Clubs (Hospitality).

## High and medium technology

The high and medium technology industry is made up of the following detailed industries: C181100: Industrial Gases Manufacturing, C181200: Basic Organic Chemical Manufacturing, C181300: Basic Inorganic Chemical Manufacturing, C182100: Synthetic Resin and Synthetic Rubber Manufacturing, C182900: Other Basic Polymer Manufacturing, C183100: Fertiliser Manufacturing, C183200: Pesticide Manufacturing, C184100: Human Pharmaceutical and Medicinal Product Manufacturing, C184200: Veterinary Pharmaceutical and Medicinal Product Manufacturing, C185100: Cleaning Compound Manufacturing, C185200: Cosmetic and Toiletary Preparation Manufacturing, C189100: Photographic Chemical Manufacturing, C189200: Explosives Manufacturing, C189900: Other Basic Chemical Product Manufacturing n.e.c., C231100: Motor Vehicle Manufacturing, C231200: Motor Vehicle Body and Trailer Manufacturing, C231300: Automotive Electrical Components Manufacturing, C231900: Other Motor Vehicle Parts Manufacturing, C239400: Aircraft Manufacturing and Repair Services, C239900: Other Transport Equipment Manufacturing n.e.c., C241100: Photographic, Optical and Ophthalmic Equipment Manufacturing, C241200: Medical and Surgical Equipment Manufacturing, C241900: Other Professional and Scientific Equipment Manufacturing, C242100: Computer and Electronic Office Equipment Manufacturing, C242200: Communications Equipment Manufacturing, C242900: Other Electronic Equipment Manufacturing, C243100: Electric Cable and Wire Manufacturing, C243200: Electric Lighting Equipment Manufacturing, C243900: Other Electrical Equipment Manufacturing, C244100: Whiteware Appliance Manufacturing, C244900: Other Domestic Appliance Manufacturing, C245100: Pumps and Compressors Manufacturing, C245200: Fixed Space Heating, Cooling and Ventilation Equipment Manufacturing, C246100: Agricultural Machinery and Equipment Manufacturing, C246200: Mining and Construction Machinery Manufacturing, C246300: Machine Tool and Parts Manufacturing, C246900: Other Specialised Machinery and Equipment Manufacturing, C249100: Lifting and Material Handling Equipment Manufacturing, C249900: Other Machinery and Equipment Manufacturing n.e.c., J551100: Motion Picture and Video Production, J551200: Motion Picture and Video Distribution, J551300: Motion Picture Exhibition, J551400: Postproduction Services and Other Motion Picture and Video Activities, J552100: Music Publishing, J552200: Music and Other Sound Recording Activities, J561000: Radio Broadcasting, J562100: Free-to-Air Television Broadcasting, J562200: Cable and Other Subscription Programming, J570000: Internet Publishing and Broadcasting, J580100: Wired Telecommunications Network Operation, J580200: Other Telecommunications Network Operation, J580900: Other Telecommunications Services, J591000: Internet Access Services, J592100: Data Processing and Web Hosting Services, J592200: Electronic Information Storage Services, M691000: Scientific Research Services, M692200: Surveying and Mapping Services, M692300: Engineering Design and Engineering Consulting Services, M692400: Other Specialised Design Services, M692500: Scientific Testing and Analysis Services, M700000: Computer Systems Design and Related Services.

## High value services

The high value services industry is made up of the following detailed industries: C111100: Meat Processing, C111200: Poultry Processing, C111300: Cured Meat and Smallgoods Manufacturing, C112000: Seafood Processing, C113100: Milk and Cream Processing, C113200: Ice Cream Manufacturing, C113300: Cheese and Other Dairy Product Manufacturing, C114000: Fruit and Vegetable Processing, C115000: Oil and Fat Manufacturing, C116100: Grain Mill Product Manufacturing, C116200: Cereal, Pasta and Baking Mix Manufacturing, C117100: Bread Manufacturing (Factory-based), C117200: Cake and Pastry Manufacturing (Factory-based), C117300: Biscuit Manufacturing (Factory-based), C117400: Bakery Product Manufacturing (Non-factory-based), C118100: Sugar Manufacturing, C118200: Confectionery Manufacturing, C119100: Potato Crisps and Corn Chips Manufacturing, C119200: Prepared Animal and Bird Feed Manufacturing, C119900: Other Food Products Manufacturing n.e.c., C121100: Soft Drink, Cordial and Syrup Manufacturing, C121200: Beer Manufacturing, C121300: Spirit Manufacturing, C121400: Wine and Other Alcoholic Beverage Manufacturing, C122000: Cigarette and Tobacco Product Manufacturing, C131100: Wool Scouring, C131200: Natural Fibre Textile Manufacturing, C131300: Synthetic Fibre Textile Manufacturing, C132000: Leather Tanning, Fur Dressing and Leather Product Manufacturing, C133100: Textile Floor Covering Manufacturing, C133200: Rope, Cordage and Twine Manufacturing, C133300: Cut and Sewn Textile Product Manufacturing, C133400: Textile Finishing and Other Textile Product Manufacturing, C134000: Knitted Product Manufacturing, C135100: Clothing Manufacturing, C135200: Footwear Manufacturing, C141100: Log Sawmilling, C141200: Wood Chipping, C141300: Timber Resawing and Dressing, C149100: Prefabricated Wooden Building Manufacturing, C149200: Wooden Structural Fittings and Components Manufacturing, C149300: Veneer and Plywood Manufacturing, C149400: Reconstituted Wood Product Manufacturing, C149900: Other Wood Product Manufacturing n.e.c., C151000: Pulp, Paper and Paperboard Manufacturing, C152100: Corrugated Paperboard and Paperboard Container Manufacturing, C152200: Paper Bag and Sack Manufacturing, C152300: Paper Stationery Manufacturing, C152400: Sanitary Paper Product Manufacturing, C152900: Other Converted Paper Product Manufacturing, C161100: Printing, C161200: Printing Support Services, C162000: Reproduction of Recorded Media, C170100: Petroleum Refining and Petroleum Fuels Manufacturing, C170900: Other Petroleum and Coal Product Manufacturing, C181100: Industrial Gases Manufacturing, C181200: Basic Organic Chemical Manufacturing, C181300: Basic Inorganic Chemical Manufacturing, C182100: Synthetic Resin and Synthetic Rubber Manufacturing, C182900: Other Basic Polymer Manufacturing, C183100: Fertiliser Manufacturing, C183200: Pesticide Manufacturing, C184100: Human Pharmaceutical and Medicinal Product Manufacturing, C184200: Veterinary Pharmaceutical and Medicinal Product Manufacturing, C185100: Cleaning Compound Manufacturing, C185200: Cosmetic and Toiletary Preparation Manufacturing, C189100: Photographic Chemical Manufacturing, C189200: Explosives Manufacturing, C189900: Other Basic Chemical Product Manufacturing n.e.c., C191100: Polymer Film and Sheet Packaging Material Manufacturing, C191200: Rigid and Semi Rigid Polymer Product Manufacturing, C191300: Polymer Foam Product Manufacturing, C191400: Tyre Manufacturing, C191500: Adhesive Manufacturing, C191600: Paint and Coatings Manufacturing, C191900: Other Polymer Product Manufacturing, C192000: Natural Rubber Product Manufacturing, C201000: Glass and Glass Product Manufacturing, C202100: Clay Brick Manufacturing, C202900: Other Ceramic Product Manufacturing, C203100: Cement and Lime Manufacturing, C203200: Plaster and Gypsum Product Manufacturing, C203300: Ready-Mixed Concrete Manufacturing, C203400: Concrete Product Manufacturing, C209000: Other Non-Metallic Mineral Product Manufacturing, C211000: Iron Smelting and Steel Manufacturing, C212100: Iron and Steel Casting, C212200: Steel Pipe and Tube Manufacturing, C213100: Alumina Production, C213200: Aluminium Smelting, C213300: Copper, Silver, Lead, and Zinc Smelting and Refining, C213900: Other Basic Non-Ferrous Metal Manufacturing, C214100: Non-Ferrous Metal Casting, C214200: Aluminium Rolling, Drawing, Extruding, C214900: Other Basic Non-Ferrous Metal Product Manufacturing, C221000: Iron and Steel Forging, C222100: Structural Steel Fabricating, C222200: Prefabricated Metal Building Manufacturing, C222300: Architectural Aluminium Product Manufacturing, C222400: Metal Roof and Guttering Manufacturing (except Aluminium), C222900: Other Structural Metal Product Manufacturing, C223100: Boiler, Tank and Other Heavy Gauge Metal Container Manufacturing, C223900: Other Metal Container Manufacturing, C224000: Other Sheet Metal Product Manufacturing, C229100: Spring and Wire Product Manufacturing, C229200: Nut, Bolt, Screw and Rivet Manufacturing, C229300: Metal Coating and Finishing, C229900: Other Fabricated Metal Product Manufacturing n.e.c., C231100: Motor Vehicle Manufacturing, C231200: Motor Vehicle Body and Trailer Manufacturing, C231300: Automotive Electrical Components Manufacturing, C231900: Other Motor Vehicle Parts Manufacturing, C239100: Shipbuilding and Repair Services, C239200: Boatbuilding and Repair Services, C239300: Railway Rolling Stock Manufacturing and Repair Services, C239400: Aircraft Manufacturing and Repair Services, C239900: Other Transport Equipment Manufacturing n.e.c., C241100: Photographic, Optical and Ophthalmic Equipment Manufacturing, C241200: Medical and Surgical Equipment Manufacturing, C241900: Other Professional and Scientific Equipment Manufacturing, C242100: Computer and Electronic Office Equipment Manufacturing, C242200: Communications Equipment Manufacturing, C242900: Other Electronic Equipment Manufacturing, C243100: Electric Cable and Wire Manufacturing, C243200: Electric Lighting Equipment Manufacturing, C243900: Other Electrical Equipment Manufacturing, C244100: Whiteware Appliance Manufacturing, C244900: Other Domestic Appliance Manufacturing, C245100: Pumps and Compressors Manufacturing, C245200: Fixed Space Heating, Cooling and Ventilation Equipment Manufacturing, C246100: Agricultural Machinery and Equipment Manufacturing, C246200: Mining and Construction Machinery Manufacturing, C246300: Machine Tool and Parts Manufacturing, C246900: Other Specialised Machinery and Equipment Manufacturing, C249100: Lifting and Material Handling Equipment Manufacturing, C249900: Other Machinery and Equipment Manufacturing n.e.c., C251100: Wooden Furniture and Upholstered Seat Manufacturing, C251200: Metal Furniture Manufacturing, C251300: Mattress Manufacturing, C251900: Other Furniture Manufacturing, C259100: Jewellery and Silverware Manufacturing, C259900: Other Manufacturing n.e.c., J541100: Newspaper Publishing, J541200: Magazine and Other Periodical Publishing, J541300: Book Publishing, J541400: Directory and Mailing List Publishing, J541900: Other Publishing (except Software, Music and Internet), J542000: Software Publishing, J551100: Motion Picture and Video Production, J551200: Motion Picture and Video Distribution, J551300: Motion Picture Exhibition, J551400: Postproduction Services and Other Motion Picture and Video Activities, J552100: Music Publishing, J552200: Music and Other Sound Recording Activities, J561000: Radio Broadcasting, J562100: Free-to-Air Television Broadcasting, J562200: Cable and Other Subscription Programming, J570000: Internet Publishing and Broadcasting, J580100: Wired Telecommunications Network Operation, J580200: Other Telecommunications Network Operation, J580900: Other Telecommunications Services, J591000: Internet Access Services, J592100: Data Processing and Web Hosting Services, J592200: Electronic Information Storage Services, J601000: Libraries and Archives, J602000: Other Information Services, K621000: Central Banking, K622100: Banking, K622200: Building Society Operation, K622300: Credit Union Operation, K622900: Other Depository Financial Intermediation, K623000: Non-depository Financing, K624000: Financial Asset Investing, K631000: Life Insurance, K632100: Health Insurance, K632200: General Insurance, K633000: Superannuation Funds, K641100: Financial Asset Broking Services, K641900: Other Auxiliary Finance and Investment Services, K642000: Auxiliary Insurance Services, M691000: Scientific Research Services, M692100: Architectural Services, M692200: Surveying and Mapping Services, M692300: Engineering Design and Engineering Consulting Services, M692400: Other Specialised Design Services, M692500: Scientific Testing and Analysis Services, M693100: Legal Services, M693200: Accounting Services, M694000: Advertising Services, M695000: Market Research and Statistical Services, M696100: Corporate Head Office Management Services, M696200: Management Advice and Other Consulting Services, M697000: Veterinary Services, M699100: Professional Photographic Services, M699900: Other Professional, Scientific and Technical Services n.e.c., M700000: Computer Systems Design and Related Services, R891000: Museum Operation, R892200: Nature Reserves and Conservation Parks Operation, R900100: Performing Arts Operation, R900200: Creative Artists, Musicians, Writers and Performers, R900300: Performing Arts Venue Operation, R911100: Health and Fitness Centres and Gyms Operation, R911200: Sport and Physical Recreation Clubs and Sports Professionals, R911300: Sports and Physical Recreation Venues, Grounds and Facilities Operation, R911400: Sport and Physical Recreation Administrative Service, R912100: Horse and Dog Racing Administration and Track Operation, R912900: Other Horse and Dog Racing Activities, R913100: Amusement Parks and Centres Operation, R913900: Amusement and Other Recreation Activities n.e.c., R920200: Lottery Operation, R920900: Other Gambling Activities.