Venture TARANAKI
Te Puna Umanga

Trends

TARANAKI FACTS AND FIGURES

SUMMER 2014

WELCOME TO TARANAKI TRENDS FOR SUMMER 2014-15

For business, this part of the year can present a double-edged sword as the busy summer season keeps the focus on the front line in some sectors while the traditional summer holiday period can see other businesses quieter than desired.

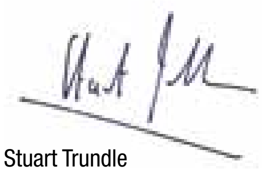
In both cases, the need to keep an eye on the big picture – to work both in and on the business – is critical. This edition of *Taranaki Trends* again pulls together a comprehensive range of information, data and statistics, from equally diverse sources, to help the region's businesses and leadership see the bigger picture and to inform their strategic planning and decision-making.

At a regional economic level, the period between major projects in the oil and gas sector heightens the need for diversification and innovation amongst the supply chain. Fluctuations in the global dairy price continue to shape the region's fortunes, as record pay outs are forecast to drop sharply and shift the emphasis to productivity gains. In this fiscal climate the impacts of drought and other natural events will play an even greater role in the region's outlook.

Despite this, and a tempering of the 'rock star' status being liberally applied this time last year, the regional outlook remains broadly positive, and the sales projections of many businesses remain firmly in positive territory.

Taranaki's inherent resilience has been demonstrated during the global fluctuations of the last few years. Our team is in no doubt that while some businesses may feel the contraction, our region will remain, as the data suggests, one of the cornerstones of the nation's economy.

As Taranaki's regional development agency we strongly encourage you to utilise the data presented in *Taranaki Trends* to inform your own strategic planning and business decisions. If the team here at Venture Taranaki can offer any further assistance to help your organisation grow, then please don't hesitate to contact us.



Stuart Trundle
Venture Taranaki Chief Executive

Economic Summary

INNER CITY LIVING IN NEW PLYMOUTH

5.3% more people are residing in the CBD area in 2013 than 2006.

NATURAL INCREASE IN POPULATION

(births less deaths)/ for year ending June 2014 compared to previous 12 months.

ARRIVALS DUE TO LONG-TERM PERMANENT INTERNATIONAL PEOPLE

year ending June 2014 relative to previous 12 months.

HOUSE VALUES

for June 2014 relative to June 2013

VALUE OF TOTAL CONSTRUCTION CONSENTS

for year ending June 2014 relative to 12 months ending June 2013.

COMMERCIAL CONSTRUCTION

a significant increase for the year ending June 2014, relative to the previous 12 month period.

NUMBER OF SHEEP

in the region (2012-2013).

NUMBER OF BEEF CATTLE

in the region (2012-2013).

HOME AFFORDABILITY

(as it relates to home ownership) for the 12 months ending May 2014 relative to 12 months previous.

RENTAL ACCOMMODATION IN NEW PLYMOUTH

in the past 12 months, although the increase is not as high as the national average.

RETAIL SALES IN THE PROVINCE

(Jan – June 2014) relative to same period in 2013.

GUEST NIGHTS

for visitors staying in commercial accommodation (12 months ending June 2014).

NUMBER OF VISITORS STAYING WITH FRIENDS AND RELATIVES

for the 12 month period ending June 2014.

NUMBER OF 18 YEAR OLDS WITH LEVEL 2 NCEA OR HIGHER

PORT ACTIVITY

tonnage through Port Taranaki for the 12 months ending June 2014.

NUMBER OF DAIRY CATTLE

in the province (2012- 2013).

DEATHS FOR THE YEAR ENDING JUNE 2014

relative to previous 12 month period.

DEPARTURES OF TARANAKI PEOPLE

to overseas locations on a permanent, long-term basis.

ECONOMIC ACTIVITY, IN RECENT MONTHS

a trend not only occurring in Taranaki but in many regions of New Zealand.

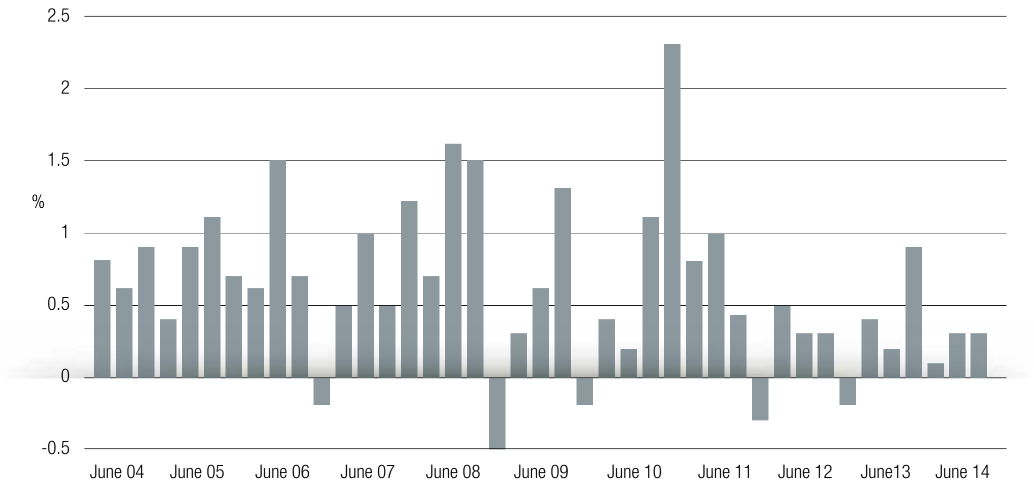
The Economy and Taranaki Economic Outlook

CONSUMER PRICE INDEX (CPI) – NEW ZEALAND

0.3%
JUNE 2014 QUARTER – CPI INCREASE

1.6%
ANNUAL CHANGE – CPI INCREASE

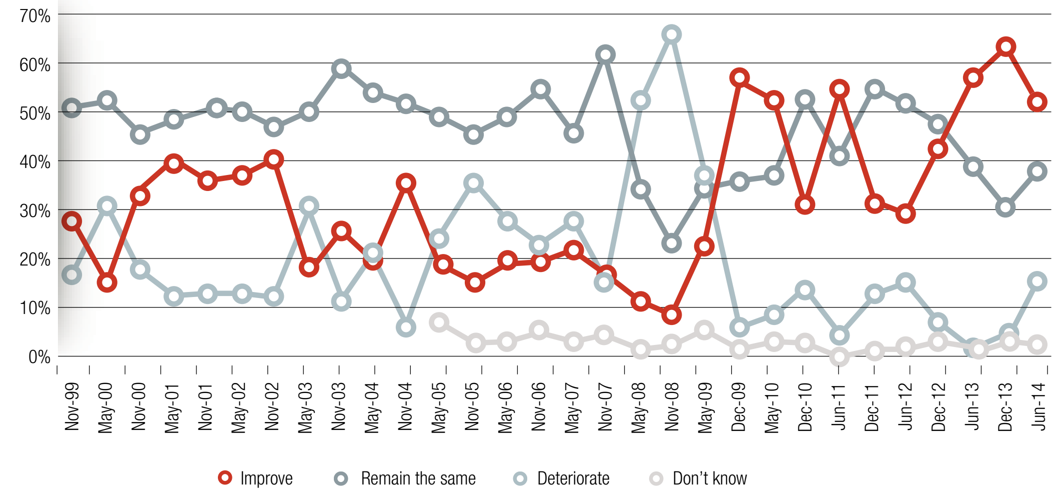
CPI QUARTERLY CHANGE - JUNE 2014



MAIN SOURCES OF CPI INCREASE WERE HIGHER PRICES FOR HOUSING AND HOUSEHOLD UTILITIES (WHICH INCLUDES THE PURCHASE OF NEW HOMES, PROPERTY MAINTENANCE AND RENTALS) AS WELL AS FOOD (DUE TO THE SEASONALLY HIGHER PRICES FOR VEGETABLES) AND INCREASED DAIRY PRICES. DOWNWARD CONTRIBUTORS TO CPI INCLUDED PACKAGE HOLIDAYS, FRUIT AND THE PURCHASE OF NEW VEHICLES.

1,000 TARANAKI BUSINESSES WERE SURVEYED IN JUNE 2014 REGARDING THE STATE OF THE ECONOMY AND TRADING CONDITIONS FOR THE NEXT 12 MONTHS

NZ BUSINESS CONDITIONS - NEXT 12 MONTHS



ALTHOUGH THE MAJORITY OF TARANAKI BUSINESSES ANTICIPATE CONDITIONS WILL IMPROVE/REMAIN THE SAME, THE OUTCOME REFLECTS A DECLINE ON OPTIMISM FROM PREVIOUS SURVEY.

- 52% ANTICIPATED IMPROVEMENT
- 39% ANTICIPATED THE STATUS QUO WILL PREVAIL
- 7% PREDICTED DETERIORATION
- 1% WERE UNSURE

Taranaki Business and Our Comparative Advantages

Total number of businesses
14,160
IN TARANAKI REGION

Total number of employees*
49,160
IN TARANAKI REGION

* Excludes self-employed, directors and others not formally classified as employees.

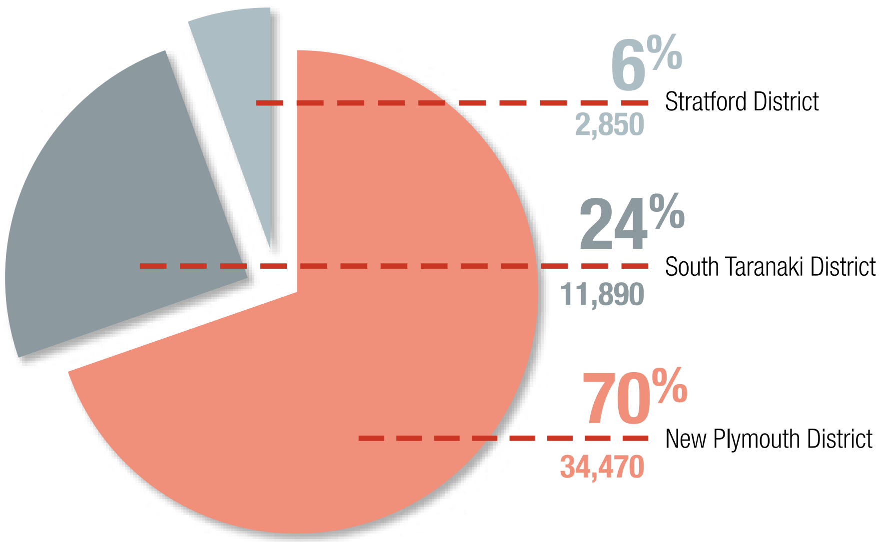
SMALL BUSINESS COMPRISE THE MAJORITY OF TARANAKI'S BUSINESSES BUT THEY DO NOT ACCOUNT FOR THE MAJORITY OF OUR EMPLOYMENT.

88% OF TARANAKI BUSINESSES HAVE 5 EMPLOYEES OR LESS WHICH IS ON PAR WITH THE NEW ZEALAND AVERAGE.

26.6% OF TARANAKI'S EMPLOYEES WORK IN LARGE TARANAKI BUSINESSES WHICH HAVE 100+ EMPLOYEES.

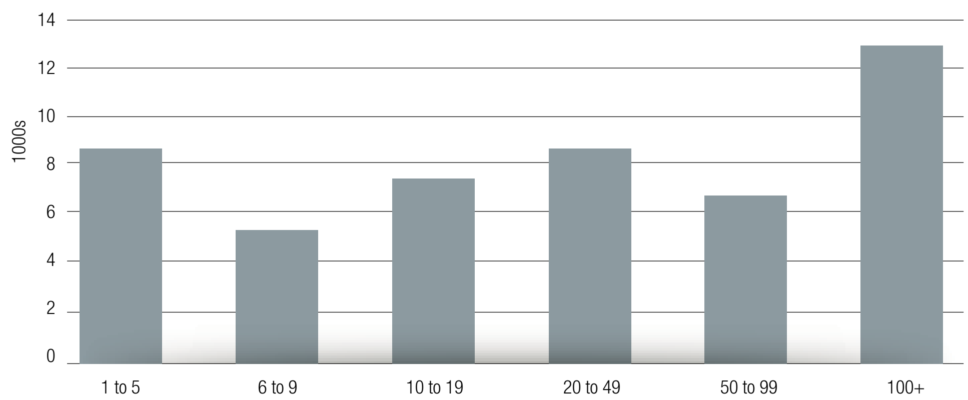
THIS PERCENTAGE IS LESS THAN THE NEW ZEALAND AVERAGE WHERE 31% OF EMPLOYEES WORK IN LARGE BUSINESSES WITH 100+ EMPLOYEES.

EMPLOYEES % BY TARANAKI DISTRICT**



** The Taranaki District boundaries (TLA) are not the same as the Taranaki regional boundaries therefore total employee and business numbers between TLA and Regional will differ.

EMPLOYMENT BY BUSINESS SIZE - TARANAKI



TARANAKI'S COMPARATIVE ADVANTAGES

A HIGH CONCENTRATION OF CERTAIN INDUSTRIES IN A REGION MAY BE INDICATIVE OF THAT REGION HAVING A COMPARATIVE ADVANTAGE IN THOSE INDUSTRIES DUE TO THE REGION'S NATURAL ENDOWMENTS, LOCATION, LABOUR SKILLS OR OTHER.

THE FOLLOWING ANALYSIS HIGHLIGHTS THE TOP TEN INDUSTRIES THAT TARANAKI HAS A COMPARATIVE ADVANTAGE IN AS INDICATED BY FOLLOWING 'LOCATION QUOTIENTS'.

Rank	Industry	Location Quotient
1	Mining/Oil and Gas	12.5
2	Electricity and Gas Supply	5.1
3	Dairy Cattle Farming	3.7
4	Water, Sewerage, Drainage and Waste Services	3.5
5	Dairy Product Manufacturing	3.4
6	Poultry, Deer and Other Livestock Farming	2.1
7	Primary Metal and Metal Product Manufacturing	1.8
8	Basic Chemical and Chemical manufacturing Product Manufacturing	1.7
9	Meat and Meat Product Manufacturing	1.7
10	Fabricated Metal Product Manufacturing	1.4

*Independently analysed for Venture Taranaki by Infometrics.

THE INDUSTRIES IN WHICH TARANAKI HAS THE LARGEST COMPARATIVE ADVANTAGES ARE MINING/OIL & GAS (LOCATION QUOTIENT = 12.5), ELECTRICITY AND GAS SUPPLY (5.1) AND DAIRY CATTLE FARMING (3.7).

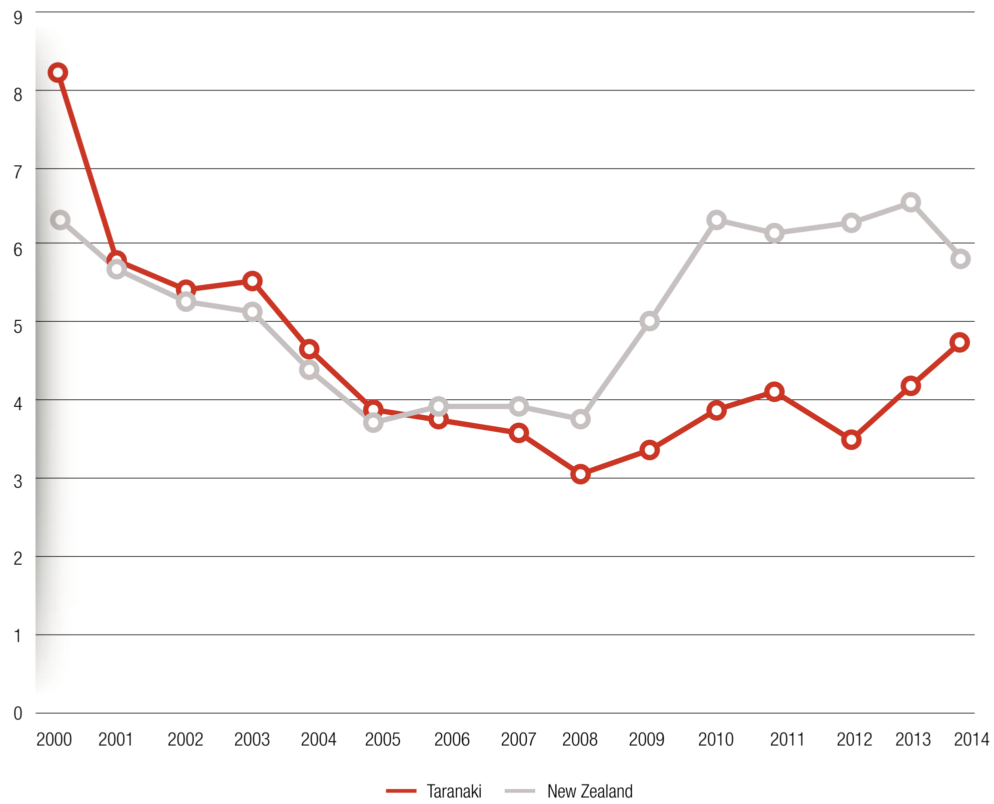
Labour Market

UNEMPLOYMENT

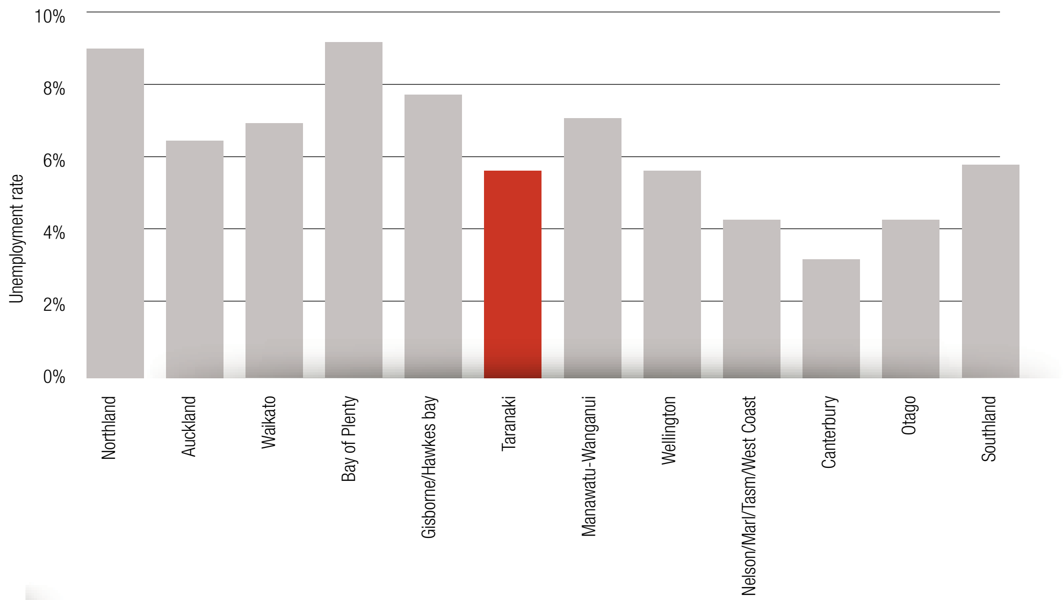
TARANAKI
5.7%
UNEMPLOYMENT RATE TO JUNE 2014

NEW ZEALAND
5.9%
UNEMPLOYMENT RATE TO JUNE 2014

UNEMPLOYMENT RATE - TARANAKI v NZ. ANNUAL TO JUNE 2014



UNEMPLOYMENT RATE – REGIONAL COMPARISONS - ANNUAL TO JUNE 2014



TARANAKI
69.8%
LABOUR FORCE PARTICIPATION RATE TO JUNE 2014

NEW ZEALAND
68.9%
LABOUR FORCE PARTICIPATION RATE TO JUNE 2014

TARANAKI HAS LOWER UNEMPLOYMENT AND A HIGHER LABOUR FORCE PARTICIPATION RATE THAN THE NEW ZEALAND AVERAGE

Population

TARANAKI'S REGIONAL POPULATION AS AT 2013 WAS 109,609 – AN INCREASE OF 5.3% SINCE 2006

INNER CITY LIVING IS GAINING IN POPULARITY IN THE REGION DURING THIS TIME WITH AN INCREASED NUMBER OF PEOPLE RESIDING IN THE CBD AREA OF NEW PLYMOUTH.

A TOTAL OF 675 PEOPLE LIVE IN THE CBD – AN INCREASE OF 33 PEOPLE OR 5.1% SINCE THE 2006 CENSUS.

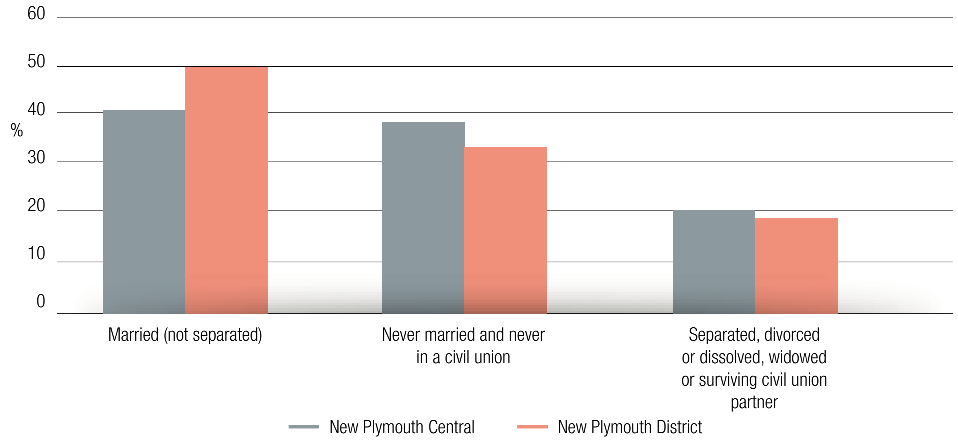
WITHIN NEW PLYMOUTH'S CENTRAL/CBD AREA:

Ethnic Group	New Plymouth Central (%)	New Plymouth District (%)
European	79.5	86.7
Māori	14.8	15.7
Pacific Peoples	0.5	1.8
Asian	13.3	4.0
Middle Eastern, Latin, American, African	1.4	0.5
Other ethnicity	1.9	2.1
Residents born overseas	26.3 (most common birthplace – Asia)	15 (most common birthplace – UK/Ireland)
Median Age	45.4	40.6
Residents under 15 years of age	8	20.4

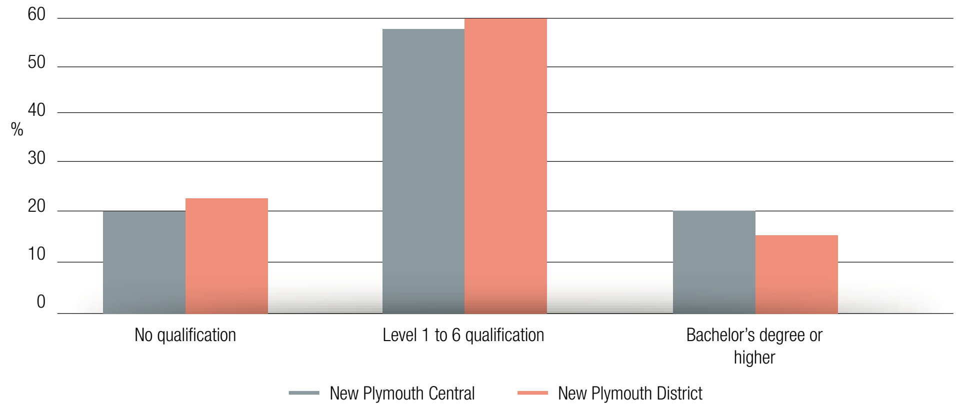
WHILST THE MOST COMMON ETHNIC GROUP IN NEW PLYMOUTH CENTRAL IS EUROPEAN, WHICH IS THE SAME AS THE NEW PLYMOUTH DISTRICT, THERE IS A SIGNIFICANTLY HIGHER PROPORTION OF ASIAN PEOPLE RESIDING IN NEW PLYMOUTH CENTRAL.

WITHIN NEW PLYMOUTH'S CENTRAL/CBD AREA:

38.9% OF PEOPLE (AGED 15 YEARS AND OVER) HAVE NEVER MARRIED, AND 33.8% LIVE WITH THEIR PARTNER.

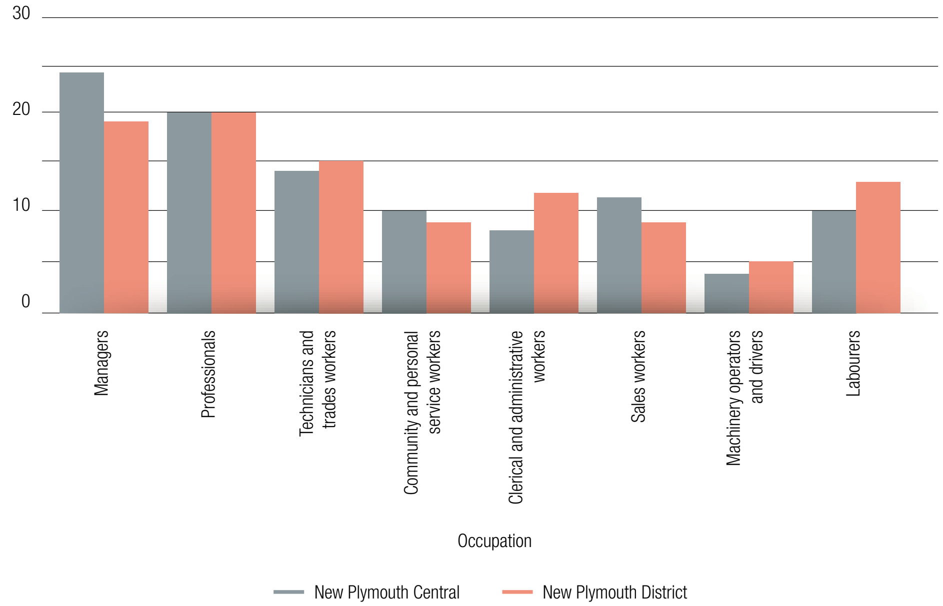


79.1% OF PEOPLE AGED 15 YEARS HAVE A FORMAL QUALIFICATION, COMPARED WITH 74.7% IN NEW PLYMOUTH DISTRICT.



Note: Level 1 to 6 qualification category includes level 1 to 4 certificates, level 5 and 6 diploma and overseas secondary school qualification. Source: Statistics New Zealand.

THERE ARE PROPORTIONATELY HIGHER LEVELS OF MANAGERS AND SALES PEOPLE LIVING IN NEW PLYMOUTH CENTRAL THAN NEW PLYMOUTH DISTRICT.

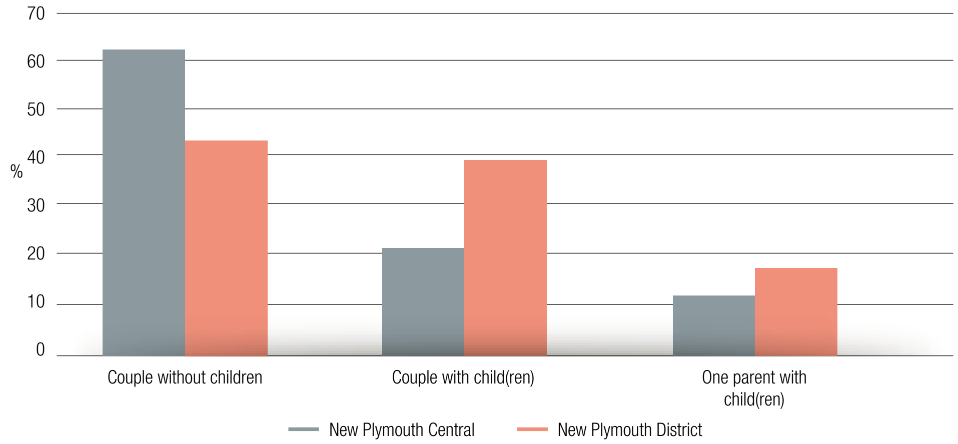


THE MEDIAN INCOME IS $32,300 COMPARED WITH $29,100 FOR NEW PLYMOUTH DISTRICT.

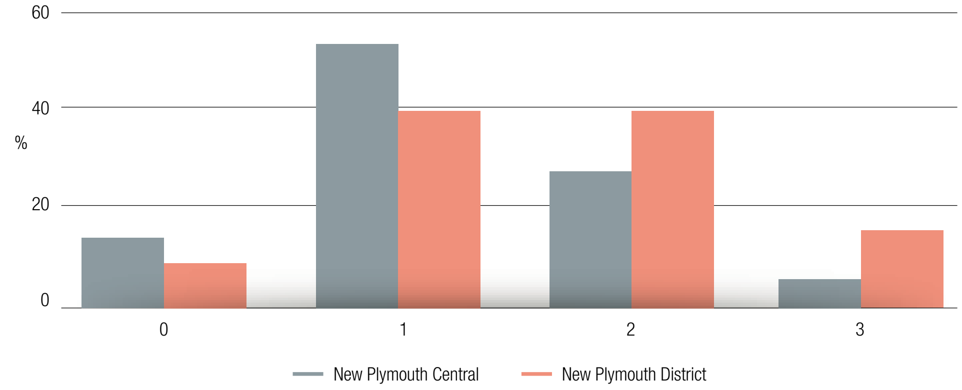
Population

WITHIN NEW PLYMOUTH'S CENTRAL/CBD AREA:

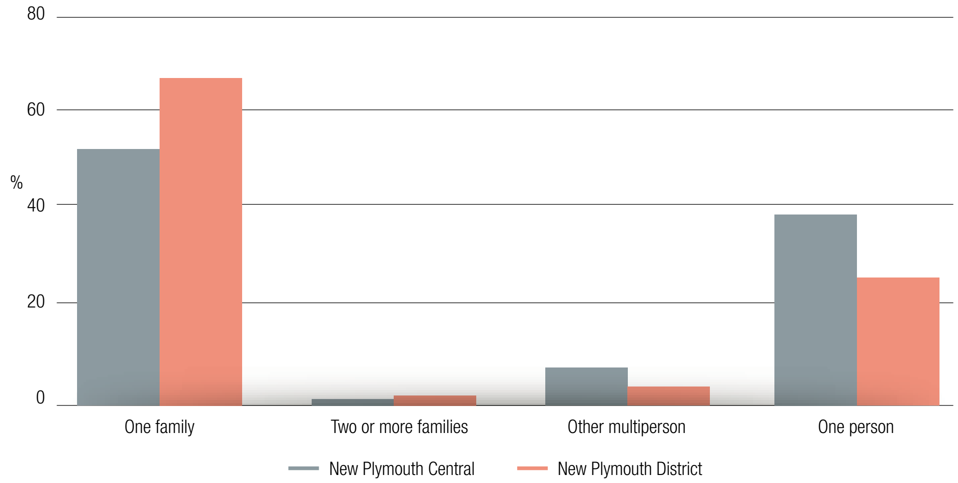
62.7% ARE COUPLES WITHOUT CHILDREN, COMPARED WITH 44.5% FOR NEW PLYMOUTH DISTRICT.



5% OF HOUSEHOLDS HAVE ACCESS TO THREE OR MORE MOTOR VEHICLES, COMPARED WITH 14.4% OF ALL HOUSEHOLDS IN NEW PLYMOUTH DISTRICT.



THE AVERAGE HOUSEHOLD SIZE IS 1.9 PEOPLE, COMPARED WITH 2.5 PEOPLE PER HOUSEHOLD FOR NEW PLYMOUTH DISTRICT.



Source: Statistics New Zealand

THOSE LIVING IN THE CBD AREA ARE MORE LIKELY TO BE COUPLES LIVING TOGETHER, WHO ARE HIGHER INCOME EARNERS, MORE HIGHLY QUALIFIED, AND EMPLOYED IN MANAGEMENT/PROFESSIONAL ROLES, WITH FEWER/NO CHILDREN.

Māori Population in Taranaki

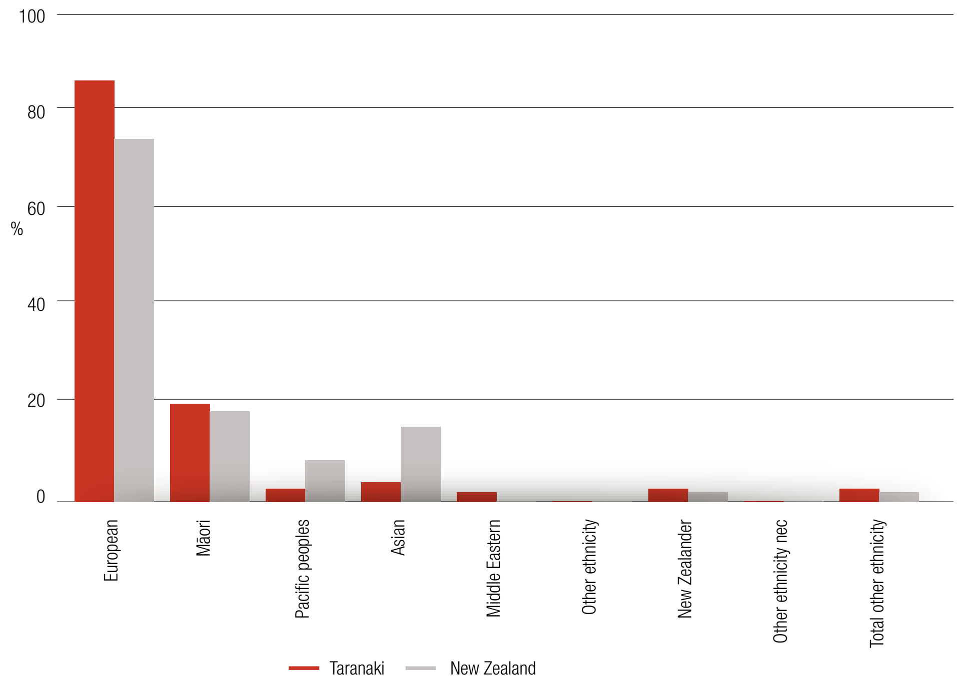
MĀORI REPRESENT AN INCREASINGLY IMPORTANT COMPONENT OF THE TARANAKI POPULATION BASE AND ECONOMY.

TARANAKI
17.4%
PEOPLE WHO IDENTIFY AS BELONGING TO THE MĀORI ETHNIC GROUP

NEW ZEALAND*
14.9%
PEOPLE WHO IDENTIFY AS BELONGING TO THE MĀORI ETHNIC GROUP

* Percentage reflects all ethnicities population identify with, thus people may identify with more than one ethnicity.

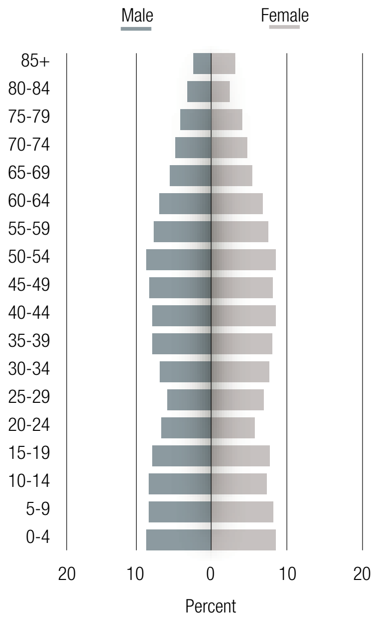
POPULATION PERCENTAGE: ETHNIC GROUPS TARANAKI v NEW ZEALAND



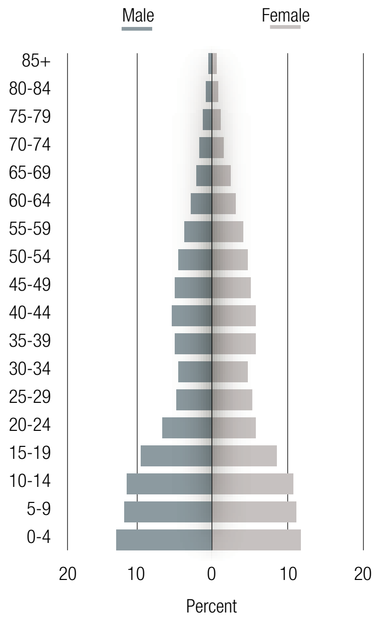
WHEREAS THE MEDIAN AGE OF PEOPLE LIVING IN THE TARANAKI REGION IS 39.9 YEARS, THE MEDIAN AGE OF MĀORI IN TARANAKI IS 23.5 YEARS. THE IMPLICATIONS FOR OUR REGIONAL WORKFORCE ARE THUS CONSIDERABLE.

Māori Population in Taranaki

AGE AND SEX OF POPULATION - TARANAKI



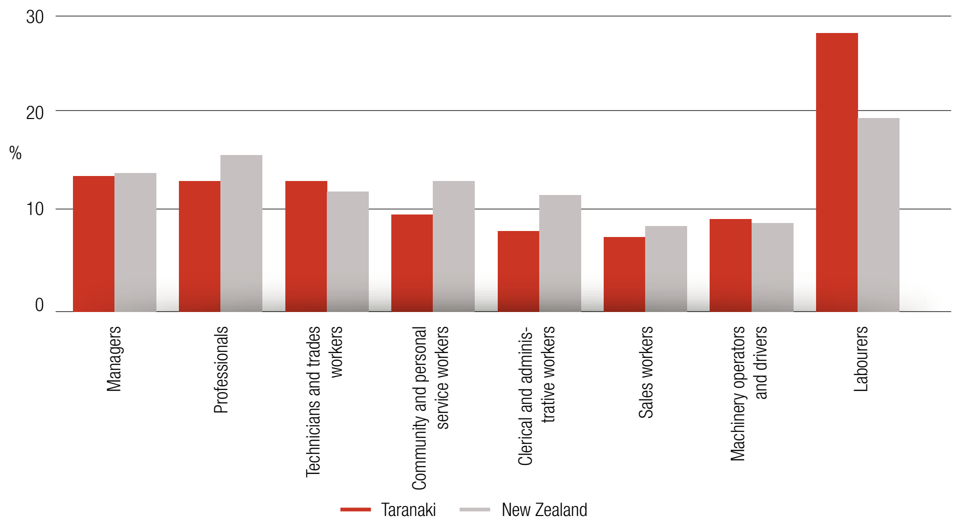
AGE AND SEX OF MĀORI



THE MOST COMMON OCCUPATIONAL GROUP FOR MĀORI IN TARANAKI REGION AS RECORDED IN THE 2013 CENSUS WAS 'LABOURERS' WHICH IS CONSISTENT WITH THE OUTCOME IN THE 2013 CENSUS FOR ALL MĀORI IN NEW ZEALAND.

THE MOST COMMON OCCUPATIONAL GROUP FOR TARANAKI IS 'MANAGERS', WHILST 'PROFESSIONALS' IS THE MOST COMMON GROUP IN NEW ZEALAND.

OCCUPATION FOR EMPLOYED MĀORI AGED 15 YEARS AND OVER - TARANAKI REGION AND NEW ZEALAND

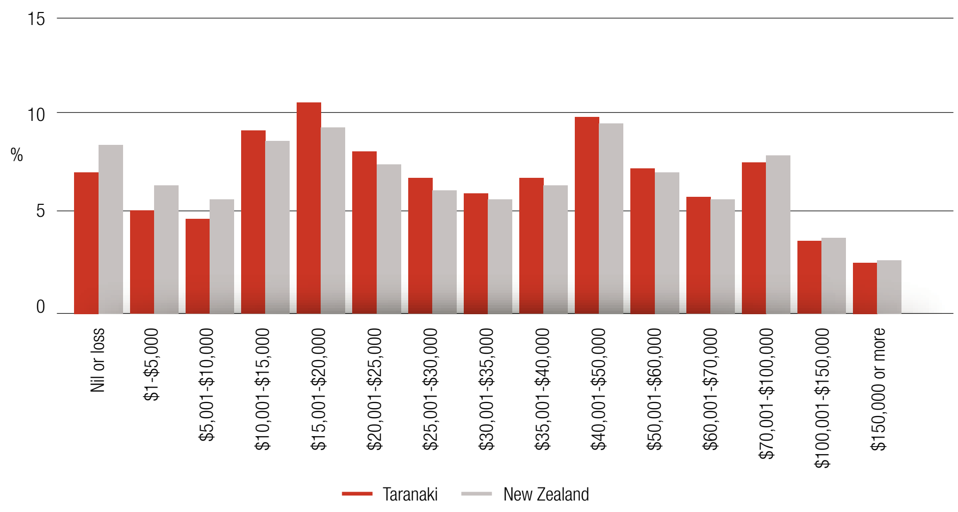


THE MEDIAN INCOME IN TARANAKI ACROSS ALL GROUPS (15 YEARS AND OVER) WAS $29,100.

TARANAKI
$23,400
MEDIAN INCOME FOR MĀORI AGED 15 YEARS AND OVER

NEW ZEALAND
$22,500
MEDIAN INCOME FOR MĀORI AGED 15 YEARS AND OVER

TOTAL PERSONAL INCOME FOR MĀORI AGED 15 YEARS AND OVER



Natural population increase

TARANAKI
0.9%
ANNUAL CHANGE IN BIRTHS
2013-2014

NEW ZEALAND
-2.1%
ANNUAL CHANGE IN BIRTHS
2013-2014

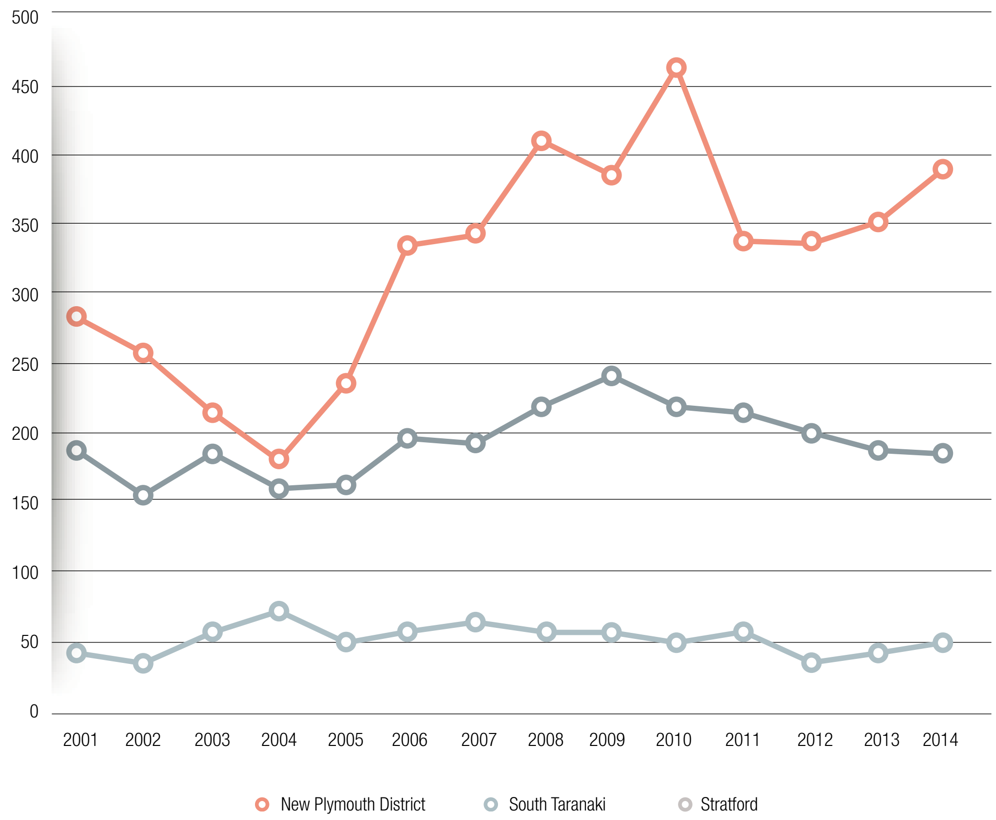
TARANAKI
-5.0%
ANNUAL CHANGE IN DEATHS
2013-2014

NEW ZEALAND
-0.4%
ANNUAL CHANGE IN DEATHS
2013-2014

THERE WERE 1,522 BIRTHS IN TARANAKI FOR THE 12 MONTHS ENDING JUNE 2014 AND 891 DEATHS, RESULTING IN A NATURAL POPULATION INCREASE OF 631 DURING THIS PERIOD. THIS IS 10.7% HIGHER THAN THE PREVIOUS YEAR.

ALL TARANAKI DISTRICTS RECORDED A DECLINE IN DEATHS. BIRTHS INCREASED IN BOTH NEW PLYMOUTH DISTRICT AND STRATFORD WITH SOUTH TARANAKI REMAINING ON SIMILAR LEVELS TO THE PREVIOUS YEAR.

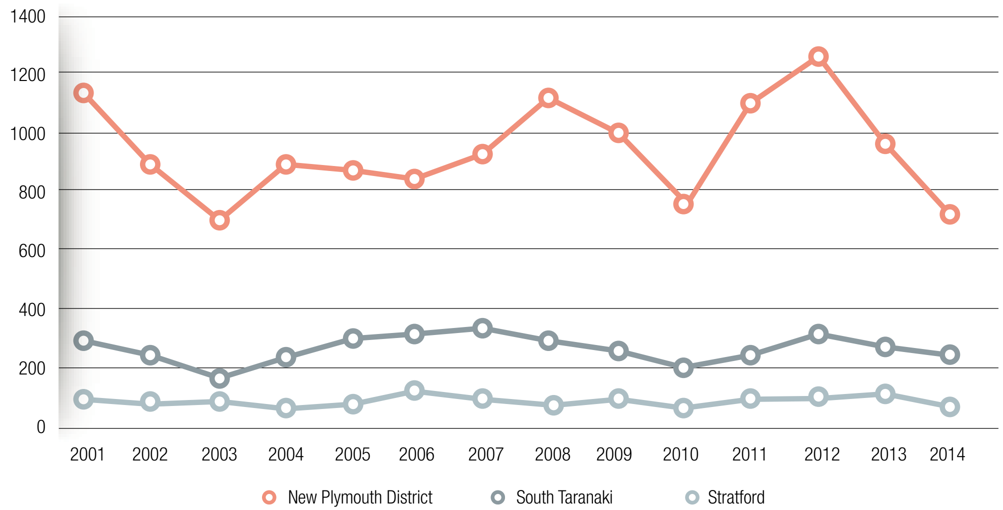
NATURAL INCREASE IN POPULATION - TARANAKI DISTRICTS YEAR ENDING JUNE 2014



Migration - Long term international arrivals and departures to/from the Taranaki region

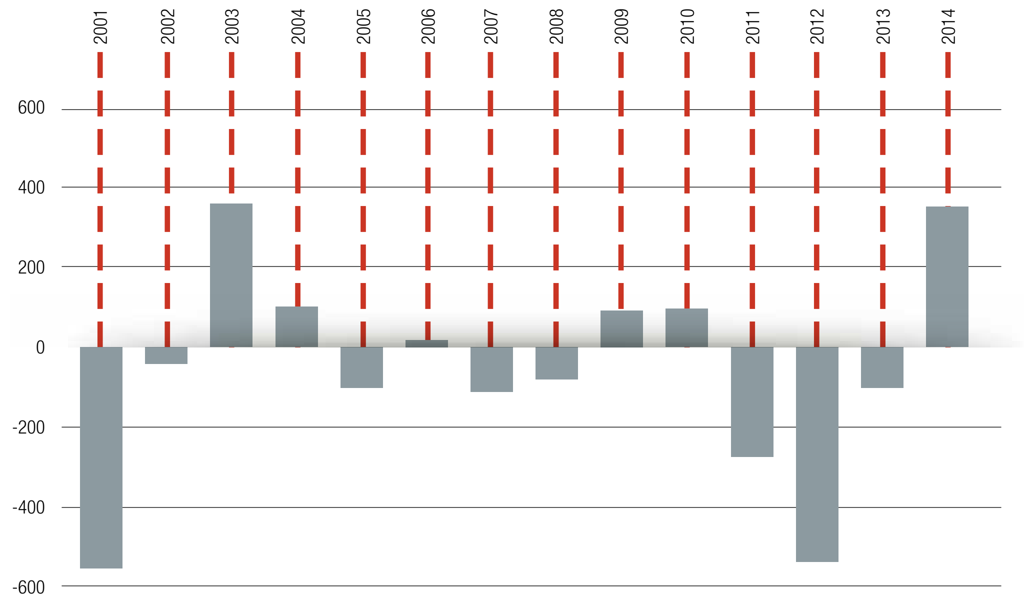
INTERNATIONAL LONG TERM ARRIVALS - ANNUAL TO JUNE 2014

INTERNATIONAL LONG TERM DEPARTURES - ANNUAL TO JUNE 2014



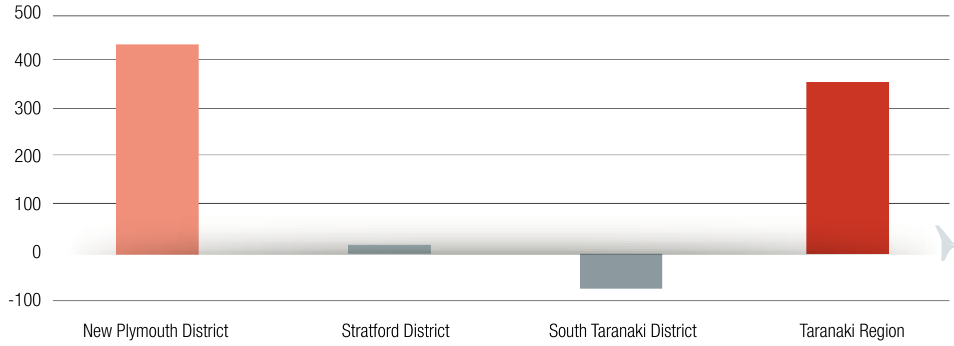
THERE WAS A NET GAIN OF 362 PEOPLE FOR THE 12 MONTH PERIOD TO JUNE 2014 PREDOMINANTLY DRIVEN BY THE NEW PLYMOUTH DISTRICT. THIS IS A SIGNIFICANT IMPROVEMENT ON THE PREVIOUS YEAR WHEN THERE WAS A NET LOSS OF 114, AND AN EVEN LARGER LOSS OF 555 THE YEAR BEFORE.

TARANAKI NET MIGRATION - ANNUAL TO JUNE 2014



Migration - Long term international arrivals and departures

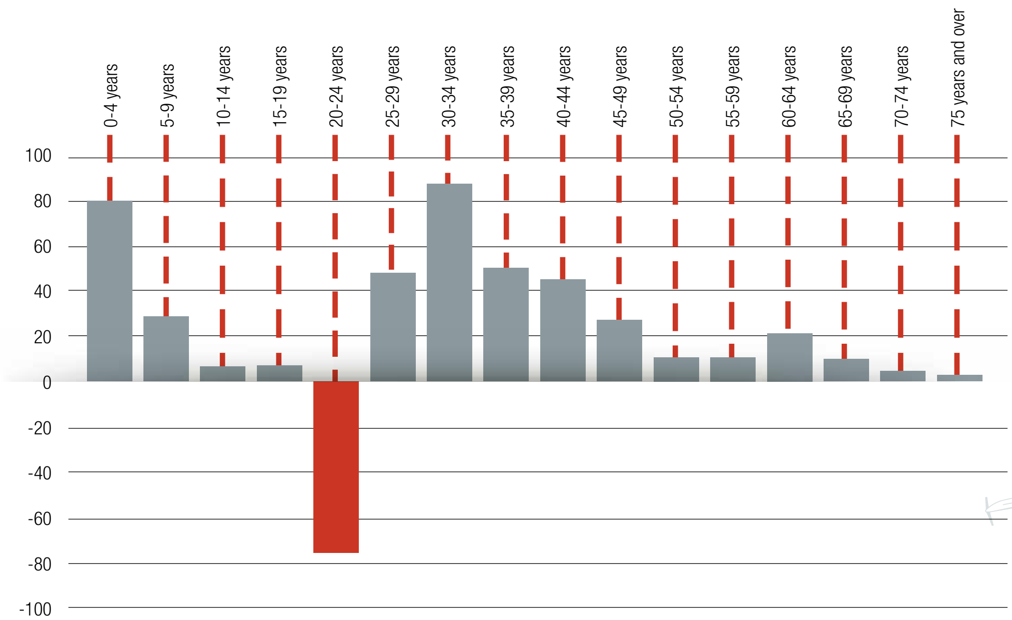
TARANAKI NET MIGRATION BY DISTRICT FOR THE 12 MONTHS ENDING JUNE 2014



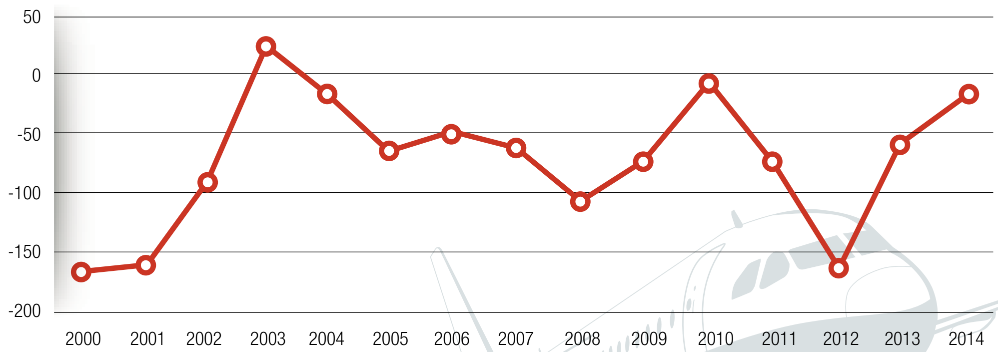
MORE DETAILED ANALYSIS OF NET MIGRATION OF THE 20-24 YEAR AGE GROUP BELOW HIGHLIGHTS THAT DESPITE THE NET LOSS, THIS TREND HAS CONTRACTED IN RECENT YEARS.

NET GAINS WERE MADE IN ALL AGE GROUPS DUE TO INTERNATIONAL ARRIVALS EXCEEDING DEPARTURES IN THEIR RESPECTIVE AGE CATEGORIES WITH THE EXCEPTION OF 20-24 YEARS WHERE A NET LOSS OF 72 PEOPLE WAS REPORTED.

TARANAKI NET MIGRATION BY AGE FOR THE 12 MONTHS ENDING JUNE 2014

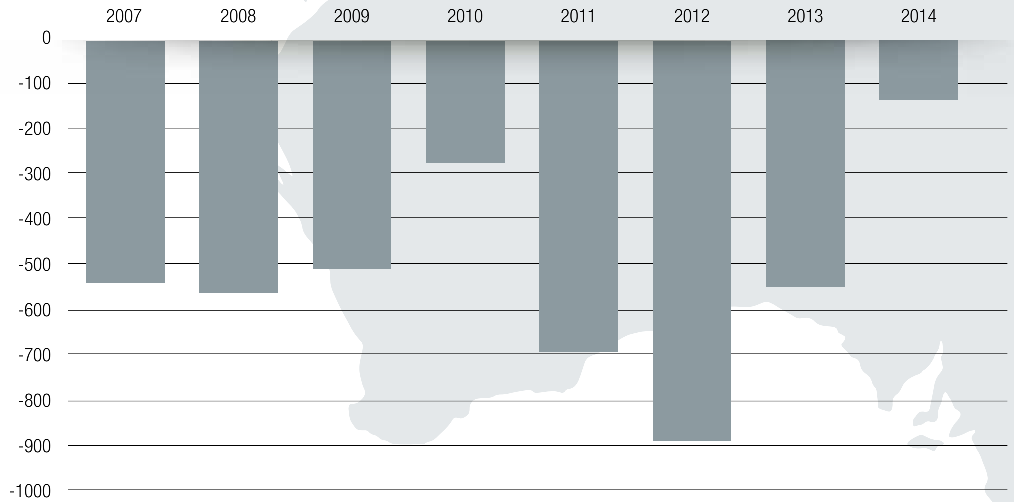


20-24 AGE GROUP NET MIGRATION - ANNUAL TO JUNE 2014, NEW PLYMOUTH DISTRICT

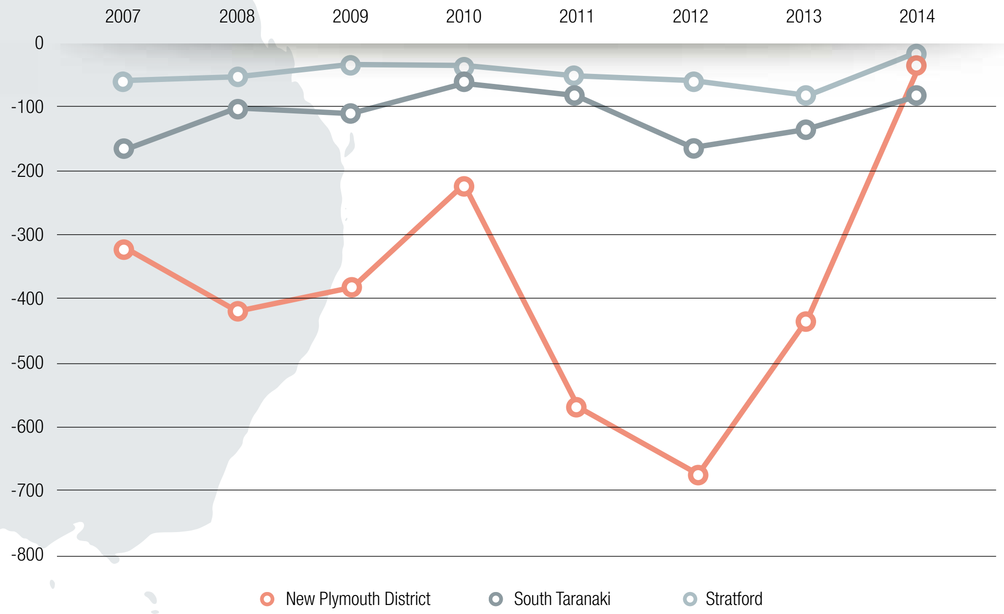


THE LOSS OF PEOPLE TO AUSTRALIA HAS HISTORICALLY HINDERED NET GAINS, BUT THIS TREND IS STARTING TO DECLINE.

AUSTRALIA - TARANAKI - NET MIGRATION - ANNUAL TO JUNE 2014



NET MIGRATION: AUSTRALIA - TARANAKI DISTRICTS ANNUAL TO JUNE 2014

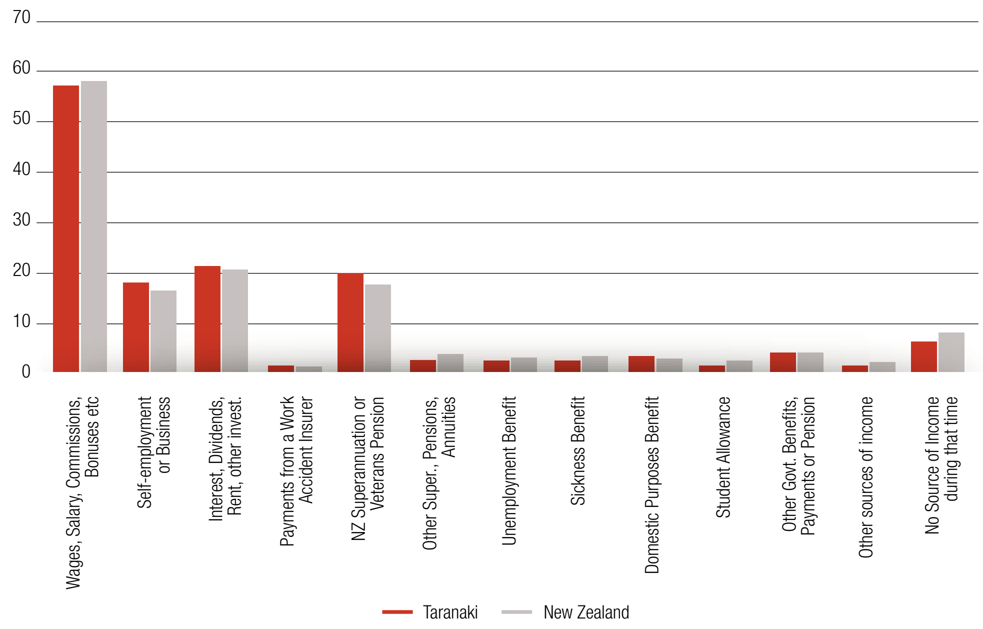


Income

IN THE 2013 CENSUS, PEOPLE WERE ASKED TO STATE THEIR LEVELS AND SOURCES OF INCOME FOR THE YEAR ENDING MARCH 2013*.

'WAGES, SALARIES COMMISSIONS AND BONUSES' WERE THE MOST COMMON SOURCE OF PERSONAL INCOME FOR PEOPLE IN TARANAKI (57%) WHICH WAS CONSISTENT WITH THE NEW ZEALAND RESULT (57%).

SOURCES OF PERSONAL INCOME - TARANAKI v NEW ZEALAND



TARANAKI ALSO HAS PROPORTIONATELY SLIGHTLY HIGHER LEVELS OF PEOPLE RECEIVING SUPERANNUATION, PARTICULARLY WITHIN NEW PLYMOUTH AND STRATFORD DISTRICTS.

*Many people recorded more than one source of income and these were counted in each category they were recorded in.

Income

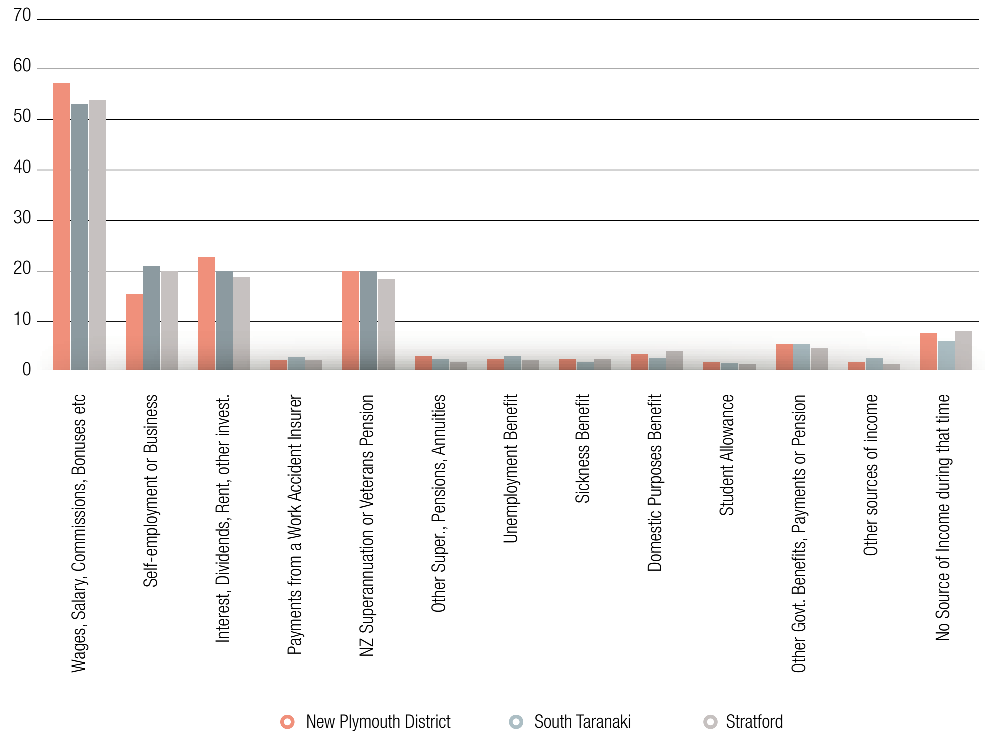
HIGHER LEVELS ARE SELF-EMPLOYED WITHIN THE REGION (16.8%) THAN THE NATIONAL AVERAGE (15.4%). THIS IS MORE APPARENT IN STRATFORD (20%) AND SOUTH TARANAKI (21%), INFLUENCED (AT LEAST IN PART) BY FARMING OWNERSHIP STRUCTURES.

TARANAKI
$29,100
THE MEDIAN PERSONAL INCOME
(people aged 15 years and older)

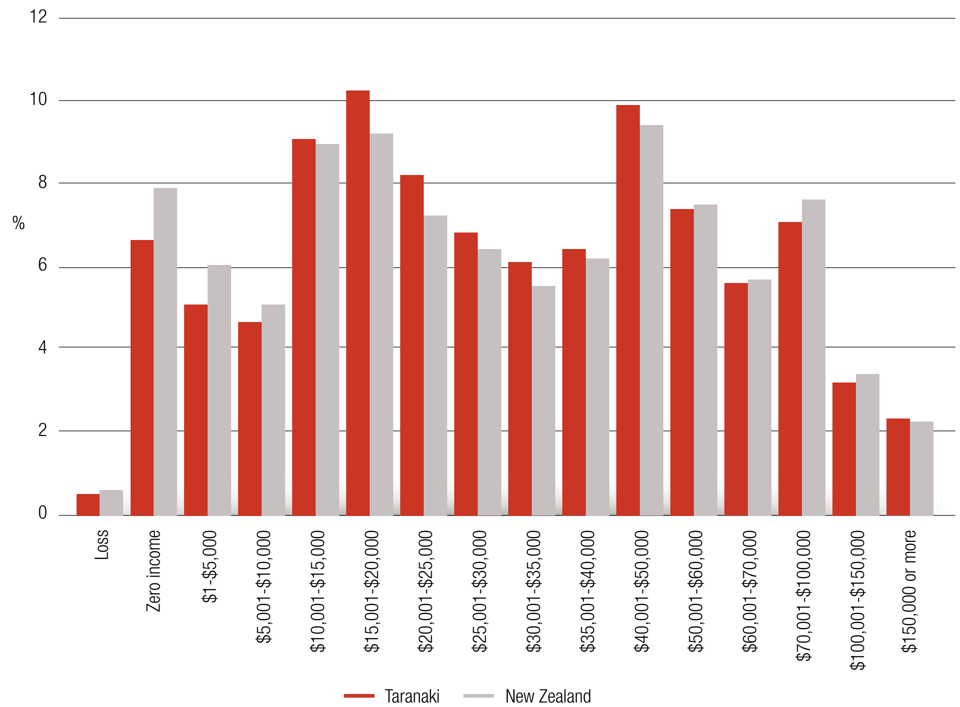
NEW ZEALAND
$28,500
THE MEDIAN PERSONAL INCOME
(people aged 15 years and older)

THE MEDIAN PERSONAL INCOME IS HIGHER IN TARANAKI THAN IN NEW ZEALAND.

SOURCES OF PERSONAL INCOME - TARANAKI DISTRICTS



TOTAL PERSONAL INCOME (% BY INCOME BRACKET) - TARANAKI v NZ

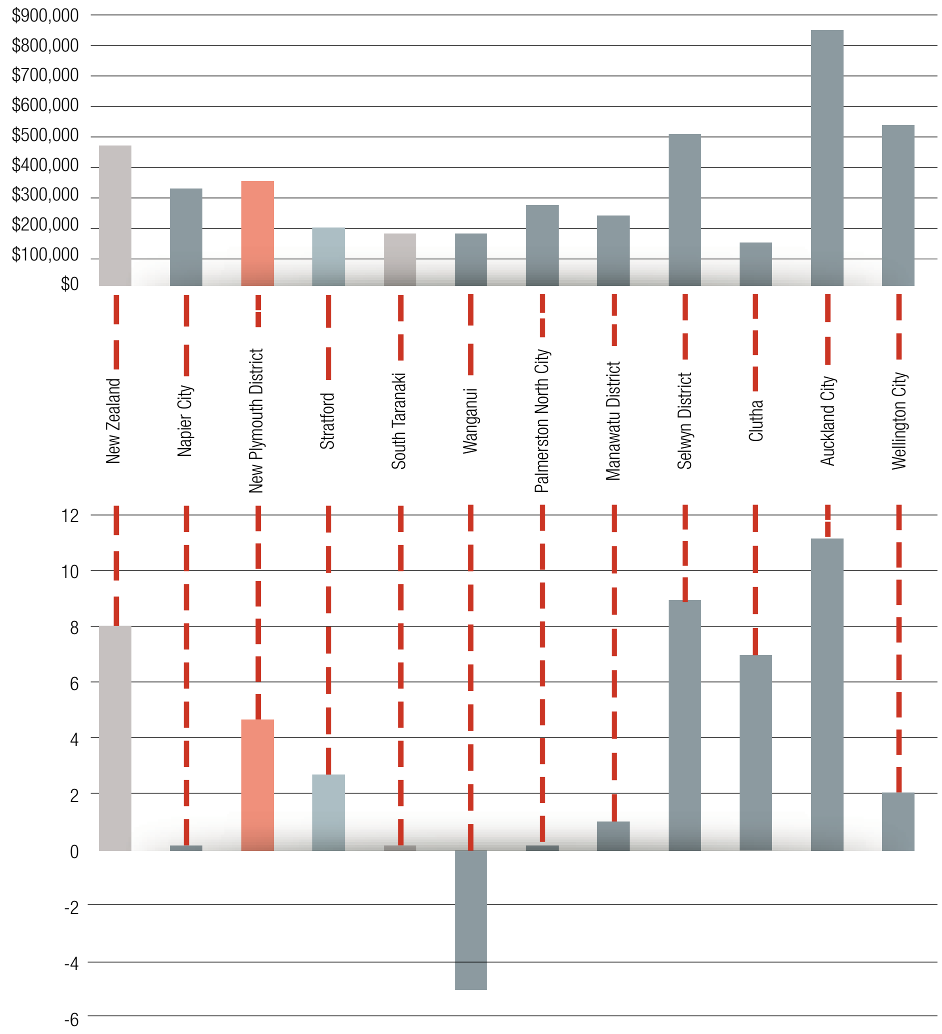


Average value of a house

HOUSE VALUATIONS HAVE CONTINUED TO INCREASE IN THE TARANAKI REGION DURING 2014, PARTICULARLY WITHIN NEW PLYMOUTH (4.6%) AND STRATFORD DISTRICT (2.7%) ALTHOUGH THIS INCREASE IS LESS THAN THE NATIONAL AVERAGE, WHICH HAS BEEN INFLUENCED BY THE AUCKLAND MARKET AND AREAS AROUND CHRISTCHURCH.

THE AVERAGE VALUATION OF A HOUSE WITHIN IN THE NEW PLYMOUTH DISTRICT IS CURRENTLY HIGHER THAN THE AVERAGE HOUSE VALUATION IN NAPIER AND WANGANUI.

AVERAGE VALUE OF A HOUSE - JUNE 2014



HOUSE VALUES PERCENTAGE CHANGE IN VALUE BETWEEN JUNE 2013 AND JUNE 2014

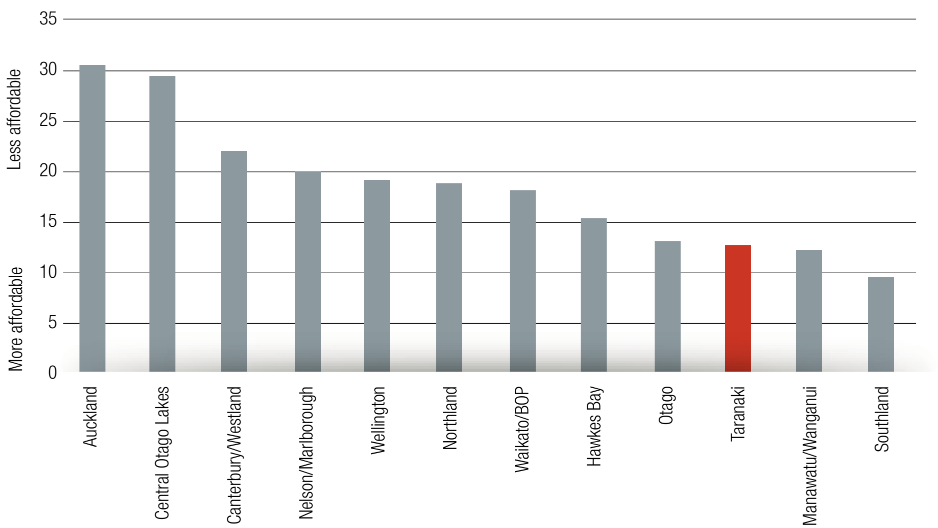
Home affordability

TARANAKI IS THE THIRD MOST ATTRACTIVE REGION IN THE COUNTRY IN TERMS OF HOME AFFORDABILITY BEHIND SOUTHLAND AND MANAWATU/ WANGANUI.

TARANAKI
+8.4%
HOME AFFORDABILITY
(for 12 months ending May 2014)

NEW ZEALAND
-7.6%
HOME AFFORDABILITY
(for 12 months ending May 2014)

HOME AFFORDABILITY REGIONAL RANKING



NATIONALLY, THE AVERAGE ANNUAL WAGE INCREASE OF $34.53 WAS NOT ENOUGH TO OFFSET A $38,000 INCREASE IN THE MEDIAN HOUSE PRICE AND THE INCREASE IN AVERAGE MORTGAGE INTEREST RATES. HOWEVER, TARANAKI WAS ONE OF FIVE REGIONS THAT BUCKED THIS TREND.

Rental market

RELATIVE TO THE SAME PERIOD LAST YEAR THE RENTAL MARKET IN NEW PLYMOUTH HAS INCREASED BY 3.2% TO $320 PER WEEK. THIS IS LESS THAN THE NATIONAL AVERAGE OF 6% AND $350 PER WEEK WHICH HAS BEEN DRIVEN BY PRESSURE DEMAND IN AUCKLAND AND CHRISTCHURCH*.

NEW PLYMOUTH
$320
MEDIAN RENT - MAY 2014

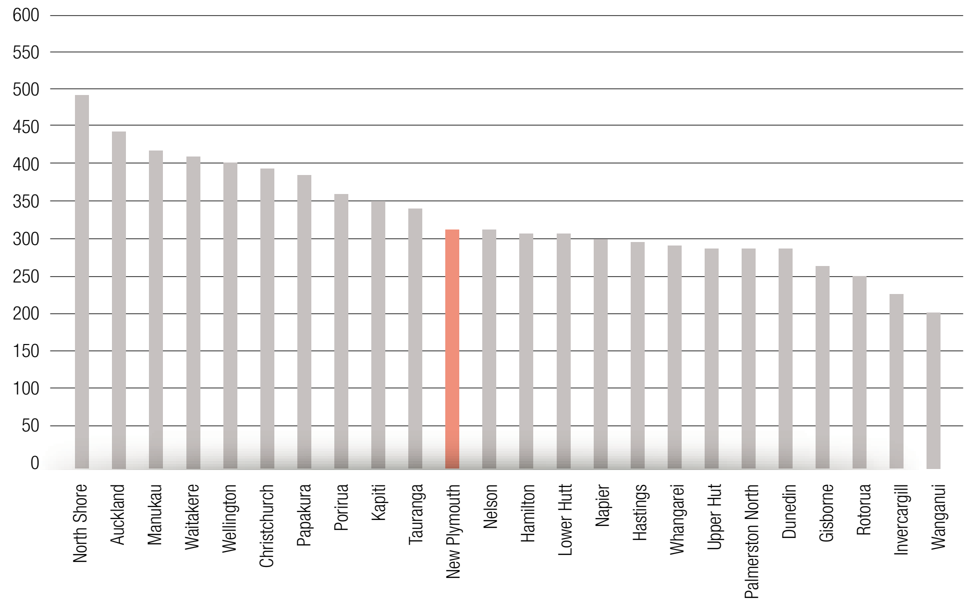
NEW ZEALAND
$350
MEDIAN RENT - MAY 2014

NEW PLYMOUTH
3.2%
% CHANGE FROM RENTAL SURVEY UNDERTAKEN MAY 2013

NEW ZEALAND
6.0%
% CHANGE FROM RENTAL SURVEY UNDERTAKEN MAY 2013

LOCALITIES WITHIN THE AUCKLAND REGION, LED BY NORTH SHORE AT $490 PER WEEK, HAVE THE HIGHEST WEEKLY MEDIAN RENT, WHILST WANGANUI HAS THE LOWEST, AT $200 PER WEEK.

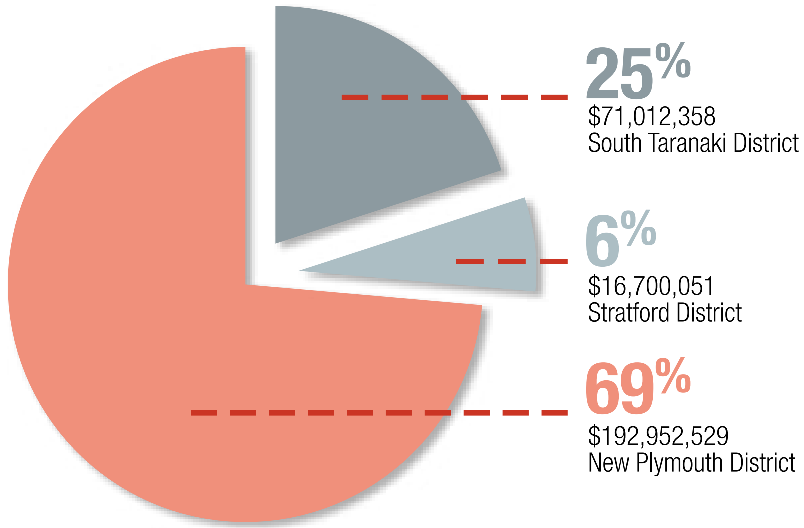
RENTS PER WEEK ($) - MAY 2014



*Source: Independent analysis by Massey University.

FOR THE 12 MONTHS ENDING JUNE 2014 THERE WERE $280.7 MILLION OF BUILDING CONSENTS APPROVED WITHIN THE TARANAKI REGION.

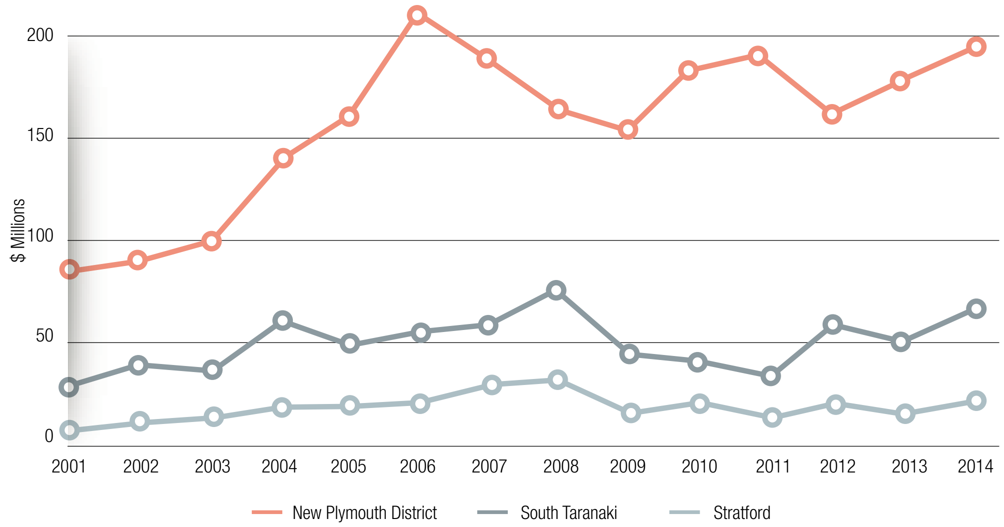
TARANAKI DISTRICTS: TOTAL VALUE OF BUILDING CONSENTS IN $ (NEW + ALTERED) - 12 MONTHS ENDING JUNE 2014



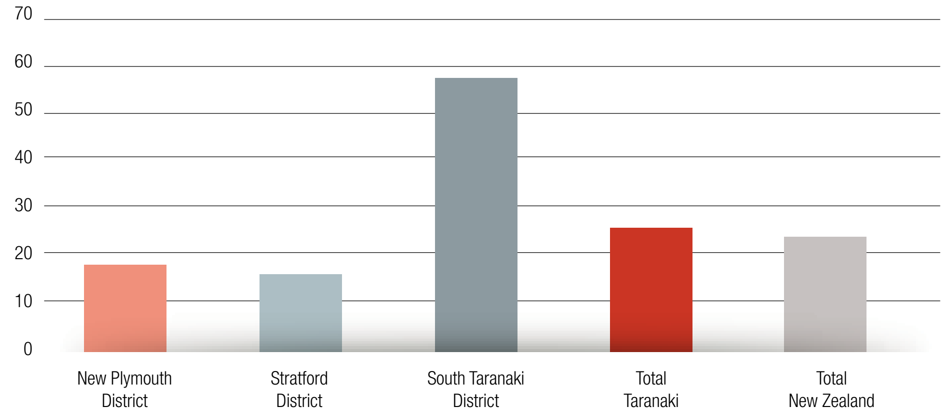
OVER $192m OF BUILDING CONSENTS WERE PROCESSED FOR THE NEW PLYMOUTH DISTRICT (INCLUSIVE OF BOTH RESIDENTIAL AND NON-RESIDENTIAL), $16.7m FOR THE STRATFORD DISTRICT, AND $71m FOR SOUTH TARANAKI.

Construction Activity

VALUE OF BUILDING CONSENTS ($) - RESIDENTIAL AND COMMERCIAL (NEW + ALTERED)



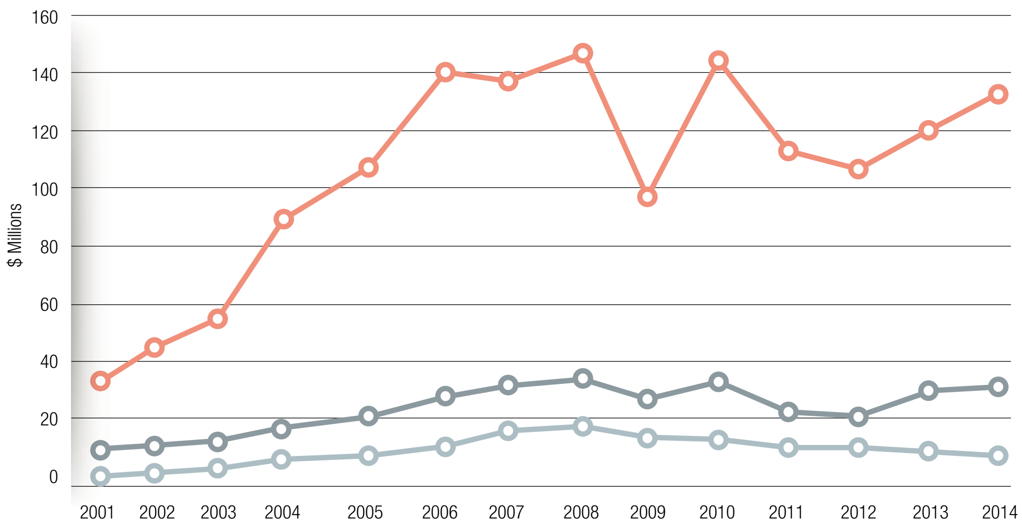
PERCENTAGE CHANGE IN VALUE OF TOTAL BUILDING CONSENTS 12 MONTHS TO JUNE 2014 RELATIVE TO SAME PERIOD IN PRIOR YEAR.



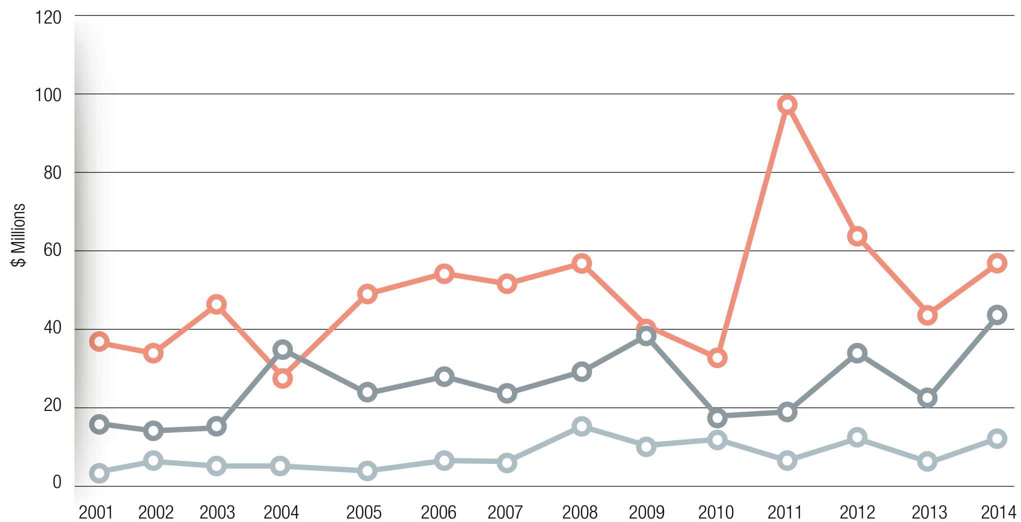
THE VALUE OF CONSENTS INCREASED OVER 25% IN THE REGION DURING THE PAST 12 MONTHS, LED PARTICULARLY IN SOUTH TARANAKI WHICH EXPERIENCED STRONG GROWTH IN COMMERCIAL CONSENTS UNDERPINNED BY SIGNIFICANT GROWTH IN FACTORY CONSTRUCTION/EXPANSION PLUS GREATER LEVELS OF INVESTMENT IN FARM BUILDINGS.

Residential versus commercial construction statistical breakdown

TARANAKI DISTRICT - VALUE OF RESIDENTIAL CONSTRUCTION ($) - NEW + ALTERATIONS



COMMERCIAL BUILDING CONSENTS - ANNUAL TO JUNE



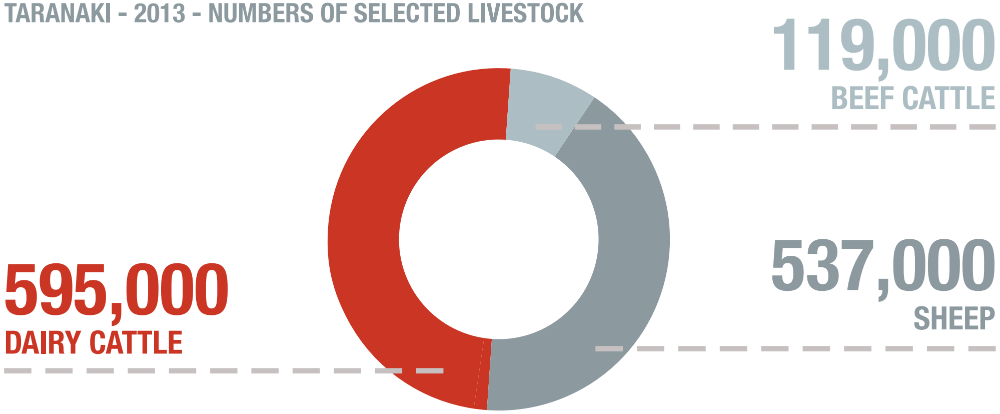
New Plymouth District   South Taranaki   Stratford

RESIDENTIAL CONSTRUCTION, PARTICULARLY WITHIN THE NEW PLYMOUTH DISTRICT, HAS CONTINUED TO BE ANOTHER MAJOR DRIVER OF CONSTRUCTION ACTIVITY IN THE REGION.

COMMERCIAL CONSTRUCTION WAS ACTIVE DURING THE 12 MONTH ENDING JUNE 2014 WITH OVER $111 MILLION OF CONSENTS APPROVED. THIS WAS AN INCREASE OF 68% OVER THE PREVIOUS 12 MONTH PERIOD.

Agriculture

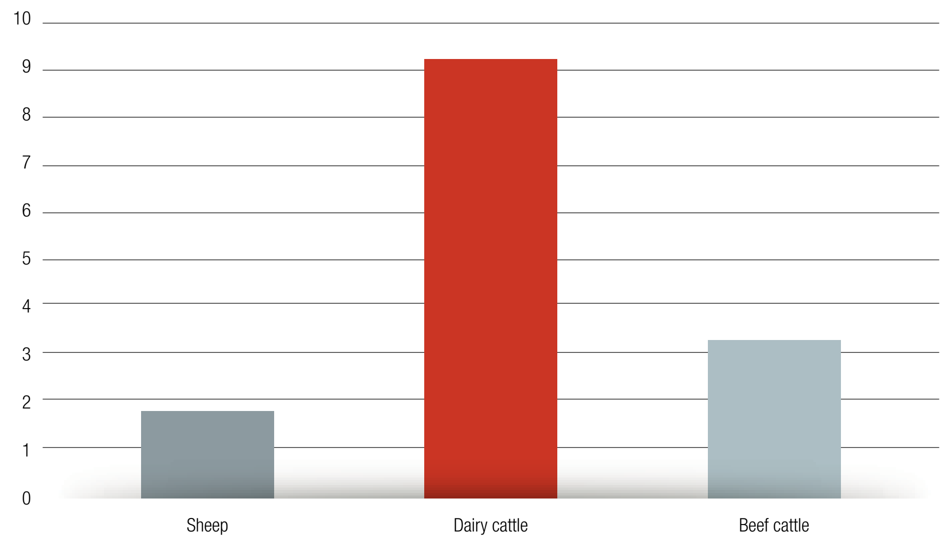
TARANAKI - 2013 - NUMBERS OF SELECTED LIVESTOCK



ALTHOUGH TARANAKI IS RENOWNED AS A SIGNIFICANT DAIRYING REGION (WITH ALMOST 10% OF THE NATIONAL HERD LOCATED HERE), MORE SIGNIFICANT LEVELS OF GROWTH HAVE BEEN RECORDED IN TARANAKI'S SHEEP AND BEEF NUMBERS IN THE 2013 LIVESTOCK COUNT (WHICH IS THE MOST RECENT ASSESSMENT).

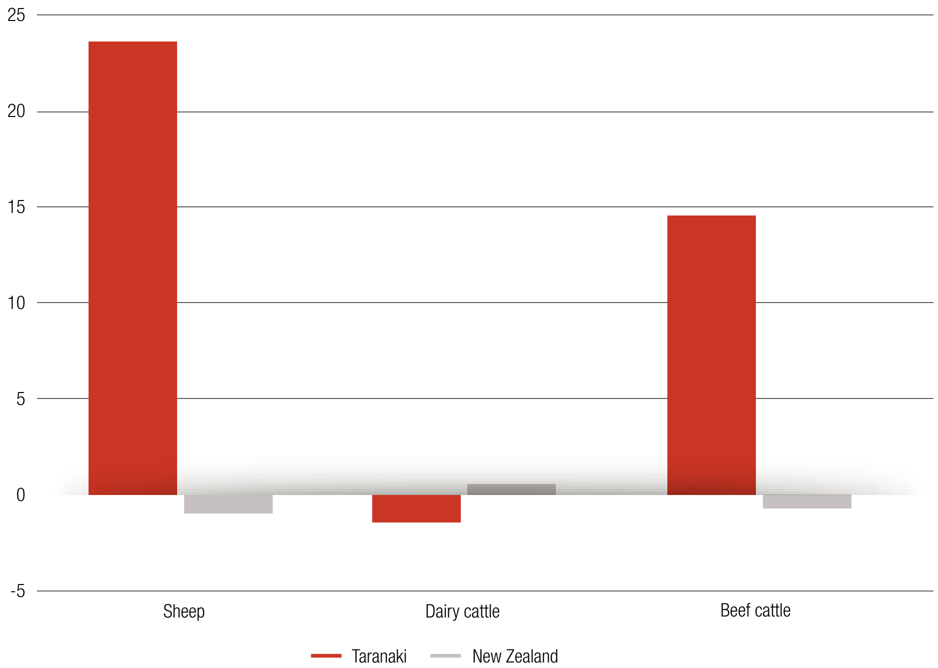
SHEEP NUMBERS HAVE INCREASED ALMOST 24% AND BEEF ALMOST 15% IN THE REGION OVER THE PREVIOUS YEAR.

TARANAKI - PERCENTAGE OF NZ TOTAL



Agriculture

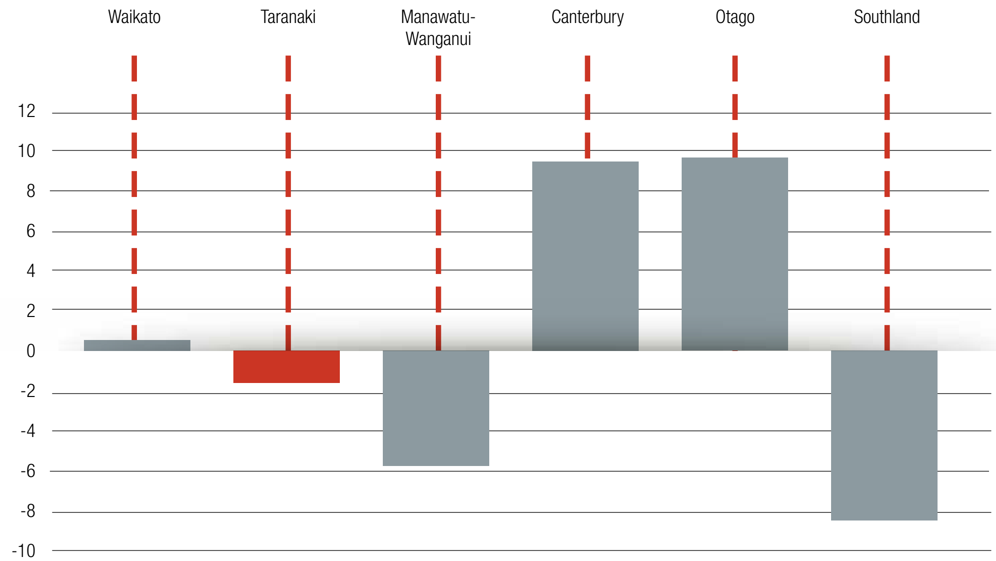
PERCENTAGE GROWTH 2012- 2013 - SELECTED LIVESTOCK



DAIRY NUMBERS IN CANTERBURY AND OTAGO HOWEVER, HAVE CONTINUED TO INCREASE BY 8.7% AND 9.2% RESPECTIVELY.

THESE LIVESTOCK CHANGES MAY BE INFLUENCED BY THE DROUGHT EXPERIENCED DURING THE SUMMER OF 2012/13 (PREDOMINANTLY IN THE NORTH ISLAND) WHICH NECESSITATED DECREASES AND CHANGES IN STOCK COMPOSITION AS A RESPONSE MECHANISM.

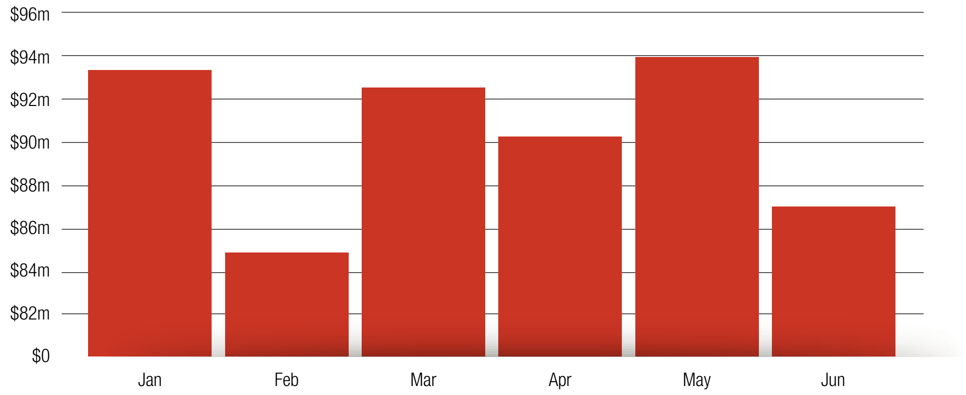
PERCENTAGE CHANGE IN DAIRY CATTLE NUMBERS 2012-2013



Retail Sales

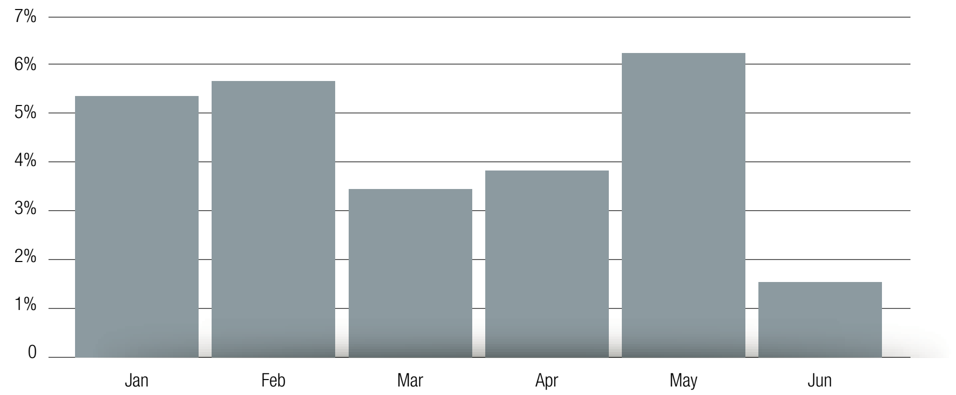
VENTURE TARANAKI COMMISSIONED MARKETVIEW TO QUANTIFY RETAIL EXPENDITURE WITHIN THE TARANAKI REGION BASED ON PAYMARK AND BNZ CARD DATA. THE FOLLOWING INFORMATION INCLUDES EFTPOS, CREDIT AND DEBIT CARD EXPENDITURE AT TARANAKI MERCHANTS.

TARANAKI REGION RETAIL EXPENDITURE - JAN-JUNE 2014 - HALF YEAR



FOR THE HALF-YEAR ENDING JUNE 2014, $542.05m WAS SPENT AT RETAIL MERCHANTS IN TARANAKI.

TARANAKI RETAIL EXPENDITURE - % CHANGE FROM SAME PERIOD LAST YEAR

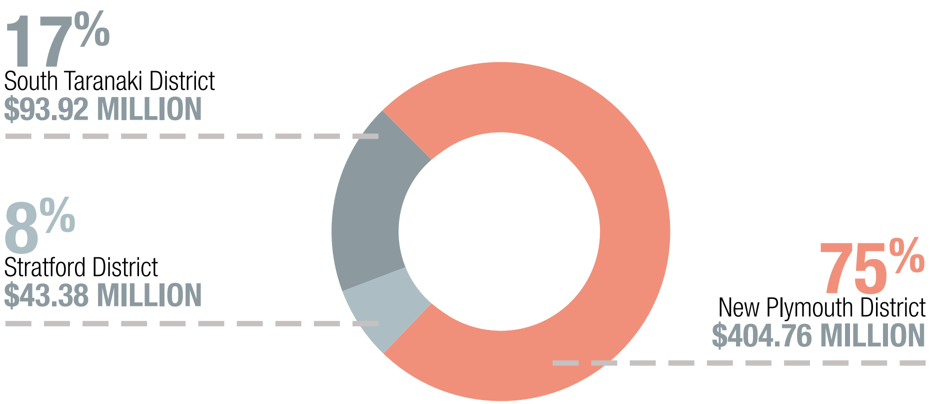


SPENDING WITHIN TARANAKI WAS UP 4.3% FOR HALF-YEAR, RELATIVE TO THE SAME PERIOD IN 2013, SLIGHTLY LESS THAN THE NEW ZEALAND AVERAGE OF 4.5% GROWTH. FEBRUARY AND MAY 2014 RECORDED THE STRONGEST INCREASE IN SPENDING.

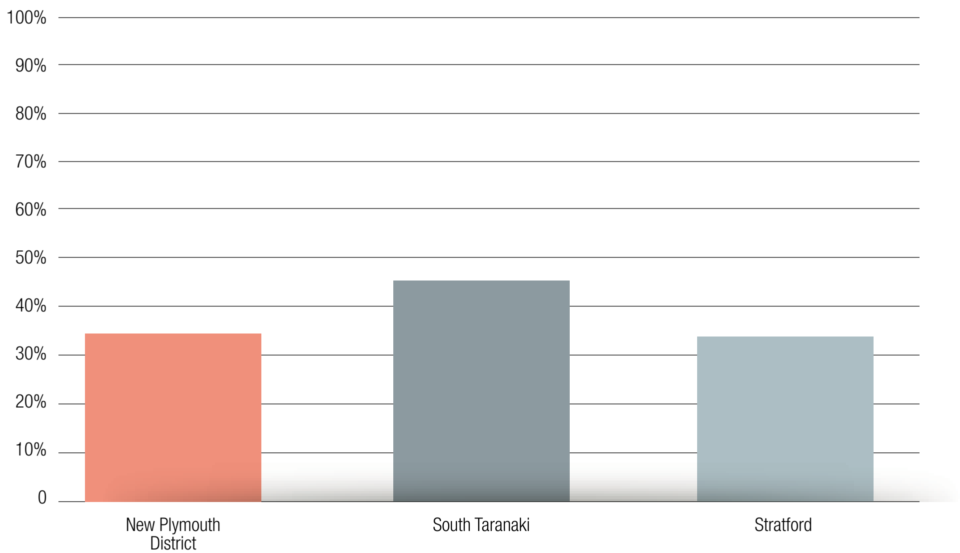
75% OF RETAIL EXPENDITURE WITHIN TARANAKI OCCURS IN THE NEW PLYMOUTH DISTRICT.

OUR PRIMARY EXPENDITURE CATEGORIES WERE: FOOD, FUEL AND DEPARTMENT STORE MERCHANDISE.

SHARE OF SPENDING WITHIN TARANAKI DISTRICTS - JAN-JUNE 2014 - HALF YEAR



% OF TOTAL RETAIL SPEND WITHIN TARANAKI DISTRICTS JAN-JUNE 2014 - HALF YEAR

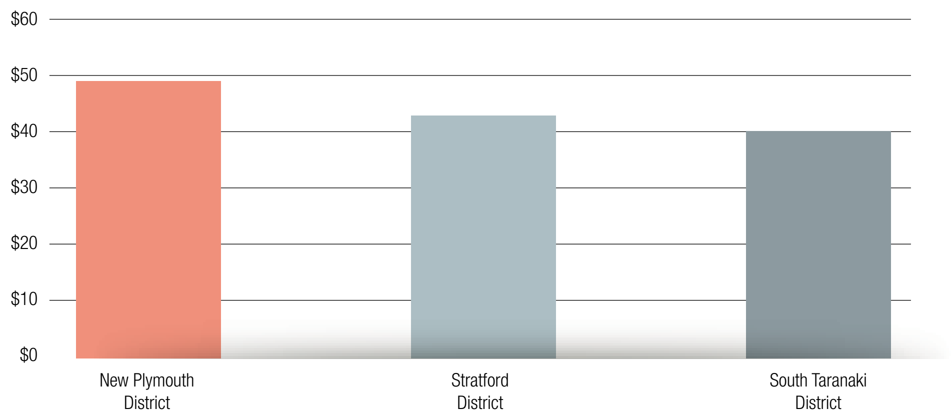


Retail Sales

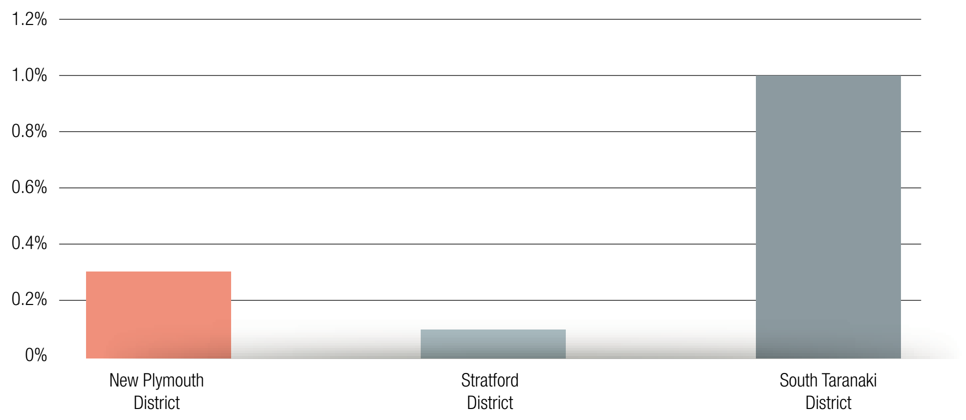
TARANAKI'S AVERAGE RETAIL TRANSACTION IS $46.26. HOWEVER, THE AVERAGE TRANSACTION VALUE TENDS TO BE HIGHER IN NEW PLYMOUTH DISTRICT ($48.37), FOLLOWED BY STRATFORD ($42.81) THEN SOUTH TARANAKI ($40.20).

SOUTH TARANAKI EXPERIENCED THE HIGHEST INCREASE IN AVERAGE TRANSACTION VALUE, UP 1% ON THE PREVIOUS YEAR.

AVERAGE TRANSACTION VALUE

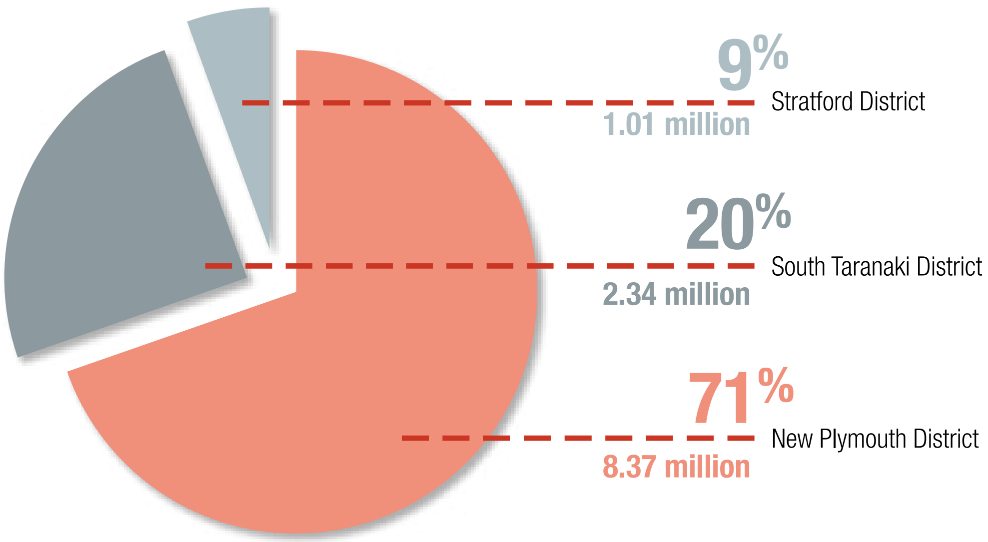


% CHANGE IN TRANSACTION VALUE JAN-JUNE 2014 RELATIVE TO SAME TIME PREVIOUS YEAR

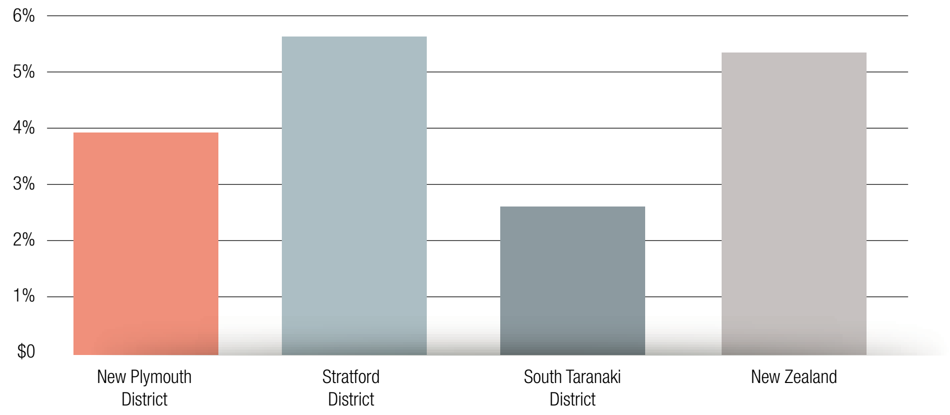


11.72M RETAIL TRANSACTIONS TOOK PLACE IN TARANAKI BETWEEN JANUARY AND JUNE 2014, AN INCREASE OF 3.8% OVER THE SAME PERIOD IN 2013.

TRANSACTIONS - JAN-JUNE 2014



PERCENTAGE CHANGE IN VOLUMES/TRANSACTIONS - JAN- JUNE 2014 COMPARED WITH SAME PERIOD PREVIOUS YEAR



ALTHOUGH MOST OF THE TRANSACTIONS OCCURRED IN THE NEW PLYMOUTH DISTRICT (71%), THE BIGGEST GROWTH IN NUMBER OF RETAIL TRANSACTIONS OCCURRED IN THE STRATFORD DISTRICT (5.7%), WHOSE GROWTH LEVELS ALSO SURPASSED THE NATIONAL AVERAGE OF 5.3%.

Visitor Industry

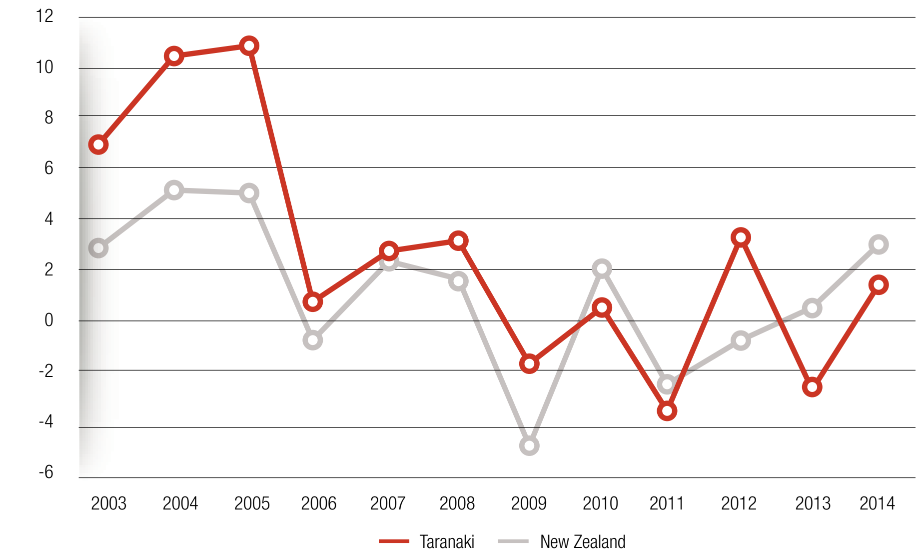
INCREASE IN COMMERCIAL GUEST NIGHTS 2013 – 2014 (12 MONTHS ENDING JUNE)

TARANAKI	NEW ZEALAND
3.4%	5.3%
INCREASE IN COMMERCIAL GUEST NIGHTS	INCREASE IN COMMERCIAL GUEST NIGHTS

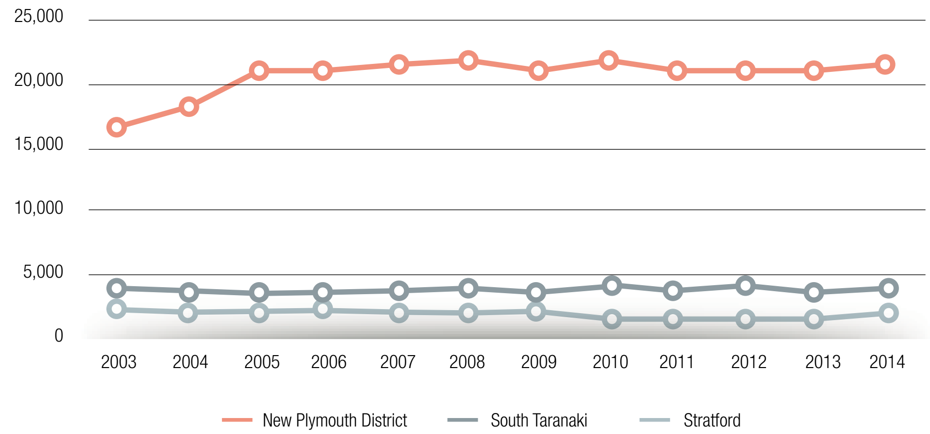
TARANAKI COMMERCIAL ACCOMMODATION RESULTS FOR THE YEAR ENDED JUNE 2014 COMPARED WITH THE PREVIOUS YEAR:

- GUEST NIGHTS ROSE 3.4 PERCENT TO 579,491
- DOMESTIC GUEST NIGHTS ROSE 4.7 PERCENT TO 500,910
- INTERNATIONAL GUEST NIGHTS FELL 4.0 PERCENT TO 78,581
- THE AVERAGE LENGTH OF STAY ROSE FROM 2.12 NIGHTS TO 2.15 NIGHTS
- THE OVERALL OCCUPANCY RATE ROSE FROM 32.3 PERCENT TO 34.3 PERCENT
- THE OCCUPANCY RATE, EXCLUDING HOLIDAY PARKS, WAS 47.4 PERCENT

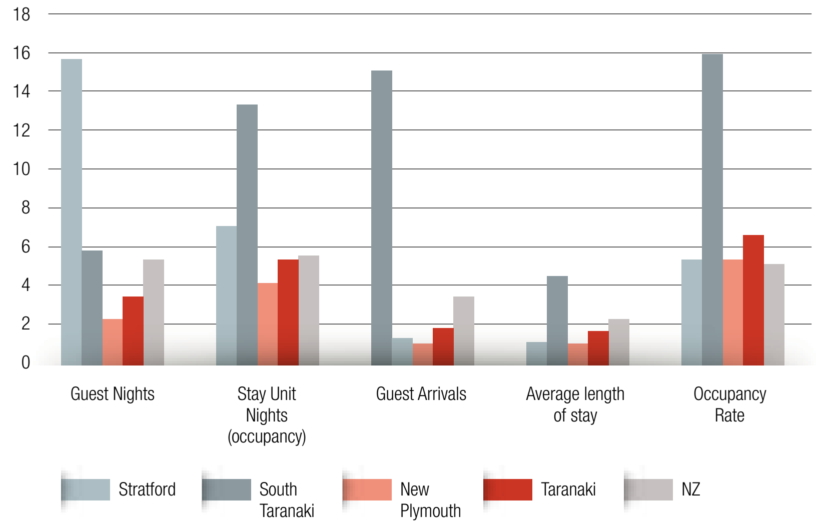
GROWTH RELATIVE TO PREVIOUS YEAR - VISITOR ARRIVALS TARANAKI v NZ YEAR TO JUNE



TARANAKI DISTRICT - VISITORS STAYING IN COMMERCIAL ACCOMMODATION YEAR ENDING JUNE 2014

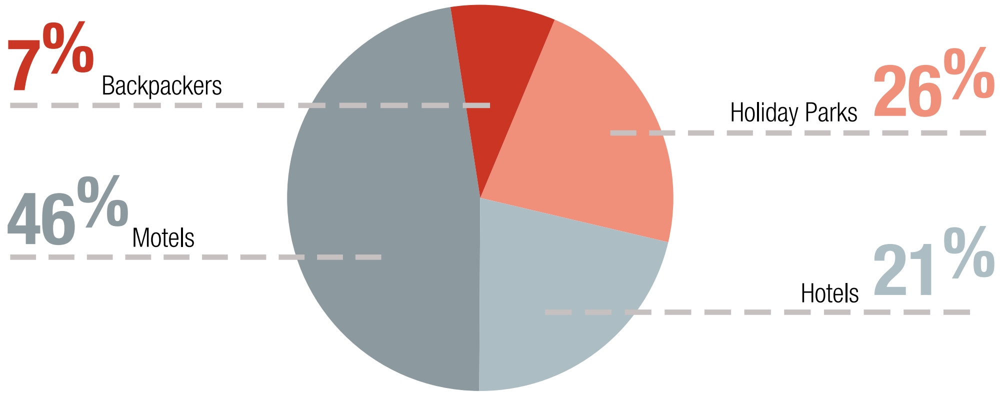


ANNUAL % CHANGE - YEAR ENDING JUNE 2014



MOTELS CONTRIBUTED 46% OF TARANAKI'S TOTAL COMMERCIAL GUEST NIGHTS FOR THE 12 MONTHS ENDING JUNE 2014

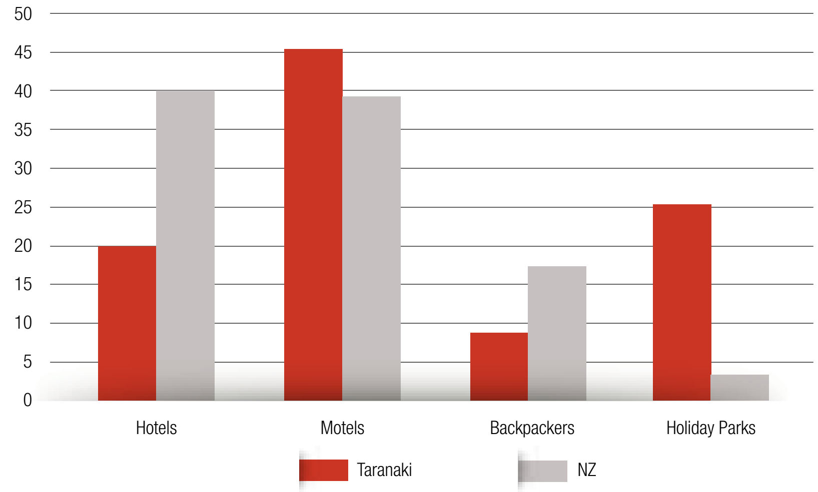
TARANAKI GUEST NIGHTS - BY ACCOMMODATION TYPE - YEAR ENDING JUNE 2014



STRATFORD DISTRICT RECORDED STRONG GROWTH IN NUMBERS OF GUEST ARRIVALS AND GUEST NIGHTS FOR THE 12 MONTHS ENDING JUNE 2014, RELATIVE TO THE PREVIOUS 12 MONTH PERIOD.

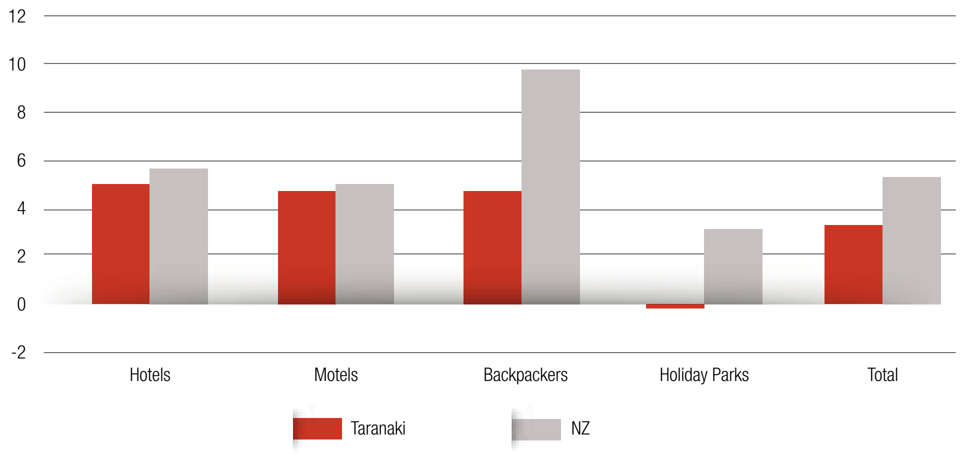
RELATIVE TO THE NATIONAL AVERAGE, TARANAKI HAS A GREATER PROPORTION OF COMMERCIAL GUEST NIGHTS STAYING IN MOTELS AND HOLIDAY PARKS.

COMMERCIAL GUEST NIGHT COMPOSITION COMPARISON - TARANAKI v NZ



Visitor Industry (continued)

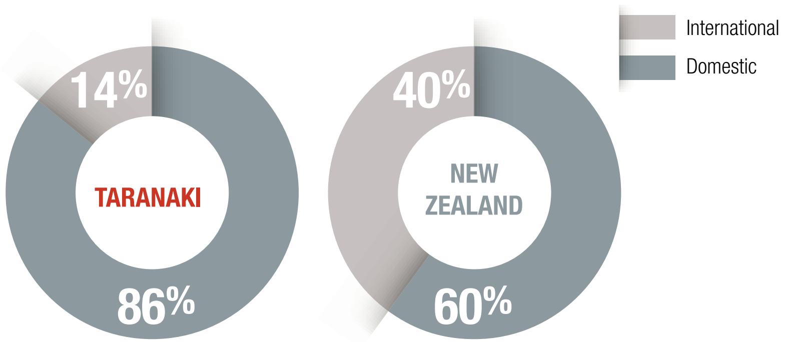
COMMERCIAL GUEST NIGHT % GROWTH BY ACCOMMODATION TYPE 2013-2014
YEAR ENDING JUNE 2014



DOMESTIC VISITORS COMPRISE 86% OF TARANAKI COMMERCIAL GUEST NIGHTS, COMPARED WITH 60% NATIONALLY.

TARANAKI HAS EXPERIENCED GROWTH IN GUEST NIGHTS ACROSS A RANGE OF COMMERCIAL ACCOMMODATION TYPES, HOWEVER THE REGION'S RATE OF GROWTH BETWEEN 2013 AND 2014 WAS NOT AS HIGH AS THE NATIONAL AVERAGE.

PERCENTAGES OF INTERNATIONAL AND DOMESTIC GUEST NIGHTS



OCCUPANCY RATES

TARANAKI
34.3%
OCCUPANCY RATES
(HOLIDAY PARKS INCLUDED)

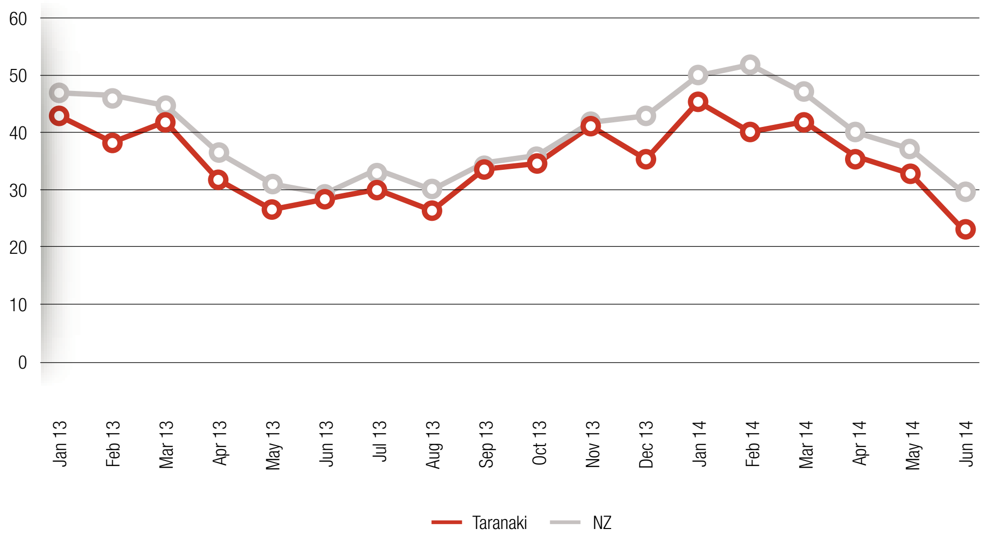
TARANAKI
47.4%
OCCUPANCY RATES
(HOLIDAY PARKS EXCLUDED)

TARANAKI'S OVERALL OCCUPANCY RATE FOR THE YEAR ENDING JUNE 2014 WAS 34.3 PERCENT. WHEN HOLIDAY PARKS ARE EXCLUDED FROM THIS ANALYSIS, THE REGION'S OCCUPANCY RATE WAS 47.4 PERCENT. OCCUPANCY RATES ON AN ANNUAL BASIS ARE LOWER FOR BACKPACKERS AND HOLIDAY PARKS, ALTHOUGH GUESTS STAY LONGER.

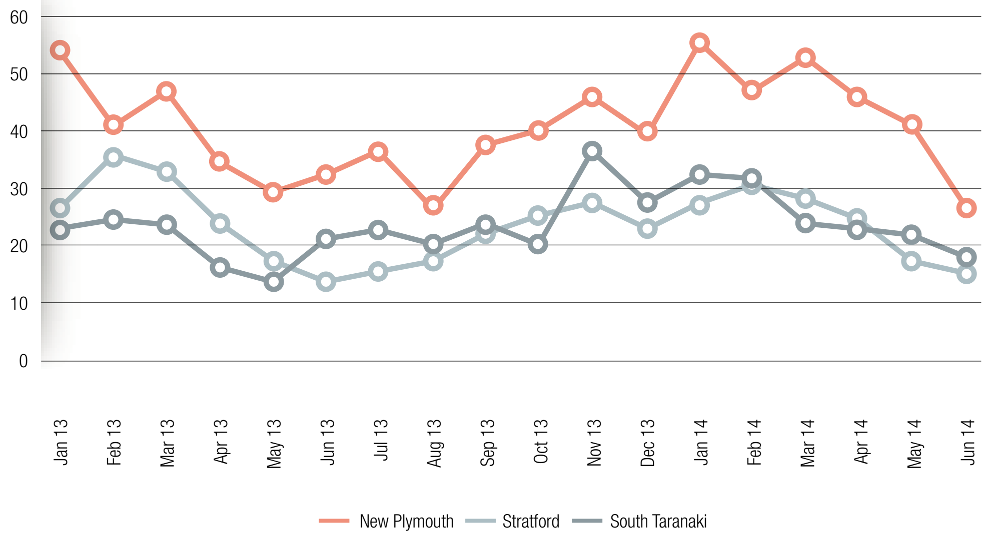
2014 TARANAKI OCCUPANCY RATES (YEAR ENDING JUNE):

- HOTELS: 46.9%
- MOTELS/APARTMENT: 58.9%
- BACKPACKERS: 25.9%
- HOLIDAY PARKS: 16.3%

OCCUPANCY RATE TARANAKI v NZ



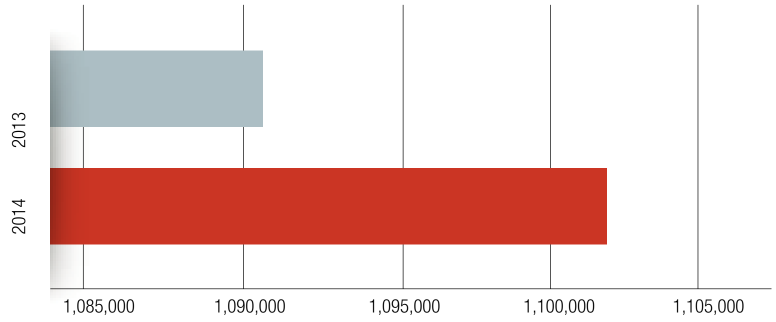
OCCUPANCY RATE BY DISTRICT



Arrivals Visiting Friends and Relatives (VFR)

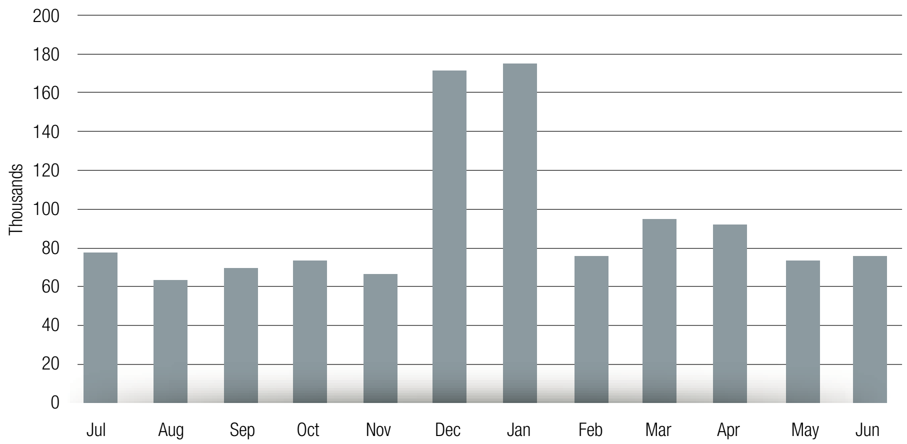
OVER 1.1M VFR GUEST NIGHTS IN TARANAKI WERE RECORDED FOR THE 12 MONTHS ENDING JUNE 2014.

TARANAKI VFR VISITOR NIGHTS - YEAR ENDING JUNE 2014 v 2013



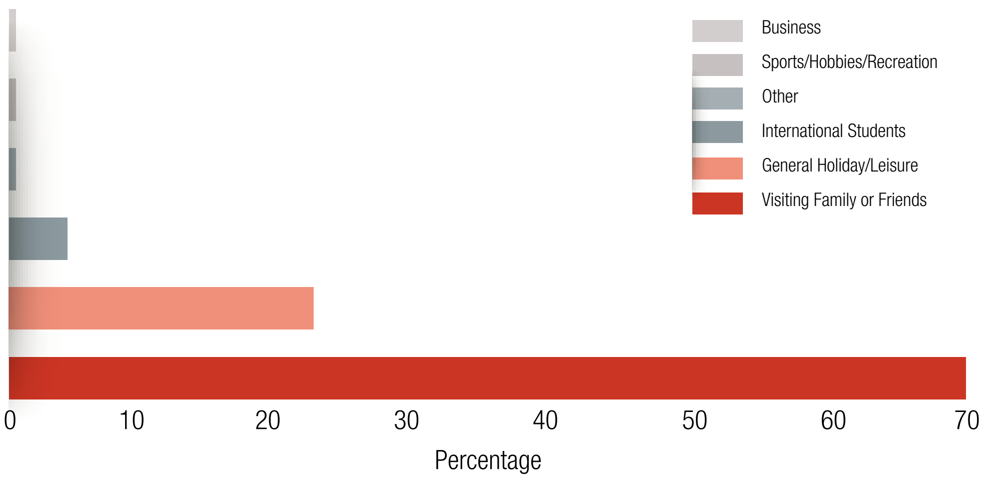
VISITOR NIGHTS INCREASED 1.1% DURING THIS 12 MONTH PERIOD RELATIVE TO THE PREVIOUS YEAR.

GUEST NIGHTS IN TARANAKI FROM VISITORS STAYING WITH FRIENDS AND RELATIVES 2013/2014



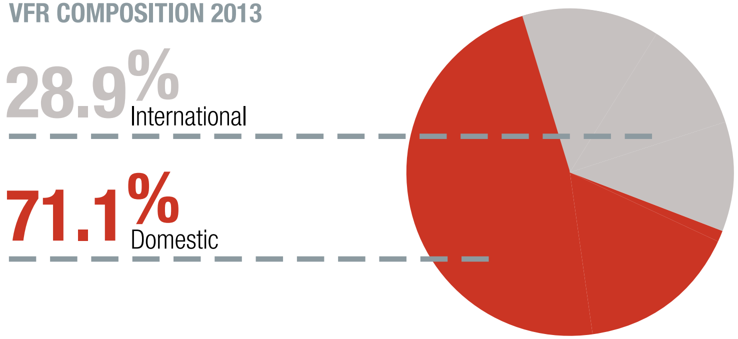
THE MAIN REASON VFR VISITORS CAME TO THE REGION WERE TO SEE FRIENDS AND FAMILY AND/OR TO HAVE A HOLIDAY.

PURPOSE OF VISIT - VISITORS STAYING WITH FAMILY OR FRIENDS DECEMBER 2013



71% OF TARANAKI'S VFR'S ARE DOMESTIC VISITORS, PREDOMINANTLY COMING FROM AUCKLAND, WELLINGTON AND THE WAIKATO. AUSTRALIA AND THE UK ARE THE PRIME ORIGIN OF THE REGION'S INTERNATIONAL VFR VISITORS.

VFR COMPOSITION 2013

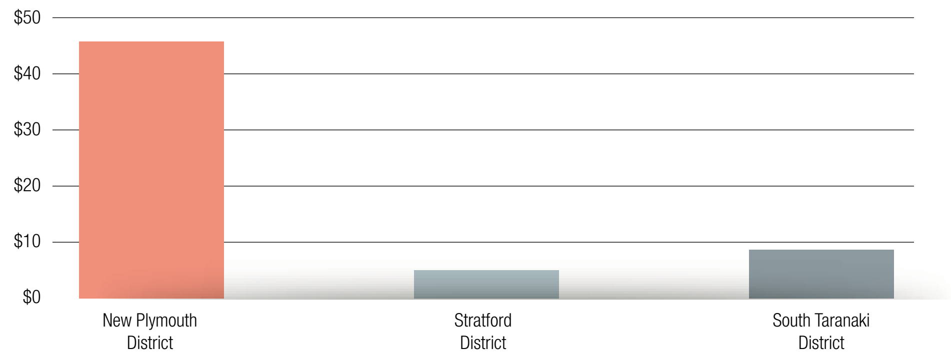


VISITORS TO TARANAKI SPENT ALMOST $60 MILLION AT OUR RETAIL OUTLETS DURING THE 6 MONTH PERIOD ENDING JUNE 2014.

OF THIS, OVER $45M WAS SPENT WITHIN THE NEW PLYMOUTH DISTRICT, $4.9M IN STRATFORD AND $8.69M WAS SPENT WITHIN THE SOUTH TARANAKI DISTRICT.

$50.5M WAS DOMESTIC VISITOR EXPENDITURE, WITH THE BALANCE FROM INTERNATIONAL VISITORS.

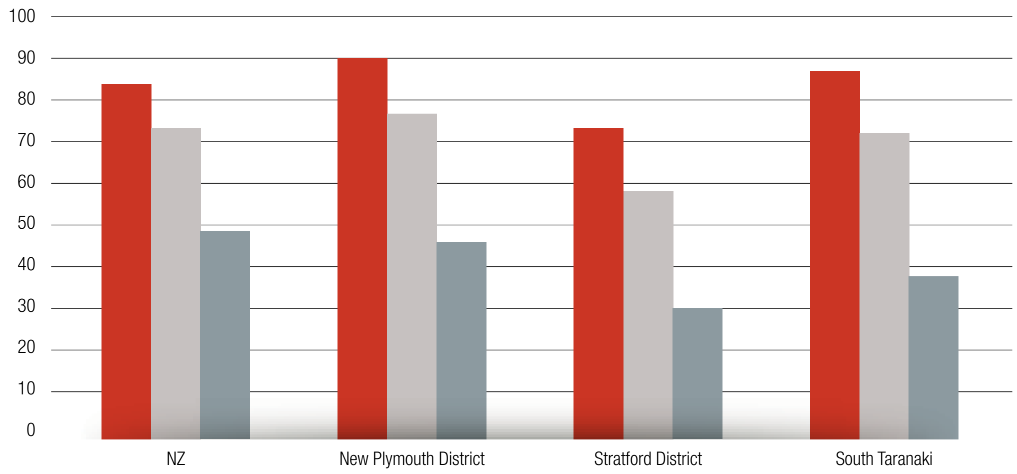
VISITOR SPEND JAN - JUNE 2014 - SPENDING AT TARANAKI RETAIL OUTLETS BY PEOPLE OUTSIDE TARANAKI



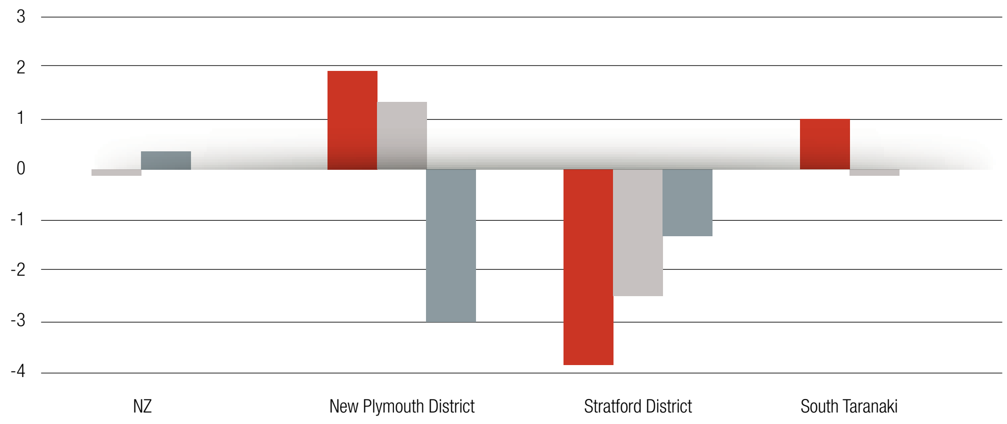
Educational achievement and school leavers

THERE ARE 549 SCHOOLS WITH SECONDARY AGE STUDENTS IN NEW ZEALAND: 8 IN NEW PLYMOUTH DISTRICT, 2 IN STRATFORD AND 3 IN SOUTH TARANAKI

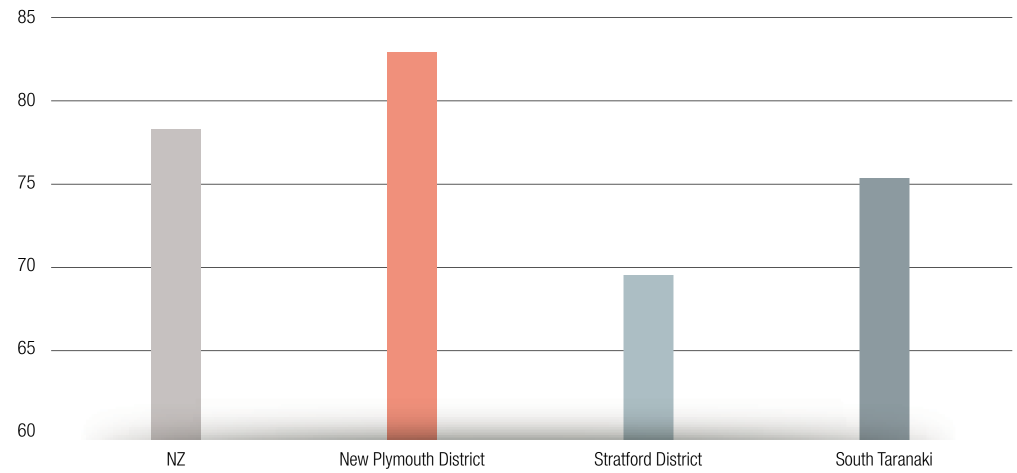
2013 QUALIFIED SECONDARY SCHOOL LEAVERS WITH NCEA QUALIFICATIONS



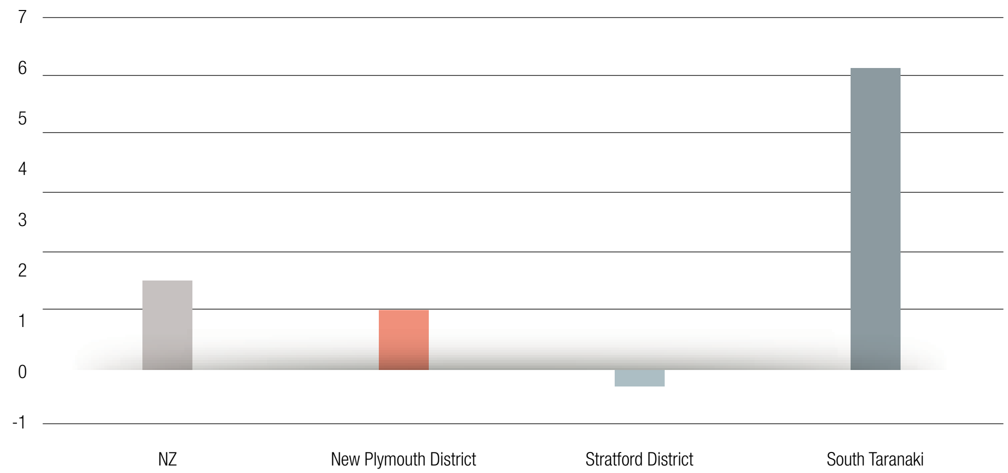
2013 QUALIFIED SCHOOL LEAVERS WITH NCEA QUALIFICATIONS - % CHANGE FROM PREVIOUS YEAR



PERCENTAGE OF 18 YEAR OLDS WITH NCEA LEVEL 2 OR EQUIVALENT (2013)



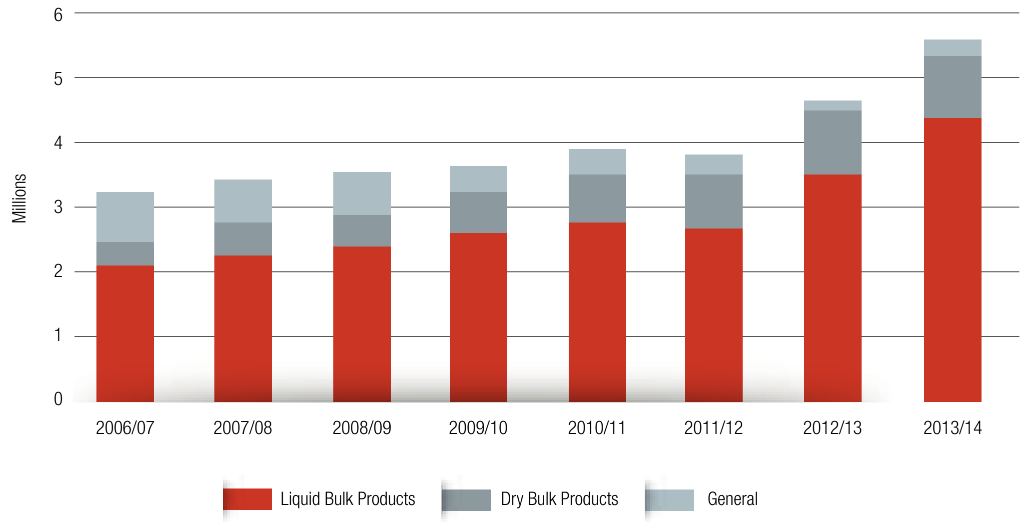
18 YEAR OLDS WITH NCEA LEVEL 2 OR EQUIVALENT - % CHANGE FROM PREVIOUS YEAR (2013)



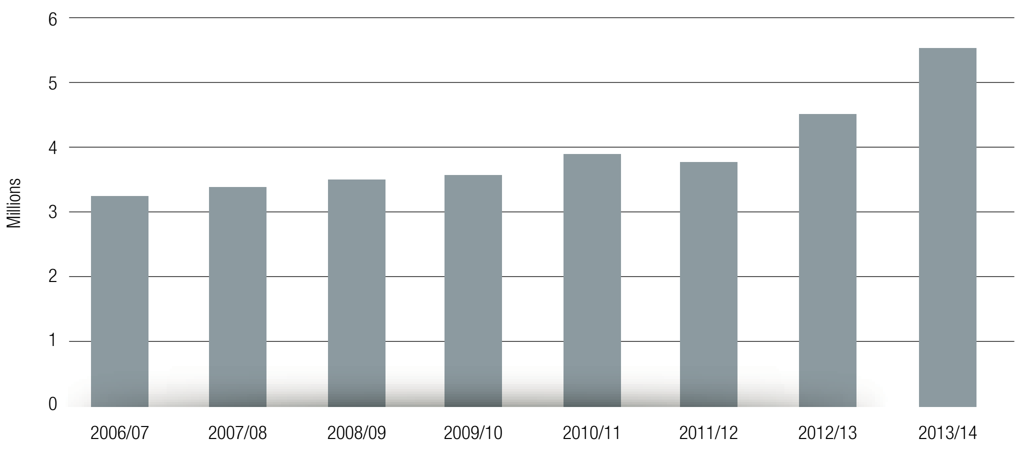
Exports and Imports

A TOTAL OF 5,511,527 FREIGHT TONNES CROSSED PORT TARANAKI DURING 2013/2014. THIS ACTIVITY IS INCLUSIVE OF IMPORTS, EXPORTS AND COASTAL TRADE. METHANOL, CRUDE OILS, GRAIN AND LOGS WERE AMONGST THE DOMINANT PRODUCTS.

PORT TARANAKI TONNAGE - BY PRODUCT CATEGORY 2006/07 - 2013/14

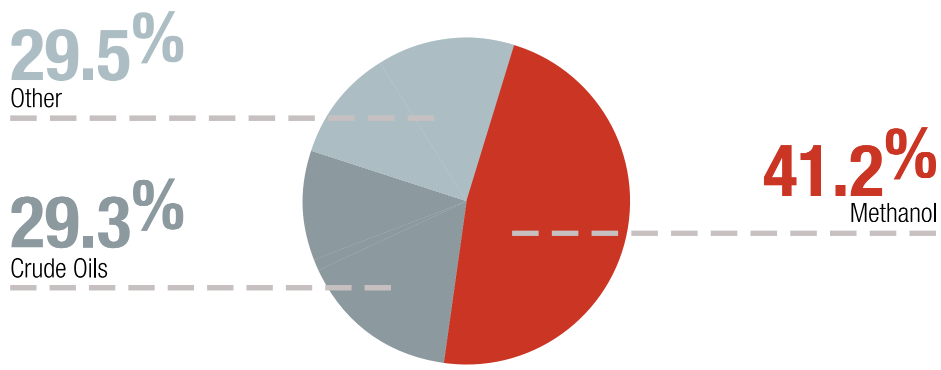


PORT TARANAKI TONNAGE - 2006/07 - 2013/14



TOTAL FREIGHT TONNAGE WAS 68% HIGHER IN 2013/2014 THAN 2006/2007.

2013/2014 % COMPOSITION OF TOTAL FREIGHT TONNAGE



Technical Details

Consumer Price Index (CPI): Statistics NZ. The CPI measures the rate of price change of goods and services purchased by New Zealand households. Statistics NZ visits 3,000 shops around New Zealand to collect prices for the CPI and check product sizes and features.

Gross Domestic Product (GDP) and Regional GDP: BERL. Customised analysis for Venture Taranaki.

Economic Activity: ANZ Regional Trends. Note: this information is not GDP data but a composition of specific indicators selected by the ANZ e.g. retail sales, employment data, house sales, guest nights, car sales etc. The report tracks the overall summation of changes on a regional basis annually and quarterly.

Economic Outlook: Venture Taranaki. This reflects the results of VT's Six-monthly business survey of Taranaki businesses. The survey involved a cross-section of 1000 businesses. The survey is undertaken in June and November of each year.

Employee Count: Statistics NZ Business demography. Business demographic statistics give an annual snapshot (as at February); limited to economically significant individual, private-sector and public-sector enterprises that are engaged in the production of goods and services in New Zealand; generally includes all employing units and those enterprises with GST turnover greater than $30,000 per year. Employee count is a head-count of all salary and wage earners for the February reference month. NB: thus may not include self-employed or those within the business that are not classified as employees.

Unemployment rate and Participation Rate: Statistics NZ Household Labour Force survey.

Employment Outlook: Taranaki: Venture Taranaki. Six-monthly business survey of Taranaki businesses.

Skill shortage monitor: Venture Taranaki. Six-monthly business survey of Taranaki businesses.

Business numbers: Statistics NZ Business demography, undertaken February every year.

Population count: Statistic NZ. Census 2013.

Natural Population Increase: Statistics NZ: Births and Deaths.

Migration: Statistics NZ. Permanent Long-term departures and Arrivals. Permanent and long-term arrivals include overseas migrants who arrive in New Zealand intending to stay for a period of 12 months or more (or permanently), plus New Zealand residents returning after an absence of 12 months or more. Permanent and long-term departures include New Zealand residents departing for an intended period of 12 months or more (or permanently), plus overseas visitors departing New Zealand after a stay of 12 months or more.

Average weekly earnings: Statistics NZ: Total usual weekly earnings from self-employment and wage and salary jobs (earnings from paid employment), divided by the number of people receiving earnings from a self-employment or wage and salary job (number of people in paid employment).

Average household weekly income: Statistics NZ: Weekly household income is the sum of weekly income of all people in the household from all sources. Average weekly household income is total weekly household income, divided by the number of households.

House values and average value of a house: Source: QV.co.nz: Note: these are house valuations, not house sales.

House Sales: Real Estate Institute of NZ. Note: These are house sales, and the data only includes those sales undertaken by members of the REINZ. Does not include e.g. private sales.

Home Affordability: Massey University Home Affordability Report.

Rental Market: Massey University Rental market report.

Building consents: Statistics NZ.

Agriculture: Statistics NZ. Annual Agriculture Production Survey.

Farm Capital Improvements/Farm building consents: Statistics NZ.

Farm Sales: Real Estate Institute of NZ. Note: Only includes sales undertaken by members of the REINZ. Does not include private or other means of selling farms.

Retail Statistics: Market View. Customised data provided to Venture Taranaki.

Commercial accommodation statistics: Statistics NZ.

Visitors staying with friends/relatives: Venture Taranaki commissioned survey data, undertaken by APR consultants.

Exports/Imports: Statistics NZ data. Note: this data may not include coastal trade and the methodology utilized by Statistics NZ may not reflect the totality of trade activity which occurs across each NZ Port as part of the overall port transportation process.

Total Port Taranaki data and activity: Provided by Port Taranaki. This data includes coastal trade and the summation of all exports and imports crossing the port.

About Venture Taranaki

As Taranaki's Regional Development Agency, we're committed to helping Taranaki grow.
That's why we're interested in helping to make your business a success.
If you need advice and assistance or access to information and knowledge to support your business aspiration, we offer a single point of contact to provide the help you require.

If you are:

- Thinking of starting up a business
- Considering relocating or investing in Taranaki
- Trying to grow your business, or if your business is going through changes

We have a range of products and services to meet your business needs, and best of all, most of them are free!
Information is available on-line at www.business.taranaki.info or call us:

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