

Taranaki Trends

TARANAKI ECONOMIC REPORT

Venture  Taranaki

Second Quarter 2003

www.taranaki.info

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Taranaki

Economic Trends

The Economy

What's hot & what's not, this quarter?

Regional Growth

- Taranaki recorded a quarterly growth rate of 1.3% for the December 2002 quarter – ahead of the national rate at 1%. The region finished the year with an estimated regional growth rate of 4.7%

Tourism

- Visitors coming to Taranaki and staying in commercial accommodation increased 8.8% in the December quarter, over the same time last year.

CPI

- New Plymouth Urban Area Consumer Price Index increased by 0.6% in the December 2002 quarter, equivalent to the national increase.

GDP

- National Gross Domestic Product increased 1% in the September 2002 quarter.

Births and Deaths

- Both the number of live births and the number of deaths in Taranaki declined in the December quarter.

Migration

- There was a net increase of 238 migrants to Taranaki during 2002. These are international people locating to the region for permanent and “long term” relocation reasons.

Construction

- Both New Plymouth and South Taranaki experienced an increase in the value of building consents during the December 2002 quarter.

Labour Force

- The number of people employed in the region is an estimated 6% higher for the December 2002 quarter, relative to the same period last year.

Unemployment

Unemployment has declined to 5.5%. In the December 2001 period it was 5.9%.

Retail Trade

- Retail sales during December 2002 increased 13.7% over the December 2001 quarter – higher than the 7.1% increase recorded nationally.

GST

- The total Goods and Sales Tax (GST) in the Taranaki region decreased 11.3% in the September 2002 quarter, relative to the same period in 2001.

Real Estate Sales

- The number of dwelling sales has increased almost 26% in the December 2002 quarter over the same period in 2001.

Export Trade

- Overseas cargo loaded at Port Taranaki has also increased.

Dairy Herd Sizes

- Dairy farming is becoming more intensive in the region. The number of cows in Taranaki has increased, and number of herds have declined. As a result average herd size has increased, as has the average number of cows per hectare.

Dairy Payout

- Fonterra announced a revised lower payout forecast to suppliers.

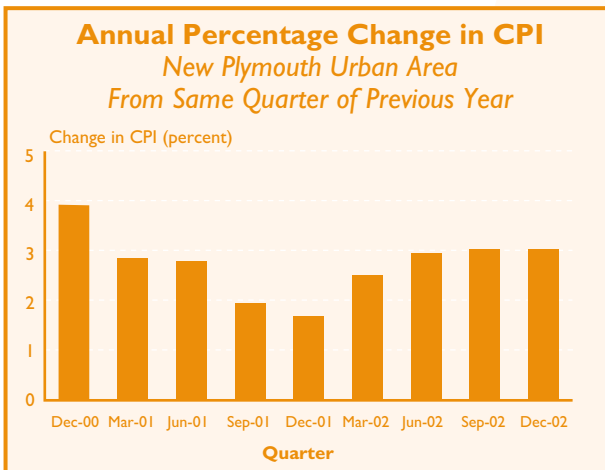
Business Confidence

- Taranaki leads the country in relation to business confidence.

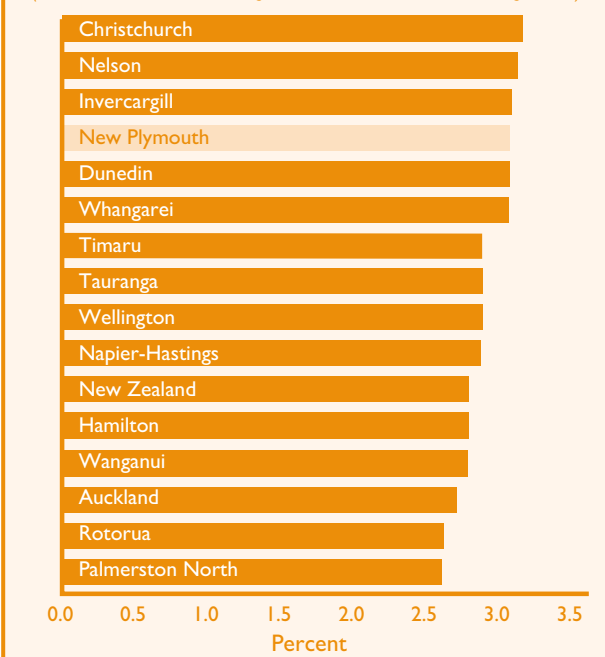
What's happening in the National Economy?

Consumers Price Index

- Between the September 2002 quarter and the December 2002 quarter the Consumers Price Index for the New Plymouth Urban Area increased by 0.6 percent, equivalent to the national increase.
- The New Plymouth Urban Area experienced an annual rise of 3.0 percent in consumer prices from the December 2001 quarter to the December 2002 quarter compared with a national annual rise of 2.7 percent.

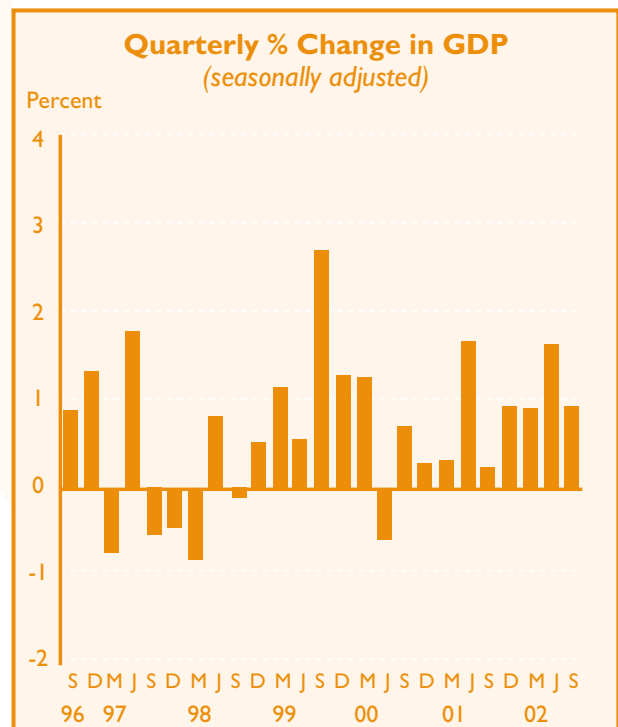


Annual Percentage Change in CPI by Urban Area
(From December 2001 Quarter to December 2002 Quarter)



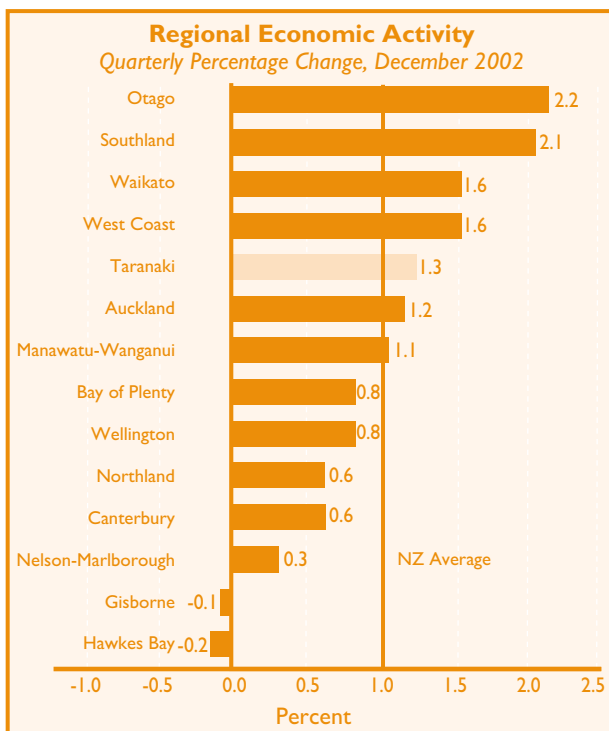
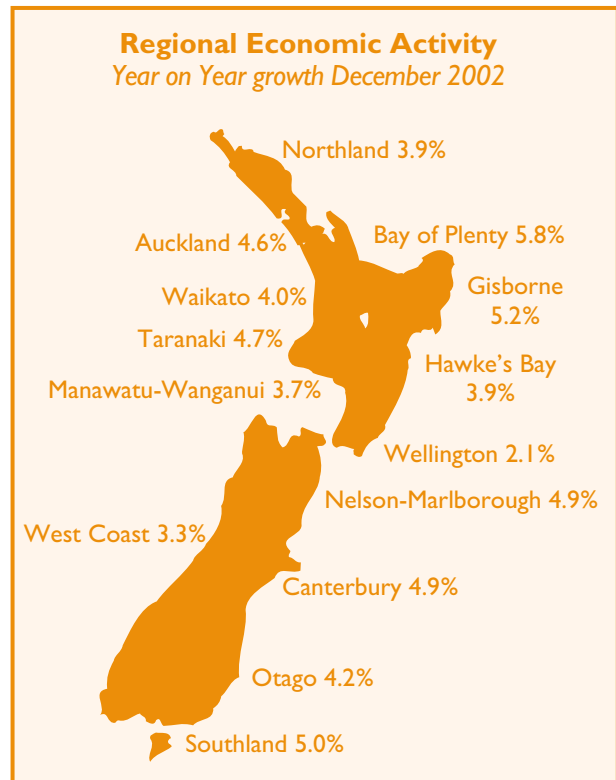
Gross Domestic Product

- Economic activity increased 1.0% in the September 2002 quarter. This follows a 1.7% increase in the June quarter.
- Economic activity for the September 2002 year increased 3.9%
- Growth this quarter was maintained by internal demand, up 3.3%, with household spending rising along with a significant build-up in inventories.
- There was a lift in the construction industry, up 11.0%, and a rise in retail, accommodation and restaurant services, up 14%.



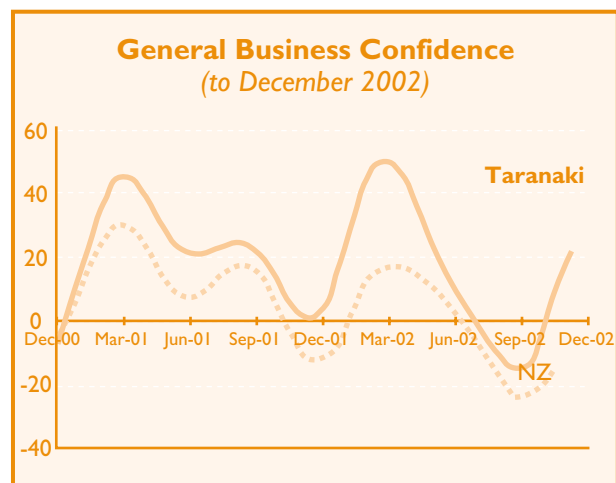
What's happening in the Taranaki Economy?

- According to the National Bank Regional trends report, economic activity in the south Island rose at a slightly faster rate than the North Island in the December quarter.
- Taranaki's quarterly growth rate was 1.3% - ahead of the national average of 1.0%
- In relation to annual growth rates – Taranaki sits strongly at 4.7%.
- Bay of Plenty recorded the highest annual growth rate finishing 2002 at 5.8%, and Wellington the lowest at 2.1%.



Business Confidence

- Taranaki leads the country yet again, in relation to business confidence.
- Confidence levels improved in every region, in the December 2002 quarter however Taranaki was the only region to make it in positive territory.



What's Happening in Taranaki Business?

- Cleland Construction has completed construction on Puke Ariki, museum and library. The new wing is awaiting an \$11 million dollar fit out. The integrated museum library is believed to be unique in the southern hemisphere. Puke Ariki will be used to promote Taranaki by focusing on regional stories, histories and environment. The scheduled opening is Queen's Birthday weekend in June.
- Taranaki accommodation is in demand with a flood of tourists for sports and arts events. Commercial accommodation is filling fast with private accommodation on hand for the overflow. 125 residents have offered to accommodate visitors in January and March.
- Taranaki is getting good press locally and abroad. The Listener rated Taranaki as New Zealand's 'hippest province'. Wellington's newspaper Dominion-Post also ran an article about the regions attractions while Europe is about to get a taste of life in Taranaki with a leading German magazine and website, Impressum to run a feature article on Taranaki. Lonely Planet, world wide guide book range, has listed the regions highlights as Mount Taranaki, local historic sights, surfing and windsurfing on Surf Highway 45, dam dropping and The Lost World Highway.
- A \$25 million student accommodation is planned for the Western Institute of Technology. Four, 3-story blocks are to accommodate 1000 international students and add annual earnings of \$80 million. In January 140 Chinese students visited the region to evaluate tertiary courses and 300 students are arriving in June. Education Taranaki (an export cluster of local educational institutions, co-ordinated by Venture Taranaki) has been developing this market.
- In January, New Plymouth welcomed Tom Cruise with a Maori welcome and media conference. Cruise is acting in Warner Bros film, The Last Samurai. Various film sets have been constructed around Taranaki including a Japanese village at Uruti, Fishing village at Port Taranaki, Pukekura Park sporting an imperial army on the cricket ground. The benefits to the region are being estimated in the tens of millions stretching out for 18 months.
- Visitor enquiries to the Taranaki information offices are on the rise. Stratford had a 42% increase compared to December 2001, New Plymouth a 27% increase and Hawera a 6% increase. Many requests have focused on Uruti Valley where the Japanese style village has been built for The Last Samurai.
- January saw the successful completion of the annual Round the Mountain Cycle Challenge. This year there were 1300 entries and next years numbers are expected to double.
- New Plymouth's empty shops are the lowest since surveys began in 1996. Only 7.7% are empty along the main street. Stratford and Hawera shop vacancies are also down.
- \$1.8 million has been granted by the Taranaki Electricity Trust. The money will be mainly divided between Puke Ariki for research, tertiary scholarships distributed by The Lions Club and toilet blocks for the South Taranaki Darts Association.
- Venture Taranaki has been working with Sunair Aviation Ltd in its introduction of a new air service from New Plymouth to Hamilton and Tauranga. Sunair hopes to extend a flight schedule to Palmerston North. Support has come from large corporations and the close ties Taranaki has with the Waikato and Bay of Plenty.
- A British diplomat specialising in trade development arrived in January to foreshadow a potential visit by British oil and gas representatives later this year. Stephen Turner visited Venture Taranaki, Methanex, Fitzroy Yachts and Mayor Peter Tennent. Turner is to advise industry representatives on New Plymouths' industry and hopes to attract a core group of companies from the 41 companies due to visit the Perth oil and gas expo.
- Ravensdown Fertiliser dropped prices due to a strong New Zealand dollar. Farmers buying direct will pay less for DAP, MAP, super

phosphate and potassium chloride. This may be a welcomed lift given the decline in sheep and beef prices (due also to the rising exchange rate).

- OMV as part of a joint venture is spending \$200-\$300 million on developing Taranaki's Maari Oilfield. The new oil platform located offshore from Opunake is likely to include floating production storage and offloading tanker. Todd Petroleum Mining Company, Horizon Oil NL and Delta Oil Taranaki are involved in the project.
- WOMAD; World of Music, Arts and Dance, will be held at the Brooklands Park in March. The music festival will feature 25 acts, 60 performances from 15 countries. Visitors may be accommodated by local residents who have offered housing as commercial accommodation fills up.
- Container trade through Taranaki is set to skyrocket with Maersk Sealand shipping direct to Australia and the US. Last year the port moved 23,500 boxes compared to the first 6 months of this financial year where 23,500 containers have already been moved. To improve facilities Westgate has spent \$2 million to ease the extra activities.
- Final work on the coastal walkway is underway. The 7km long walkway costing \$4.16 million is attracting residents and visitors to the water front. The lower walkway at Woolcombe Terrace will be 2m above sea level while the upper walkway will run beside the sea near the newly configured one way road.
- \$7 million will be invested by the Natural Gas Corporation to reach full capacity on its Kapuni gas treatment plant with possible opportunities for local engineering and transportation firms. The project is expected to be complete by October 2003. Kapuni is set to process gas from outside reserves in the treatment of carbon dioxide. STOS is to drill two wells at Kapuni to add to the 15 wells at the site presently.
- House sales are soaring in the Taranaki and Dennis Connor is setting the scene with his recent purchase of a New Plymouth property.
- The search for new gas is being fuelled by the 7% reduction in economically recoverable Maui gas reserves, the anticipated production closure is 2007. Renewed statistics have placed pressure on Methanex who consume 40% of

Maui gas production. In February, methanol production at Waitara was halved in response to the estimates.

- Building industries are flourishing in Hawera with stores relocating to bigger sites. Among the movers are Mitre 10 and MasterTrade with Glover Road is becoming a hub for commercial businesses. In January, 24 jobs were created with the introduction of 3 new restaurants.
- Taranaki Regional Council issued an alert on low level rivers in February. Taranaki region is enduring a draught with rainfall only 20-40% of normal levels at this time of year. Farmers have begun feeding out 2 weeks earlier than normal.
- Powerco have been named the preferred developer in a Tasmanian gas contract. The multimillion dollar project had 10 other bidders but Powerco's experience locally succeeded in gaining it preferred status. All that remains to seal the project is an agreement with the Tasmanian State Government.
- New Plymouth Airport upgrade for its 260,000 annual customers will include covered walkways to the aircraft and car parks. Venture Taranaki's recent poll revealed many Taranaki businesses ranked the upgrade as the most important of all current regional initiatives.
- Fitzroy Engineering Group has been short listed for a \$500 million tender to supply Royal New Zealand Ships through Vosper Thornycroft. If the consortium can defeat 5 rivals they will be building up to 8 vessels in the region.
- Venture Stratford (an economic development service, which Venture Taranaki is delivering under contract to the newly formed Stratford Economic Development Trust) has been launched. Projects for Stratford will include encouraging business growth in the Stratford district, evolving a common brand, fostering new opportunities (especially linked to the mountain) and enhancing infrastructure.
- Taranaki is involved in a Telecom pilot project enabling households to select their own movies and music. Taranaki was chosen because of the availability of broadband and increased uptake of new services.

Source: The Daily News, The North Taranaki Midweek & The Stratford Press

What's New? - New businesses starting up in Taranaki*

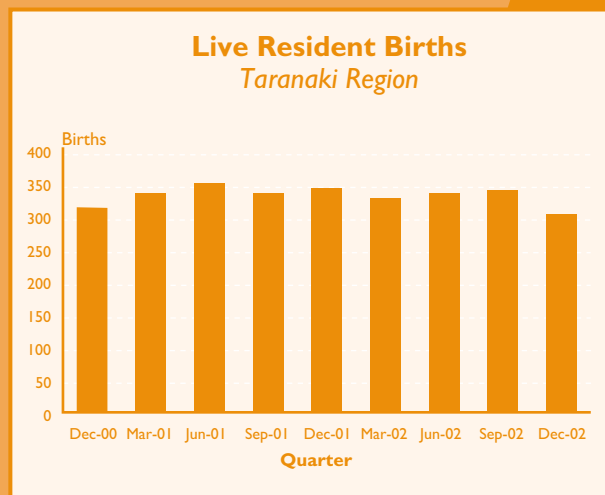
- WINTERS REMOVALS LTD has a new Stratford branch. The furniture removalist business has opened the branch in response to an increasing demand within the district (to move people in!).
- Stratford has a new rural and agricultural contractor, TG PHILLIPS CONTRACTING.
- Organic food, Organic Juice, cakes, dishes and drinks are all available at Kerry Vosseler's new GREEN GINGER CAFÉ in Oakura.
- New Plymouth has a second SUBWAY franchise opened by David and Glenda Howse.
- EDEN CAFÉ, BAR AND RESTAURANT is cooking up new business in Bell Bock, New Plymouth. The former diary is owned by Kevin and Judith Mullin and is open for brunch, blackboard menus, formal dinners and as a functions room.
- G & J MARTIN LTD, woman's clothing in Hawera is relocating from Union Street to new premises in High Street.
- DOBSON TRIM & CANVAS in Hawera will be relocating into Glover Road; their High St premises have been purchased by MELLOND SERVICES LTD, Plumbers and Drain layers.
- MCDONALD REAL ESTATE LTD, previously located in the TSB Bank Building in Hawera, is shifting to the corner of Wilson and High Streets.
- HAWERA AUTO COURT will soon be found in Wilson Street and MIDWEST MACHINERY will relocate to Glover Street.
- HAWERA'S LORD CONSTRUCTION LTD, previously in Glover Road will relocate into the Benchmark building.
- OPUNAKE I.T has opened new premises in High Street, Hawera.
- THE OLD FUSE FACTORY is a new restaurant in the former White Elephant Restaurant.
- WRITE PRICE SUPERMARKET in Hawera will relocate to the corner of Princes and Furlong.
- In January, MONDO EXOTICA opened in New Plymouth's Top Town Cinema Building. Janine the owner is selling ultra cool retro clothing. Beside Janine, Greg Brennan has opened MONDO MOVIES selling local and imported DVDs and specialising in cult films. Greg also buys sells and trades secondhand DVDs.
- Chris Manukonga has started NEHA TOURS.
- COMBINED MOTORS are currently building new premises on Rata Street, Inglewood. They hope to be in their new building by the end of March.
- Inglewood's FARM DIARY SERVICES have shifted into new premises on Matai Street. Farm Diary Services has water reticulation services and is a dealer for Waikato Milking Systems.
- ORGANIC MATTERS has shifted to the Richmond Centre, New Plymouth.
- Mark "Chainsaw" Chapman is offering specialized artworks crafted with a chainsaw based in Stratford.
- Sandra Von de Vrill has purchased INCOGNITO, a fancy dress hire shop on Carrington Street, New Plymouth.
- Lisa West has started HERBS AT HOME, a mobile herbalist service.
- BEADY BIZ and DRAGON DESIGN are new businesses creating unique bead crafts.
- Dennis Gladding is distributing Earthcare products throughout Taranaki and into the Wanganui regions. Earthcare products are cleaning products manufactured in New Zealand they are environmentally friendly with low toxicity.
- GLASS ACT is a new glazier service in New Plymouth
- GROUNDSKEEPING TARANAKI is a new service operating in Taranaki.
- Shelley Bliss is a new massage therapist in New Plymouth
- MOA AND CO is a new property maintenance service
- Tracey Carandysis has started a homeopathic treatment service for animals called ASIYA.
- Robert Dodds has a new mobile sawmill based in Patea.
- John Bromhead has started a training program in Neuro-Linguistic-Programming called BRAINWORKZ ASSOCIATES. The programme trains your brain to be as good as your hands!
- Anna Bublitz has opened ROVE APPAREL & DESIGN in New Plymouth. Anna designs and manufactures stylish and functional street wear.
- Lynette Knights has a new house keeping service called MAID IN NAKI

***This is not an exhaustive list of all new business startups. Many of the above businesses have established with the help and advice of Venture Taranaki. If you are aware of any new businesses starting up in Taranaki, Venture Taranaki would be pleased to add them to this list or provide assistance.**

Births and Deaths

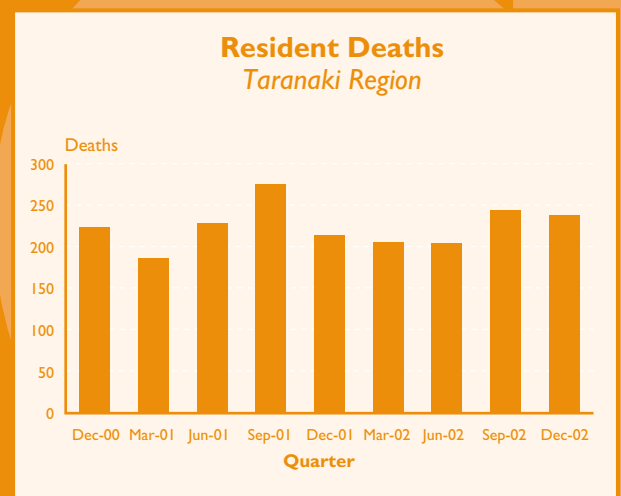
Births

- The number of live resident births in Taranaki Region decreased between the September 2002 quarter and the December 2002 quarter to 303.
- For the year ended December 2002, a total of 1,308 live resident births were registered in the region compared with 1,367 for the previous December year, a fall of 4.3 percent.
- The region registered 2.4 percent of all live resident births in New Zealand during the year ended December 2002.



Deaths

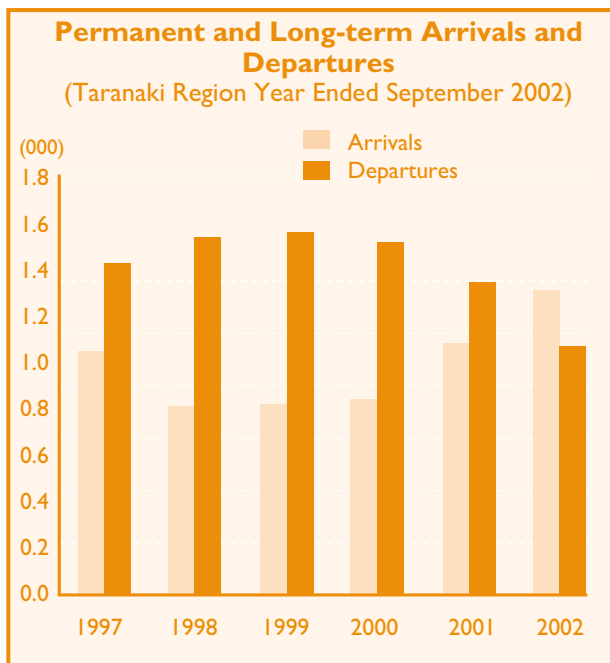
- The number of resident deaths in Taranaki Region totalled 235 during the December 2002 quarter.
- For the year ended December 2002, a total of 890 resident deaths were registered in the region compared with 906 for the previous December year, a fall of 1.8 percent.



There were
1,308 live births
in Taranaki
during 2002

Migration

International Arrivals and Departures*



Permanent and Long-term Migration
Year Ended December 2002

Area (1)	Arrivals	Departure	Net Migration
Taranaki Region	1,290	1,052	238
Auckland City	24,127	9,459	14,668
Taupo District	370	360	10
Rotorua District	906	795	111
Napier City	652	802	-150
New Plymouth District	1,053	778	275
Stratford District	43	80	-37
South Taranaki District	194	194	0
Wanganui District	488	501	-13
Palmerston North City	1,474	1,136	338
Wellington City	4,798	3,613	1,185
Christchurch City	7,475	4,837	2,638
Invercargill City	468	436	32

(1) Territorial authorities have been grouped to approximate regions.

Arrivals

- Inward migration as a result of people from overseas coming to live in Taranaki, is at all-time high.
- There were 1,290 permanent and long-term arrivals in Taranaki Region during the year ended December 2002.
- This was a 21.0 percent increase in arrivals to the region from the year ended December 2001 – higher than the national increase of 18.3 percent during the same period.

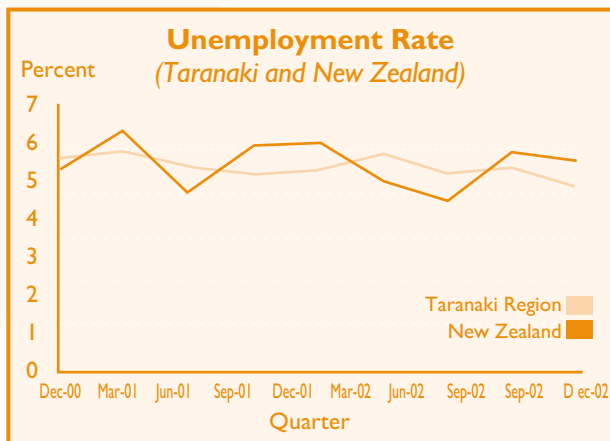
Departures

- Less people are leaving the province to go overseas.
- There were 1,052 permanent and long-term departures from Taranaki Region during the year ended December 2002.

The arrival and departure of migrants during the year ended December 2002 resulted in a net increase of 238 people to the region.



Labour Force



- The size of the Taranaki regional labour force totalled 56,650 during the December 2002 quarter.
- The number of people employed increased by 3,018 or 6.0 percent from the December 2001 quarter.
- Unemployment in the Taranaki Region totalled 3,132 during the December 2002 quarter. The unemployment rate for the region was 5.5 percent compared with 5.9 percent for the December 2001 quarter.
- The New Zealand unemployment rate for the December 2002 quarter was 4.8 percent. (These figures have not been seasonally adjusted).

Region	Unemployment Rate (Percent)		2002 Ranking ⁽¹⁾
	2001	2002	
Northland	9.1	8.5	12
Auckland	4.6	4.0	3
Waikato	6.0	5.4	8
Bay of Plenty	7.7	6.6	11
Napier City	6.8	5.7	10
Gisborne/Hawke's Bay	6.8	5.7	10
Taranaki	5.9	5.5	9
Manawatu-Wanganui	5.1	3.8	1
Wellington	4.8	5.0	6
Nelson/Tasman/ Marlborough/West Coast	4.0	4.1	4
Canterbury	4.9	4.2	5
Otago	4.1	5.3	7
Southland	4.9	3.9	2
New Zealand	5.2	4.8	

(1) 1 = lowest unemployment rate and 12 = highest unemployment rate.

Average Hourly Earnings

- Taranaki Region employees earned an average of \$18.46 per hour in November 2002, \$0.26 or 1.4 percent lower than in August 2002.
- This decrease compares with a 0.7 percent increase for the whole of New Zealand.
- In November 2002, males and females in Taranaki Region earned an hourly rate of \$20.78 and \$15.46 respectively, representing a decrease of 1.3 percent for males and a decrease of 0.7 percent for females from August 2002.

Source: Statistics New Zealand Quarterly Employment Survey

Area	Average Hourly Earnings (\$)			
	November 2002		Sample Error (%)	
	Male	Female	Male	Female
Taranaki Region	20.78	15.46	6.3	5.2
Auckland City	23.30	19.10	3.8	2.6
Taupo District	18.11	15.37	6.3	9.0
Rotorua District	18.58	15.66	6.8	8.0
Napier City	19.97	16.49	9.1	7.5
New Plymouth District	20.21	15.65	8.4	6.4
Stratford District	21.44	12.97	6.7	6.9
South Taranaki District	21.88	15.52	8.5	9.6
Wanganui District	16.27	13.85	7.3	12.1
Palmerston Nth City (1)	19.23	16.90	6.3	2.9
Wellington City	26.77	20.97	4.7	3.3
Christchurch City	20.29	17.26	4.8	2.6
Invercargill City	19.45	16.08	7.8	8.6

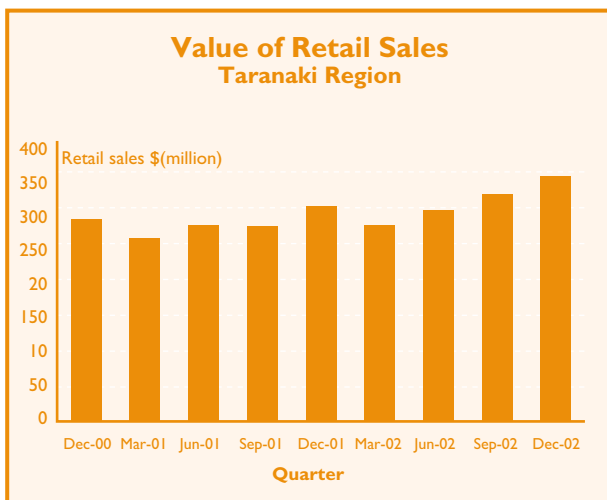
(1) Area has a high level of apportionment.

Note: Territorial authorities and regions are based on the latest 2001 boundaries.

Average hourly earnings equals the gross total payout to all employees divided by the number of paid hours.

Retail Trade

- Retail sales in the Taranaki Region during the December 2002 quarter totalled \$355.5 million, up \$42.9 million, or 13.7 percent from the December 2001 quarter.
- Within the Taranaki region retail sales in New Plymouth accounted for \$231.8m
- Nationally, actual retail sales totalled \$13,798.3 million, up 7.1 percent from the December 2001 quarter.



Retail Sales by Region December Quarter				
Region	Retail Sales \$(million) 2001	Retail Sales \$(million) 2002	Percentage Change	Sample Error % ⁽¹⁾
Northland	419.9	439.7	4.7	15.4
Auckland	4,248.1	4,564.1	7.4	5.5
Waikato	1,231.1	1,304.7	6.0	11.8
Bay of Plenty	788.3	869.2	10.3	14.8
Gisborne	110.8	122.9	10.9	26.0
Hawke's Bay	449.4	478.3	6.4	23.0
Taranaki	312.6	355.5	13.7	20.6
Manawatu-Wanganui	665.7	717.6	7.8	27.8
Wellington	1,475.7	1,537.1	4.2	11.1
Tasman	98.8	112.6	13.9	29.5
Nelson	180.1	200.3	11.2	30.8
Marlborough	116.4	123.6	6.2	28.5
West Coast	70.9	84.8	19.6	32.7
Canterbury	1,790.7	1,869.8	4.4	11.4
Otago	577.5	638.0	10.5	12.8
Southland	346.0	380.1	9.9	20.8
New Zealand	12,881.9	13,798.3	7.1	3.1

(1) Sample error is for November 2002 (middle month of the quarter).

Note: These statistics are released with this caveat due to limitations in some of the data which is of a lower standard than published figures Statistics New Zealand releases. The Retail Trade Survey sample is selected and weighted at the storetype and major region (Auckland, Waikato, Wellington, Rest of the North Island, Canterbury and Rest of the South Island) level. Data released below this design level is indicative only.

Total Actual Retail Sales (\$) For the New Plymouth Urban Area, Taranaki Regional Council and Total New Zealand		
<i>Last 2 Quarters</i>		
Area	September quarter 2002	December quarter 2002
New Plymouth Urban Area	218,521,110	231,830,346
Taranaki Regional Council	329,986,219	355,490,717
Total New Zealand	12,183,160,033 R	13,798,283,957



Construction

- Both New Plymouth and South Taranaki experienced an increase in the value of building consents during the December 2002 quarter, over the previous quarter.

Region	Growth
New Plymouth	9.4%
Stratford	-37.5%
South Taranaki	30%
New Zealand	4.5%

* Growth in the value of construction consents for the December 2002 quarter over the previous quarter

Residential Construction

- Underpinning growth in New Plymouth and South Taranaki was an increase in residential consents for new houses and alterations.

	Residential Construction		
	Jun 02	Sep 02	Dec 02
New Plymouth	\$14,105,656	\$11,625,651	\$16,715,541
Stratford	\$614,667	\$1,493,459	\$836,519
South Taranaki	\$3,100,849	\$2,554,942	\$4,220,236

Non-residential Construction

- Consents pertaining to commercial development have remained bouyant in New Plymouth District and South Taranaki.
- Stratford has eased in consents after an active September quarter.

	Non-Residential Construction		
	Jun 02	Sep 02	Dec 02
New Plymouth	\$5,545,754	\$13,449,484	\$10,708,093
Stratford	\$1,148,534	\$2,355,673	\$256,947
South Taranaki	\$3,311,302	\$3,592,882	\$3,796,992

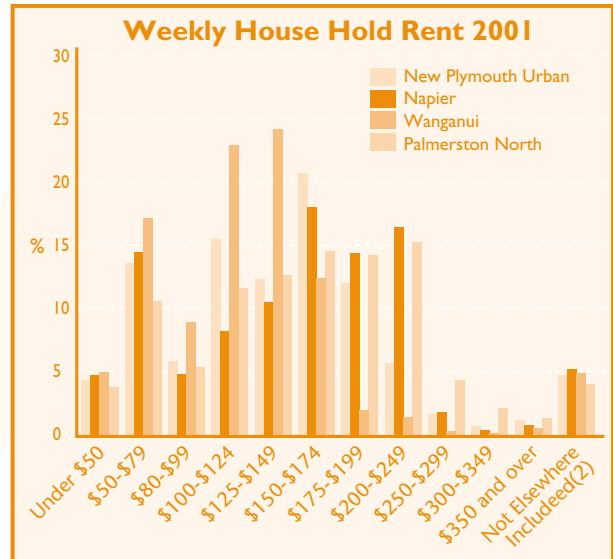
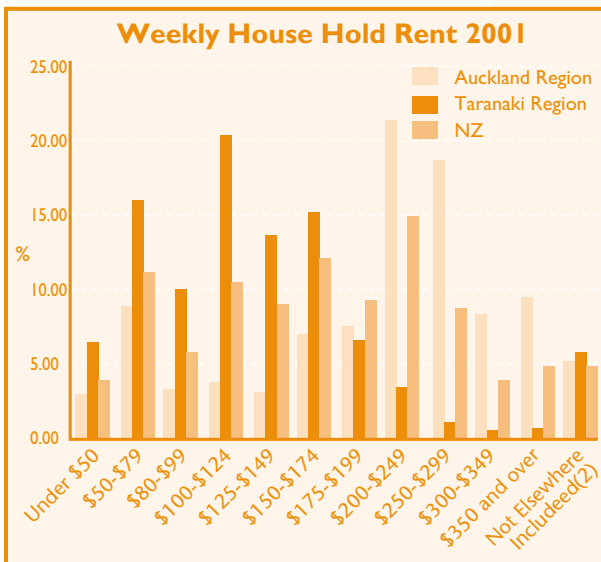


Household Rent

There has been some recent interest in household rent movements in Taranaki. Although there hasn't been any comprehensive survey undertaken lately, rent payments at the time of the 2001 Census, may be of interest.

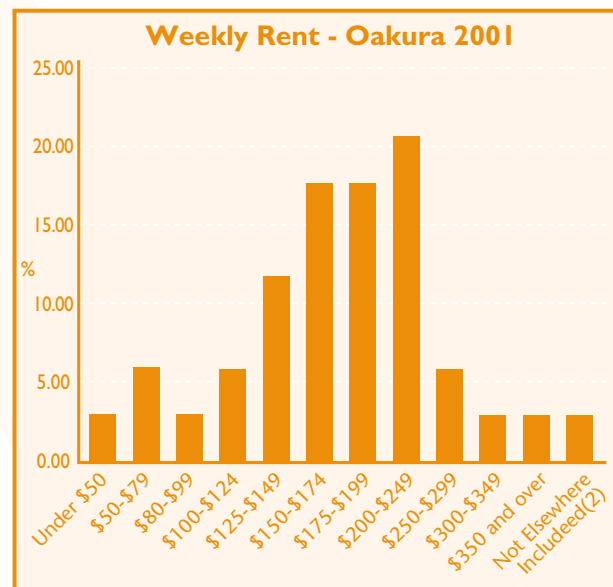
Taranaki Region

- The majority of Taranaki households pay weekly rent of between \$100 - \$174.
- In comparison, a more common rental band for average New Zealand appears to be between \$150 - \$249 per week.
- The higher rental market of the Auckland region was confirmed with the majority of weekly rental payments being between \$200 - \$299.



Oakura

- At the time of the census, rental properties in Oakura tended to be \$150 - \$249 per week.



Source: 2001 Census

Urban Comparisons

- Weekly rent in New Plymouth city tends to lie between 100 - \$200 per week, with the majority being \$150 - \$174 per week.

Relative to other urban “hubs”:

- Napier's rental band is slightly higher than New Plymouth at \$125 - \$249 per week.
- Wanganui's rental band appears slightly lower with the majority paying \$100 - \$174 per week.
- Palmerston North appears to experience a wider spread of rental payments, with such costs ranging from \$10 - \$249 per week.

Real Estate

- Between the December 2001 quarter and the December 2002 quarter the number of dwelling sales recorded by the Real Estate Institute of New Zealand (REINZ) for the Taranaki REINZ Region increased by 25.8 percent.
- Dwelling sales increased nationwide by 30.7 percent.
- The average price for dwellings sold during the December 2002 quarter in the Taranaki REINZ Region was \$129,100.
- The national average sale price of \$239,200.

REINZ Region	Residential Dwelling and Section Sales			
	December 2002 Quarter			
	Number of Sales		Average Sale Price ⁽¹⁾ (\$)	
	Sections	Dwellings ⁽²⁾	Sections	Dwellings ⁽²⁾
Northland	111	660	105,200	205,600
Auckland	562	9,353	193,200	340,400
Waikato	216	1,954	114,000	178,200
Bay of Plenty	215	2,037	100,300	221,700
Gisborne	5	192	78,400	119,300
Hawke's Bay	34	933	107,300	171,600
Taranaki	20	605	41,600	129,100
Manawatu-Wanganui	48	1,150	46,700	122,400
Wellington	148	3,183	128,500	246,000
Nelson	131	523	110,500	222,000
Marlborough / Kaikoura	60	406	83,800	161,100
Tasman	88	216	90,800	215,800
West Coast	21	136	27,600	83,600
Canterbury ⁽³⁾	271	3,284	98,100	178,300
Otago	320	1,652	138,200	164,600
Southland	32	762	41,100	90,200
New Zealand	2,282	27,046	128,300	239,200

It was exciting times for home owners during the December 2002 quarter, when property sales were very bouyant. With the tail end of excellent rural returns beginning to wane and the continuous positive energy exploration, manufacturing and business activities carrying on, the Taranaki province has been experiencing some of the best economic successes in decades. Assisting these interests the filming of The Last Samurai also has had a major input into the financial well being of Taranaki. All this has ensured that Taranaki and New Plymouth in particular have had very high levels of property sales with excellent price levels being obtained.

Ron Beccard
Taranaki REINZ



Tourism

Number of Visitors

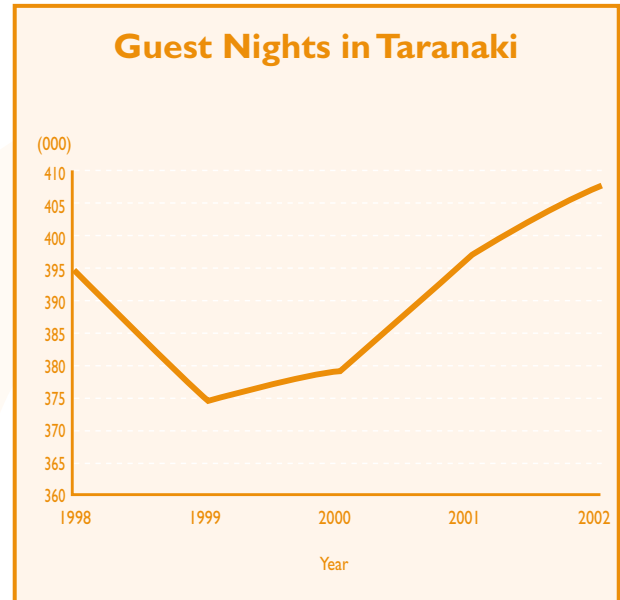
- An estimated 56,489 visitors came to Taranaki in the December 2002 quarter and stayed in commercial accommodation. This is an 8.8% increase from the December 2001 quarter. Nationally visitor numbers increased 5.9% over the same period. (1)
- 207,484 visitors came to Taranaki for the year ended 2002, an increase of 5.1% over 2001, just below the national growth rate of 5.3%.
- This is the highest yearly total ever recorded for Taranaki. (2)



Guest Nights

- The total number of guest nights in Taranaki for the December 2002 quarter was 116,389, an increase of 13.1% from the December 2001 quarter. (3)
- For the year 2002, total guest nights in Taranaki increased 3.3% to 407,247, compared to a national increase of 6.5%.
- 80.9% of the region's guest nights in 2002 were spent in the New Plymouth District.
- The average length of stay in Taranaki for the year was 2.07 nights.

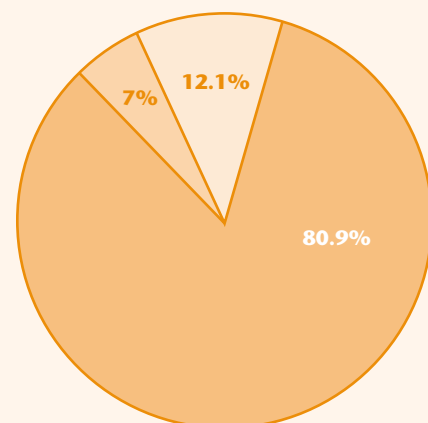
- With the exception of Wanganui, where guest nights declined 0.4%, all main regions recorded more guest nights in 2002 than in 2001. Ruapehu recorded the largest rise, up 15%.



Occupancy Rate

- The occupancy rate for Taranaki during the December 2002 quarter was 31.7%, 2.2% higher than the December 2001 quarter.
- The national occupancy rate during the December quarter was 38.2%.

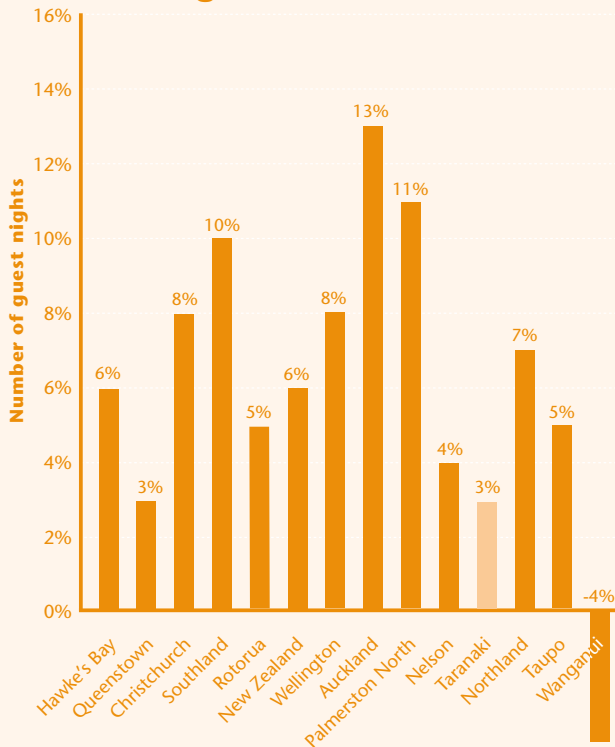
Guest Nights by Taranaki District Location



- New Plymouth District 329,576 (80.9%)
- South Taranaki District 49,170 (12.1%)
- Stratford District 28,500 (7%)

NZ Analysis by Region

Change In Guest Nights By Selected Region 2001 To 2002



National Visitors

- Most of Taranaki's visitors are from other places in New Zealand. In the December 2002 quarter there were 102,780 national guest nights, accounting for 88% of the total guest nights in Taranaki.
- The provincial North Island was the main source of Taranaki's domestic visitors, with 46,200 guest nights. There is also strong following from Auckland (25,890 nights) and Wellington (15,250 nights).
- For the year 2002 there was a total of 360,260 national guest nights in Taranaki.

International Visitors

- An estimated 13,600 guest nights spent in the area, for the December 2002 quarter, were from international guests - an increase of 3.7%, when compared to the December 2001 quarter.
- For the year 2002 there were approximately 47,000 international visitors to the Taranaki region - slightly down on 2001.

- "Total European" visitors still remain Taranaki's main international market, comprising 41% of guest nights for the year.

Share of NZ Tourism Market

- Taranaki secured an estimated 1.4% of total NZ commercial guest nights, for the year ended 2002.

Source: Statistics New Zealand Commercial Accommodation Survey

Notes:

- (1) This information only includes the visitors that stay in commercial accommodation in Taranaki. It doesn't take into account the number of visitors to Taranaki who stay with relatives or friends
- (2) The New Zealand Accommodation Survey started in July in 1996, therefore figures can only be compared back to 1996.
- (3) A guest night is equivalent to one guest spending one night at an establishment. For example, a motel with 15 guests staying two nights would report provision of 30 guest nights of accommodation.
- (4) Data is only collected from economically significant establishments, ie GST registered turnover of at least \$30,000.

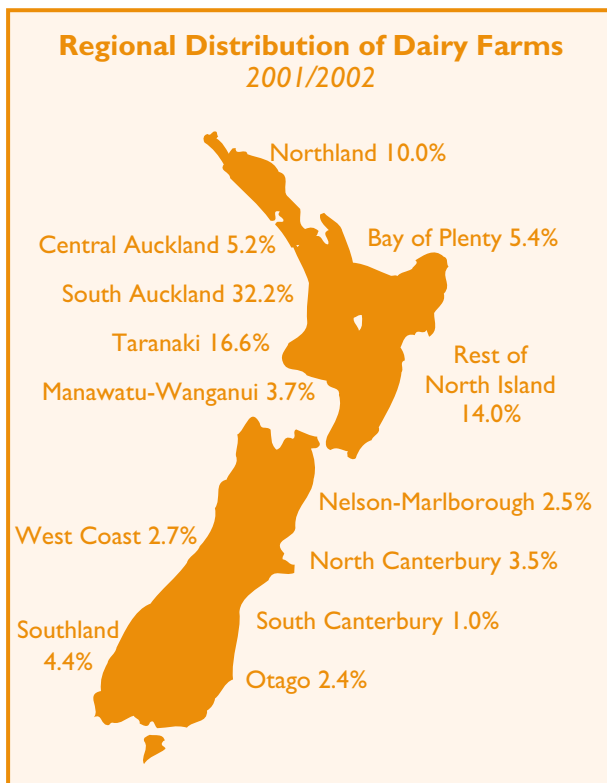
For a more detailed report - *Tourism Trends 2003 Summary* - visit our website www.taranaki.info



Agriculture

Dairy Farming in NZ

- 83% of dairy farms are in the North Island, with the greatest concentration (32%) situated in the South Auckland region.
- Taranaki with 17% of dairy farms, is the next most concentrated dairying region.



Taranaki Herd Analysis Fact Sheet for 2001/2002

Taranaki's dairy fact sheet, "at a glance", reads as follows:

- Total dairy herds in Taranaki: 2,272
- Total cows: 501,004
- Total effective hectares: 180,417
- Average herd size: 221
- Average effective hectares: 79
- Average cows per hectare: 2.82

Farm Production Analysis (2001/2002)

The following table provides an evaluation of Taranaki's farm production.

Analysis	New Plymouth District	Stratford	South Taranaki	New Zealand
Average litres per farm	725,228	680,622	824,864	996,904
Average kg milkfat per farm	37,043	34,268	43,144	48,137
Average kg protein per farm	27,259	25,718	31,799	36,300
Average kg milk solids per farm	64,302	59,986	74,943	84,436
Average kg milk fat per effective hectare	469	461	544	471
Average kg protein per effective hectare	344	346	401	353
Average kg milksolids per effective hectare	813	807	945	824
Average kg milkfat per cow	177	175	185	175
Average kg protein per cow	131	132	136	132
Average kg milksolids per cow	308	307	321	307.23

- Waimate district has the highest average production per farm with 224,885 kilograms of milk solids.
- Ashburton District recorded the highest average kilograms of milk solids per effective hectare (1,061)
- Highest production per cow was recorded in Waimakariri (371 kg of milk solids).
- The North Island district with the highest production is Taupo with an average of 164,388 kilograms of milk solids per farm.

Source: *Livestock Improvement Dairy Statistics 2001/2002*

New Zealand Farming Trends

- Farms in the South Island are, on average larger than those in the North Island, in terms of both physical size and cow numbers.
- The overall number of herds in New Zealand (13,649) has dropped compared with the previous season, even though the number of herds in the South Island has increased.
- 76% of the total cows are in the North Island – with 29% in the South Auckland region.
- The average herd size in both Islands has continued to increase.
- Within the South Island, South Canterbury has the largest average herd size with 539 cows – up markedly from the previous season of 483 cows.
- In the North Island, Hawkes Bay has the largest average herd size, with 468 cows.
- The smallest herds are in Central Auckland, Northland and Taranaki, averaging 199, 220 and 221 cows respectively.
- South Auckland has the highest average cows per hectare (2.85), followed by Taranaki and South Canterbury (2.82 each).
- The lowest average cows per hectare are found in the West Coast (2.13) and Northland (2.15)



Fonterra Revised Payout Forecast

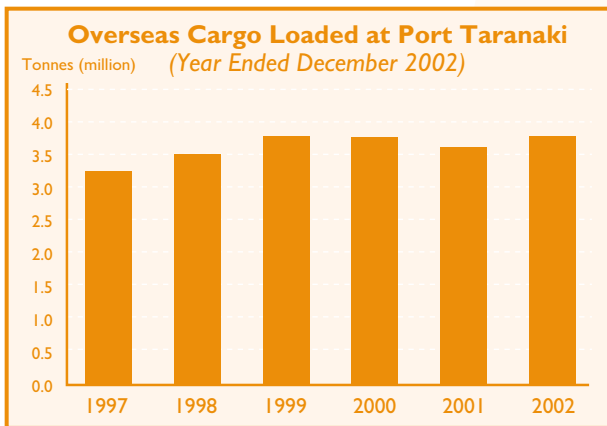
- Fonterra Co-operative Group Ltd announced a revised forecast payout to suppliers for the year to May 31 2003, after experiencing difficult international trading conditions.
- The new payout forecast is \$3.60 per kilogram of milk solids, down 3% from the \$3.70 set in July last year. (Both figures are before the deduction of three cents for industry good costs).
- Looking ahead, Fonterra is anticipating a payout in the range of \$3.70 - \$3.90 for the 2003/2004 season. This projection assumes that the NZ dollar remains at its current level and that commodity prices hold at the higher levels expected for the fourth quarter of this season.

Source: Fonterra News, 12 February 2003

Export Trade

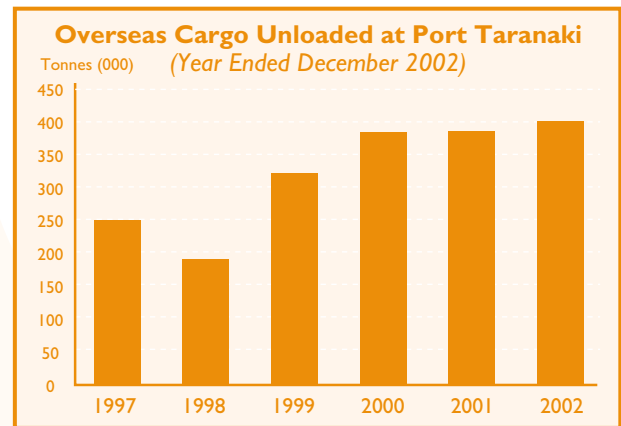
Cargo Loaded:

- During the year ended December 2002, the amount of overseas cargo loaded at Port Taranaki was 3,735,555 tonnes.
- This was a 5.0 percent increase from the previous year, compared with a national increase of 4.7 percent during the same period.
- Overseas cargo valued at \$2,142.3 million was loaded at Port Taranaki during the year ended December 2002. This represented a 15.1 percent increase in value compared with the previous year.



Overseas Cargo Unloaded

- During the year ended December 2002, the amount of overseas cargo unloaded at Port Taranaki was 401,102 tonnes.
- This was a 4.9 percent increase from the previous year, compared with a national increase of 9.2 percent during the same period.
- Overseas cargo valued at \$189.8 million was unloaded at Port Taranaki during the year ended December 2002. This represented an 11.3 percent increase in value compared with the previous year.

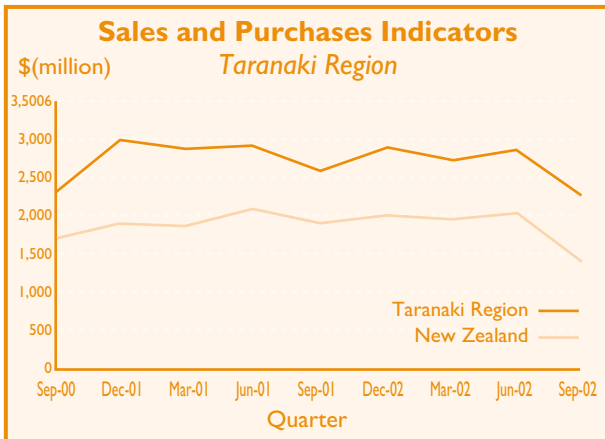


Port Taranaki - Coastal and International Trade

For the 12 months ending December 2002, the combined total tonnage exported overseas, as well as coastal, was 5,030,100 tonnes. This compares favourably with 2001, where the combined total was 4,923,773 tonnes.

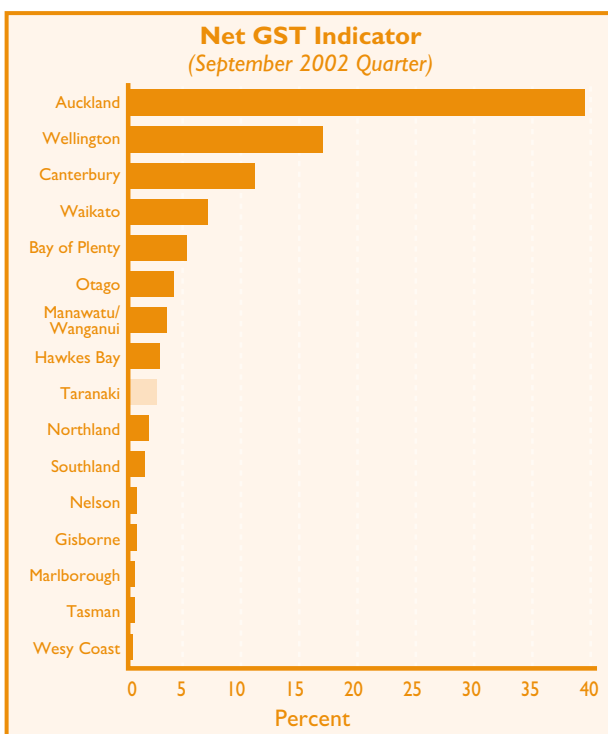
For the 12 months ending December 2002 the combined tonnage of coastal imports and overseas imports was 575,277 - slightly down on 2001 when tonnage was 595,687.

Economic Indicators



- During the September 2002 quarter the total net GST (sales – purchases) in the Taranaki Region was \$869.8 million.
- This represented 3.0 percent of the total net GST in New Zealand.
- For the year ended September 2002 the total net GST in the Taranaki Region decreased by \$243.3 million or 6.8 percent from the previous year, compared with a 6.4 percent increase nationally during the same period.

- The total Goods and Services Tax (GST) sales in the Taranaki Region for the September 2002 quarter was \$2,291.4 million, representing a decrease of \$291.8 million or 11.3 percent from the same quarter of the previous year.
- This compares with a national increase of 3.7 percent.
- During the same period the total GST purchases decreased by \$478.1 million or 25.2 percent to \$1,421.6 million, compared with a 1.4 percent increase for New Zealand.



Hospital Discharges

- There were 26,344 publicly funded hospital discharges of Taranaki Region residents in the year ended 31 December 2001, compared with 25,658 discharges in the same period of the previous year.
- This represents 249.2 discharges per thousand resident population in 2001 compared with 241.1 in 2000.
- Of the discharges in 2001, 12.5 percent were as a result of Diseases of the Circulatory System (eg heart disease, strokes etc) while 10.1 percent were from Diseases of the Digestive System (eg asthma, tonsillitis, laryngitis, pneumonia, influenza, bronchitis etc).
- The above information compares with discharges for New Zealand of 9.4 percent and 8.1 percent respectively.

Note:

The New Zealand Health Information Service provides hospital discharge information.

This data provides an indication of the nature of patient discharged from publicly funded health establishments.

The information refers to patients discharged from day patient and inpatient care in publicly funded hospitals and publicly funded patients in private hospitals. Patients discharge details from psychiatric hospitals and licenced rest homes are excluded.

The information reflects National Minimum Dataset (NMDS) at one point in time, and should be treated as provisional information.

Publicly Funded Hospital Discharges by Diagnosis			
<i>Taranaki Region</i>			
<i>Year Ended 31 December</i>			
Diagnosis(I)		2000	2001
01	Infectious & Parasitic Diseases eg tuberculosis, measles	492	541
02	Neoplasm eg cancers, both malignant and benign	1,710	1,796
03	Endocrine, Nutritional and Metabolic Diseases & Immunity Disorders	293	393
04	Diseases of Blood & Blood-Forming Organs	258	291
05	Mental Disorders	581	708
06	Diseases of the Nervous System (eg epilepsy) & Sense Organs (eg cataracts)	1,435	1,259
07	Diseases of the Circulatory System eg heart disease, strokes	2,984	3,297
08	Diseases of the Respiratory System eg Asthma, tonsillitis	1,660	1,845
09	Diseases of the Digestive System eg ulcers, appendicitis	2,614	2,659
10	Diseases of the Genitourinary System eg diseases of the urinary system	1,080	1,117
11	Complications of Pregnancy, Childbirth & the Puerperium	2,329	2,169
12	Diseases of the Skin & Subcutaneous Tissue	484	562
13	Diseases of the Musculoskeletal System and Connective Tissue eg arthritis, rheumatism	1,078	1,070
14	Congenital Anomalies eg inherited genetic conditions including spina bifida	190	228
15	Certain Perinatal Conditions Originating in the Perinatal Period – conditions affecting babies that originate in the latter stages of the pregnancy or first month of life.	559	464
16	Symptoms, Signs & Ill-Defined Conditions	1,944	1,980
17	Injury and Poisoning	2,053	1,955
18	Other	3,914	4,010
TOTAL		25,658	26,344

Taranaki Region in Brief

The Land

- The Taranaki region comprises 2.7 percent of total New Zealand land area.
- The height of Mt Taranaki/Egmont is 2,518 metres.

The People

- Taranaki comprises 2.8 percent of the New Zealand census usually resident population count.
- The region has above-average population density (14.2 people per square kilometre compared with 14.1 nationally).
- It's median age of 36.4 years, is higher than the national median age of 34.8 years.
- 14.7 percent of Taranaki people identify with the Māori ethnic group, the same as the national average.

Housing

- 72.0 percent of Taranaki households own their dwelling, above the national average of 67.8 percent.
- The median weekly rent for Taranaki households is \$120, below the national median weekly rent at \$160.

Industry

- 24.0 percent of full-time equivalent employees in Taranaki, are in the manufacturing industry.
- 13.6 percent are employed in retail trade.
- A further 11.0 percent are in property and business services.
- 10.3 percent are employed in health and community services.
- 7.8 percent are employed in the construction industry.
- 1.9 percent are employed in the mining industry.

Note:

*This information is based on:
Data from the 2001 Census of Population and Dwellings.*

(2) Business Demography data as at February 2002. Such information excludes farms and associated employment.



Thank you...

Venture Taranaki acknowledges the support of its key stakeholder – the New Plymouth District Council whose continued commitment to the Trust has been pivotal to its success.

Venture Taranaki also acknowledges the input of other stakeholders in producing “Taranaki Trends”, including Taranaki Newspaper Ltd, Statistics New Zealand, National Bank of New Zealand, REINZ (Taranaki), the Department of Work and Income, Livestock Improvement Corporation

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Venture Taranaki

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