

Venture  
**TARANAKI**



# TARANAKI TRENDS

TARANAKI ECONOMIC REPORT

STATISTICS TO JUNE

# 2004

*(Document current until March 2005)*

# Welcome...

Welcome to this first issue of Taranaki Trends under Venture Taranaki's new integrated model which incorporates regional responsibilities for business development, tourism and major event promotion.

In a region such as Taranaki, where logical synergies exist between these activities it makes sense to coordinate them under one corporate umbrella to maximise return for ratepayer investment.

After all, tourism is a key economic sector, and major events must play a key part in our regional development mix. They enable more people to visit and thus experience first hand the benefits of Taranaki. They spend money, potentially may do some business, and consider returning on later trips or even possibly relocating.

Assisting business with their aspirations of growth and development remains a prime focus of the Trust, and our web site continues to detail the range of services on offer to you, our client.

With respect to this document, there will be a number of changes. Firstly we will be moving to a six-monthly hard copy format. However, we will be releasing updatable information more readily on our web site [www.taranaki.info](http://www.taranaki.info). We will also be undertaking a broader range of surveys, including research on tourism and economic impact analysis of key events, which will be of interest to the community.

We hope these, and other changes which Venture Taranaki are making, reflect Taranaki's culture of innovation and progress. Change is a reflection of moving forward and our commitment is one of continuous improvement in our products and services.



Anne Probert  
Economic Development Director

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# Taranaki

## Economic Trends


# The Economy


## What's hot & what's not?


- 
- Regional Growth**
- According to the National Bank Regional Trends Report, twelve regions recorded a rise in economic activity over the second quarter of 2004. Taranaki reported quarterly growth of 1.3%, equal to that of the Nelson-Marlborough Region.


- 
- CPI**
- Between the March and June 2004 quarters the New Plymouth Urban Area Consumer Price Index (CPI) rose 0.9% compared with a national increase of 0.8%.


- 
- GDP**
- Economic activity increased 2.3% across New Zealand in the March 2004 quarter, following a rise of 0.7% in the December 2003 quarter.

- 
- Labour Force**
- Unemployment reached 4.0% nationwide as at the June 2004 quarter; the lowest rate in 17 years. The Taranaki unemployment rate declined from 5.1% last quarter to 3.8%, the fifth lowest rate across the country.


- 
- Situations Vacant**
- 1,496 jobs were advertised in The Daily News newspaper during the June quarter; a 7.3% increase on last quarter and a 24.3% increase on the same time last year.


- 
- Retail Trade**
- Taranaki retail expenditure remained constant compared to last quarter, increasing only 0.5% to \$335.1 million during the June 2004 quarter.


- 
- Rental Accommodation**
- The median price for private sector rental accommodation in New Plymouth declined 10.0% during the June 2004 quarter, the largest decline evident across New Zealand.


- 
- Real Estate**
- During the June 2004 quarter 660 residential dwellings were sold throughout Taranaki; down 15.3% on the previous quarter.


- 
- Tourism**
- Taranaki hosted 106,494 guest nights in short term commercial accommodation during the June 2004 quarter. Compared to the corresponding quarter last year, guest nights have increased 4.8%.


- 
- Exports**
- 589,000 tonnes of coastal and international cargo was unloaded at Port Taranaki during the year ended June 2004. The volume of cargo unloaded has decreased compared to last quarter and the same period last year.

- 
- Business Survival Rates**
- From a sample of businesses established in 1998, 'Mining/Oil and Gas Exploration/Extraction', 'Finance and Insurance Services' and 'Cultural and Recreational Services' industries in Taranaki reported the highest business survival rates.

- 
- Migration**
- The net migration (arrivals minus departures) during the year ended June 2004 resulted in a net increase of 84 people to Taranaki.

- 
- Economic Indicators**
- During the March 2004 quarter the total Net GST in Taranaki was \$641.5 million; down 29.5% on the corresponding quarter last year.

- 
- Agricultural Production Review**
- 623,000 dairy cattle were located in Taranaki as at 2003. Compared to the same time last year, numbers have declined 4.0% from 652,000.

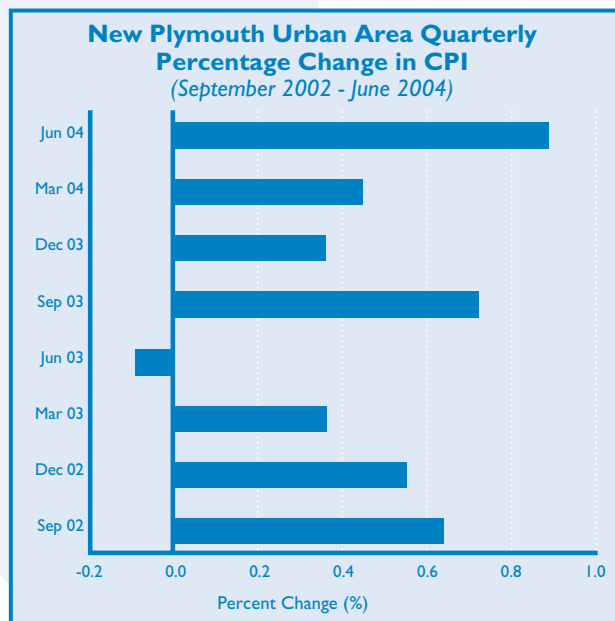
- 
- Construction**
- During the quarter Taranaki was granted 111 new residential building consents valued at \$24.6 million. Compared to the last quarter an additional 26 consents have been issued.

# What's happening in the National Economy?

## Consumer Price Index

### Quarterly Change:

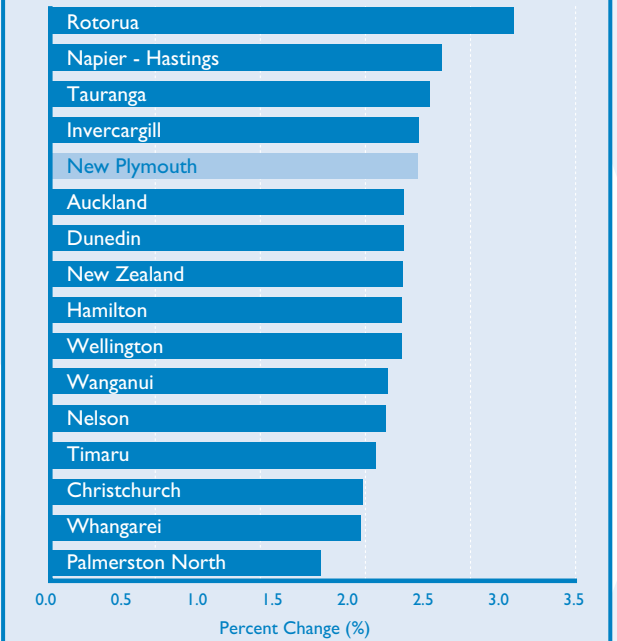
- Between the March and June 2004 quarters the New Plymouth Urban Area Consumer Price Index (CPI) rose 0.9% compared with a national increase of 0.8%.
- Housing prices (up 1.4%) made the largest national upward contribution to increases, reflecting higher prices for the purchase of newly constructed dwellings.
- Transportation prices rose 1.4%, mainly due to higher prices for petrol.
- Household operation prices rose 0.6%, driven by higher prices for electricity.



### Annual Change:

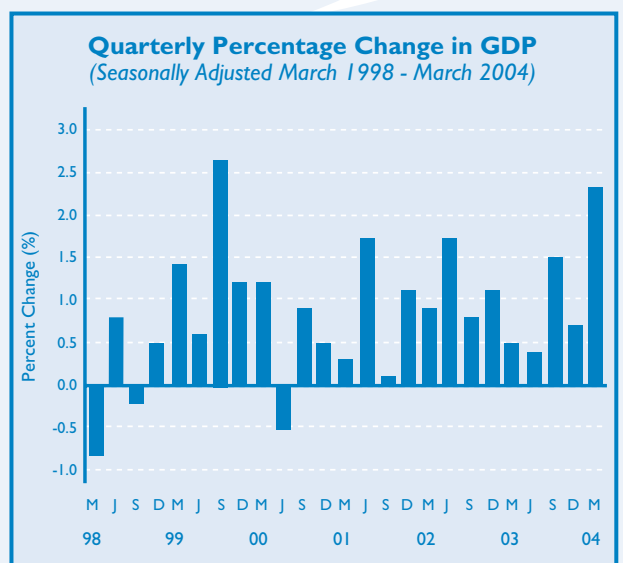
- New Plymouth Urban Area reported an annual CPI increase of 2.5%.
- National CPI rose 2.4% from the June 2003 to June 2004 quarters.
- Across New Zealand the largest annual increase was evident in the Rotorua and Napier-Hastings regions.
- Palmerston North reported the smallest increase in annual CPI.

**Annual Percentage Change in CPI by Urban Area**  
(June 2003 Quarter - June 2004 Quarter)



## Gross Domestic Product

- Economic activity increased 2.3% in the March 2004 quarter, following a rise of 0.7% in the December 2003 quarter.
- Annual growth in gross domestic product was 3.6% for the March 2004 year.
- Across the industries 'goods-producing' sectors made the largest contribution to economic growth.



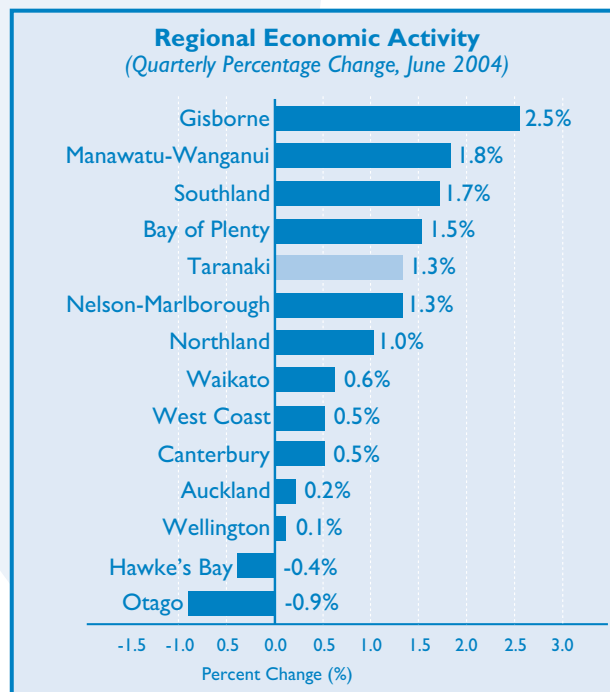
(Source: Statistics New Zealand)

# What's happening in the Taranaki Economy?

## Growth

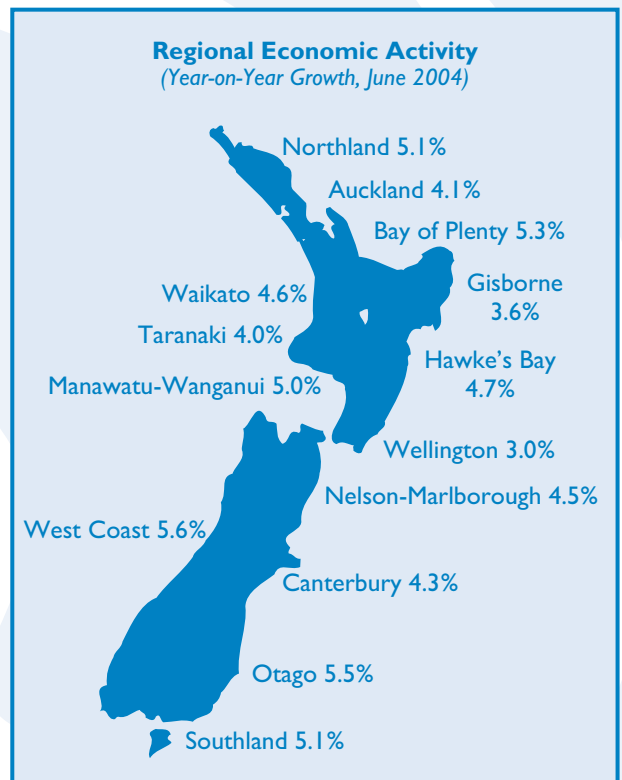
### Quarterly Change:

- According to the National Bank Regional Trends Report, twelve regions recorded a rise in economic activity over the second quarter of 2004.
- Taranaki reported quarterly growth of 1.3%, equal to that of the Nelson-Marlborough region. Nationally, economic activity increased 0.5% over the quarter.
- Gisborne recorded the highest growth over the period reaching 2.5%.
- Rural New Zealand outperformed urban New Zealand reporting rises in activity of 0.9% and 0.2% respectively.



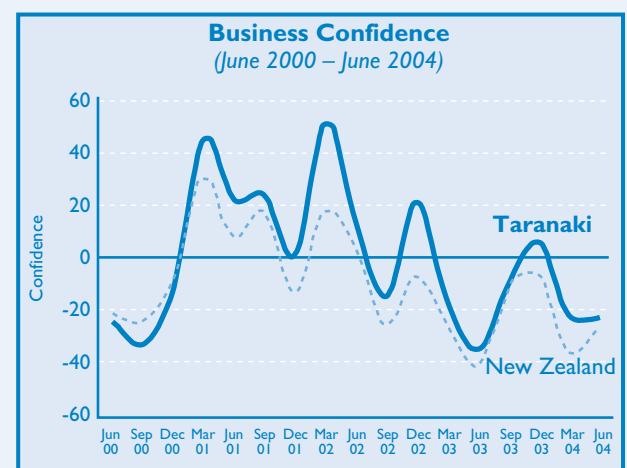
### Annual Change:

- Taranaki recorded 4.0% year-on-year growth to the year ended June 2004.
- Year-on-year economic growth accelerated in all areas, with the exception of Wellington and Nelson-Marlborough regions.
- Nationwide year-on-year growth of 4.3% was apparent; up from 3.9% for the year ended March 2004.



## Business Confidence

- Confidence in Taranaki remained above the national level despite a one unit decline over the quarter.
- Business confidence rose in every region except Southland and Taranaki.
- The Bay of Plenty reported the highest level of business confidence during the June quarter across the country.

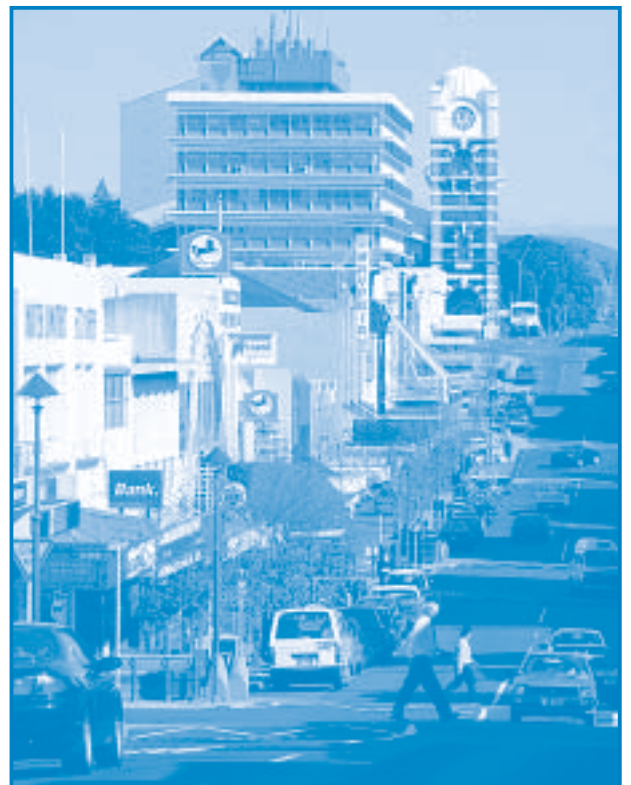


# What's happening in Taranaki Business?

- Body Indulgence was announced the ASB Bank Top Shop overall winner at an awards evening during June. Owners Wayne and Delwyn Dellow said the competition was a benchmark all retailers strive for.
- The supreme award winner at the Taranaki Chamber of Commerce Business Awards held recently in New Plymouth was Eltham engineering firm Carac Couplings.
- The New Plymouth Coastal Walkway has been recognised as one of the best landscape projects in the world. The facility took out the top Award at the recent International Federation of Landscape Architects' Excellence Awards.
- Planning for the 2005 World of Music and Dance Festival (WOMAD) is well underway with Creative New Zealand approving a \$37,000 grant during June.
- Taranaki transport company Hooker Bros Holdings has confirmed a multi-million dollar contract with Caltex. The contract is expected to add 40 truck-and-trailer units to the national fleet operating from Marsden Point to Bluff.
- Taranaki collected three top prizes at the Dairy Awards national final in New Plymouth. Donald and Maree Anderson from Kahui Road, Rahotu took home the Farm Business Award.
- Puke Ariki, the new regional library and museum, celebrated its first birthday in June this year.
- Brendon Taylor of Max Pennington's Auto City recently won a contest for Oceania's top Nissan technician at Australia's Gold Coast. Mr. Taylor will go on to compete at the world final in Tokyo this October.
- Stratford based TSB Bank is celebrating its 50th anniversary with a face lift. Renovations are expected to start in August and be completed in October.
- This years Young Enterprise Scheme has been challenging with 27 teams competing from 11 Taranaki secondary schools. The students recently participated in a Trade Fair, where they decorated stalls and spent the day selling their products. The students have also undertaken a formal business presentation on their company, which was worth 30% of their marks.
- The New Plymouth District Council has awarded an additional one million dollars to the development of Pukekura Park over the next ten years.
- Hutchins and Dick is now located on Young Street.
- New Plymouth branch of Rapley Flooring Ltd was recently awarded the Cavalier Bremworth award for 'Nationwide Carpet Dealer of the Year' in the provincial city category. Hawera branch also achieved the same award in the rural town division.
- The Government has announced 20 free hours of childcare per week will be offered to three and four year olds enrolled in community based centers from April 2007.
- The Taranaki Information Network (TIN) was awarded Excellence in the use of IT in 'Education: Primary and Secondary Schools' at the national Computerworld Excellence Awards held in Auckland earlier this year.
- Williams Electrical has purchased the former Masonic Lodge rooms in Union Street, Hawera.
- Oakura based Green Ginger Café has been judged the best café in Taranaki at the Huhtamaki New Zealand Best Café Awards.
- TRC Tractors based in Hawera has celebrated one year in business.
- Arborio barista Amy Julian placed second at the central region heat of the Robert Harris Barista Awards held at Te Papa. Amy will go on to compete in the New Zealand finals.



- According to a research report commissioned by Sport and Recreation New Zealand (Sparc) over 50% of Taranaki residents are 'inactive' and do less than 2.5 hours of physical activity per week.
- For the third consecutive year Tony Karageorge of Harvey's New Plymouth Office has been named the number one commercial sales person for Harvey's Real Estate.
- Port Taranaki is set for redevelopment as Taranaki businessman Wayne Fairhurst has purchased the lease of a 4,000m section of land on the eastern side of the harbour. Developments planned for the property include the relocation of Taranaki Hunting and Fishing, converting an existing two storey building into offices and a new café/bar complex.
- Fonterra has announced the 2003/2004 milk solid payout will be \$4.25 per kilogram; 2c higher than anticipated.
- Previously located on Smart Road, 'Humes' a water pipeline business, has relocated to Hurlstone Drive in New Plymouth.
- Formally Hairworks, the Bell Block salon has re-branded to 'Wakky do'.
- New Plymouth and sister city Kunming (China) have recently signed a new co-operative agreement between the Practical Education Institute (PEI) and the Kunming Tourism School. The agreement will benefit both New Zealand and Chinese students through increased opportunities.
- Peak Plants on Devon Street West has undergone renovations and is now called 'The Girlz Garden Centre'.
- The National Dairy Association (NDA) has announced it will be relocating to a main road site in Normanby next year.
- Furniture Creations, has relocated to a larger showroom on Dorset Road in New Plymouth.
- Yvonne's Electrolysis and Beauty Therapy is now Enhance Mind, Beauty and Soul.
- Lovell's Florists have relocated to the south side of Hawera High Street.
- Hawera Pizza Hut has started renovations on the central High Street premises.
- The Hawera based legal business 'Sera Carrington and Young' have moved to the east end of High Street.
- The founder of New Plymouth's Kina gallery has sold the business to Rebecca Mooney.
- Cottage Wines has changed hands, new owners John and Denise Ingle were trained in the wine-making science by previous owners, Chris and Chris Garnham.
- Kiln Creations located in Bell Block has changed hands. New owner Marina Versteeg plans to extend operating hours after further developing the business.
- Close to a quarter of a million dollars has been awarded to Taranaki businesses in grants and funding since 1st July 2004. The funding received is to go toward business development and R&D projects with a goal of growing the region's business economy.



# What's New? - Businesses starting up in Taranaki\*

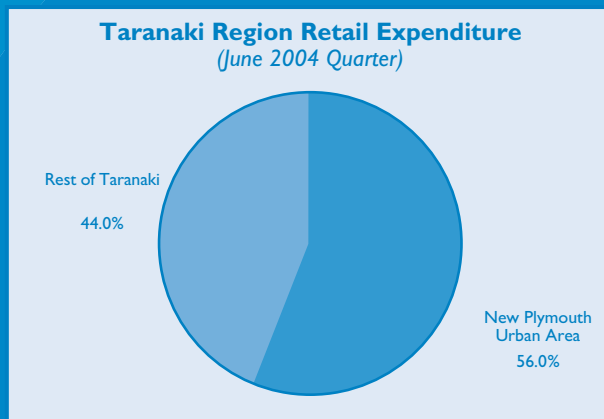
- Brisbane-headquartered retailer of automotive parts, tools, and accessories, 'Super Cheap Auto' has opened in central New Plymouth.
- The children's clothing franchise 'Pumpkin Patch' has opened on New Plymouth's Devon Street.
- The woman's fashion franchise 'Principals' has opened in New Plymouth's Centre City complex.
- Wayne Jury Appliance Repairs has recently been founded by owners/operators Wayne and Lyn Jury. The business services all major brands of household appliances.
- Wizard Vapor Technologies, a cleaning process franchise, has been established in New Plymouth by owners Mark and Allison Wilkins.
- Taranaki is now home to one of 28 Real Estate Maximums (Re/Max) franchise businesses. Re/Max Team Realty is located at the Taranaki Business Centre on Devon Street East, New Plymouth.
- Kaneebe – a new imported bag, blanket and jewellery shop has opened on St Aubyn Street. Owner Phoebe Waite imports stock from Indonesia.
- Blair Riddick has recently established Riddick Electrical Ltd. The business is available for all types of electrical work.
- Ana Casagrande and Kaye Cunningham have established Simone Books. The shop specialises in good quality New Zealand and international literature.
- Located in New Plymouth, Janine Andrews has founded 'Admin 4 U', an administrative service business.
- Lynn Stanners has opened a new café 'Inflamed' on Eltham's High Street.
- Peter Keegan has founded 'Kapac' an administrative service business in New Plymouth.
- Germaine de Capuccini Retreat recently opened in New Plymouth. The retreat is the sole Australasian agent for the exclusive Spanish cosmetic product, Germaine de Capuccini.
- Helen Reid has founded 'Muiska' – an importing jewellery business.
- A new Japanese Restaurant called 'Daichi' has opened on Devon Street in New Plymouth.
- Bruce Gatward-Cook has set up Adviso, a one-stop shop for companies needing advice and production ability on advertising, public relations, multi-media and television production.
- Emily Harrowfield has established a business to assist couples plan their wedding.
- Jackie and John Cole have opened 'Three Lamps Bed and Breakfast' on Flint Road, Stratford.
- Ed's Restaurant has also opened in Stratford at the New Commercial Hotel on Broadway.
- 'Shahill's' a new Indian greengrocer has opened on High Street in Hawera.
- Visible Changes Beauty Therapy has opened in New Plymouth.
- Terry Fields has established 'Plantz Plus', a garden centre located in Urenui Bay.
- Pascoes the Jewellers has announced it will be opening soon in New Plymouth's Centre City.
- The Body Shop is also coming soon to New Plymouth.

**\* 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.**

# Retail Trade

## Regionally:

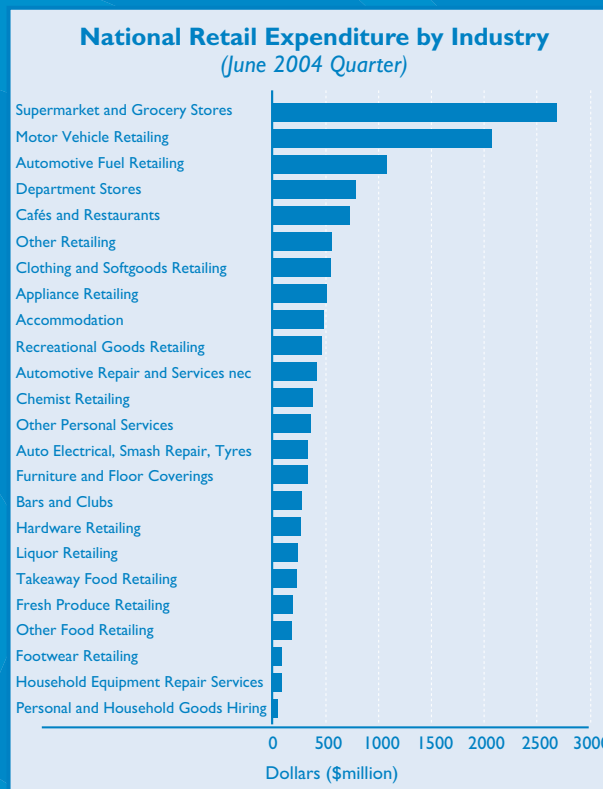
- Taranaki retail expenditure remained constant compared to last quarter, increasing only 0.5% to total \$335.1 million during the June 2004 quarter.
- Retail expenditure in 'Rest of Taranaki' increased 5.1% on last quarter while the 'New Plymouth Urban Area' experienced a decrease of 2.9%.



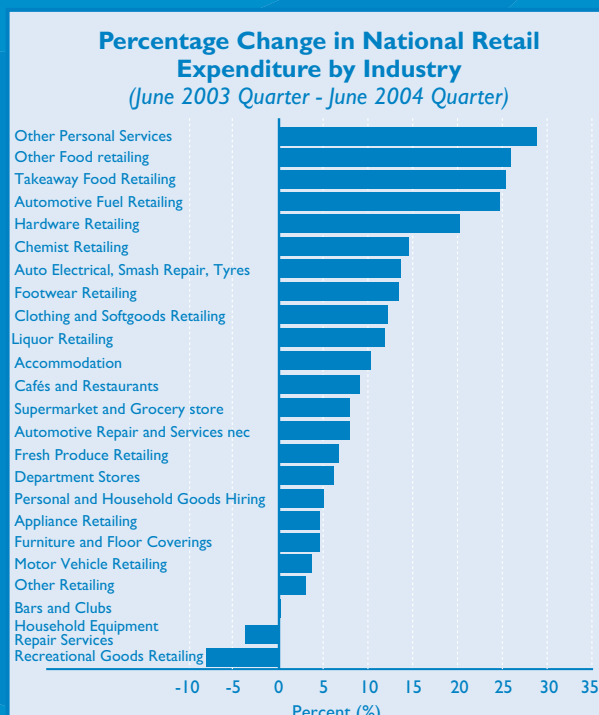
- Despite a decline on last quarter, the majority of retail expenditure (56.0%) took place in the New Plymouth Urban Area.

## Nationally:

- Nationally retail expenditure declined 1.5% on the last quarter to \$13,159.5 million.
- Taranaki accounted for 2.5% of national expenditure.
- 'Supermarket and Grocery Store' retail expenditure accounted for 20.3% of national expenditure during the June 2004 quarter.
- Collectively 23.8% of expenditure over the quarter was accounted for by 'Motor Vehicle' and 'Automatic Fuel' retailing.
- 'Personal and Household Goods Hiring', 'Household Equipment Repair Services' and 'Footwear Retailing' each accounted for less than one percent of total expenditure over the quarter.



- Compared to the same time last year, retail expenditure has increased most significantly in the 'Other Personal Services', 'Other Food Retailing' and 'Takeaway Food Retailing' sectors.
- Two sectors, 'Recreational Goods' and 'Household Equipment Repairs' both recorded declines in expenditure compared to the same time last year.



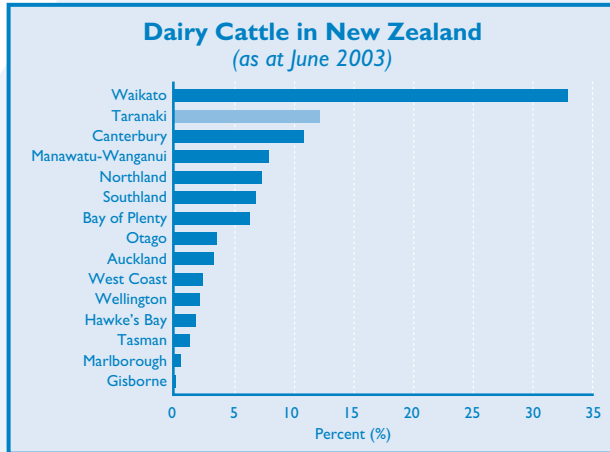
(Source: Statistics New Zealand)

# Agricultural Production Review 2003

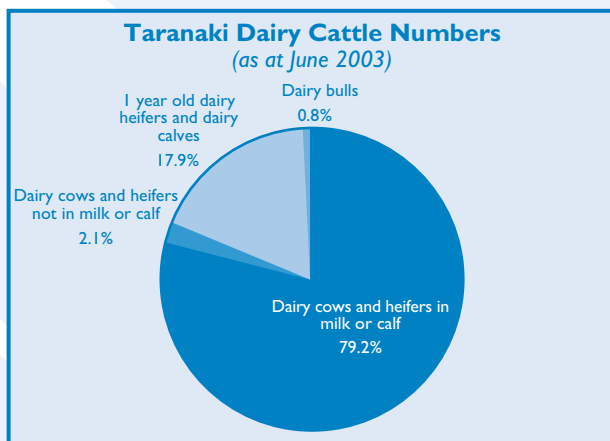
The information in this summary is compiled from the Statistics New Zealand 2003 Agricultural Production Census. Visit [www.stats.govt.nz](http://www.stats.govt.nz) for more information.

## Dairy Cattle

- Nationally there were 5.1 million dairy cattle in New Zealand as at June 2003. Taranaki was home to 12.2% of the national dairy cattle population.

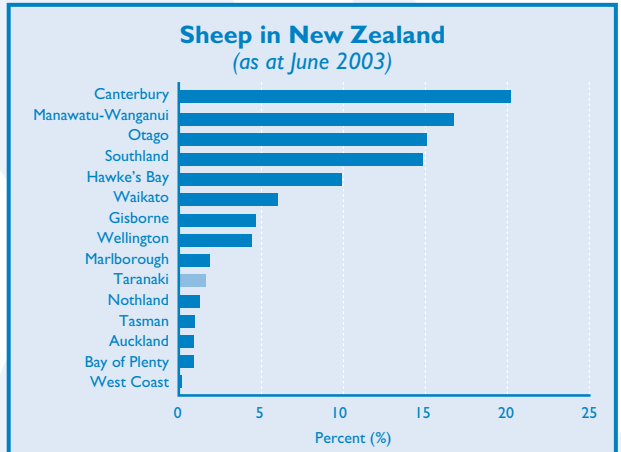


- 623,459 dairy cattle were located in Taranaki as at 2003. Compared to the same time last year, numbers have declined 4.0%.
- Compared to 2002, dairy cattle numbers declined by one percent nationally.
- Waikato is home to the largest portion of dairy cattle in New Zealand, accounting for 32.9% of the country's population.
- 79.2% of dairy cattle in Taranaki are cows and heifers (over one year) in milk or calf.
- During the year ended June 2003 402,546 calves were born on Taranaki farms.

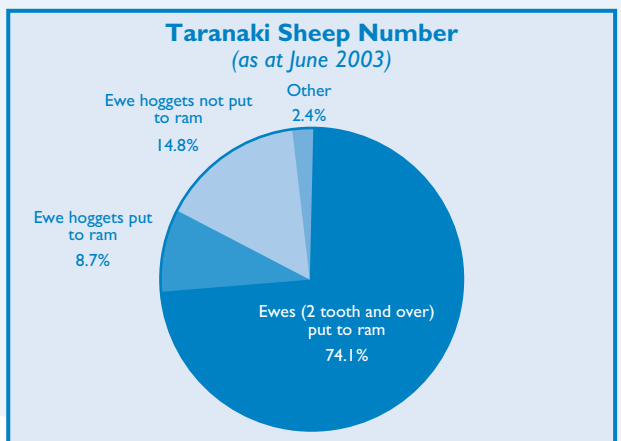


## Sheep

- Sheep numbers increased marginally over the 2002 to 2003 period to 39.7 million for all New Zealand.

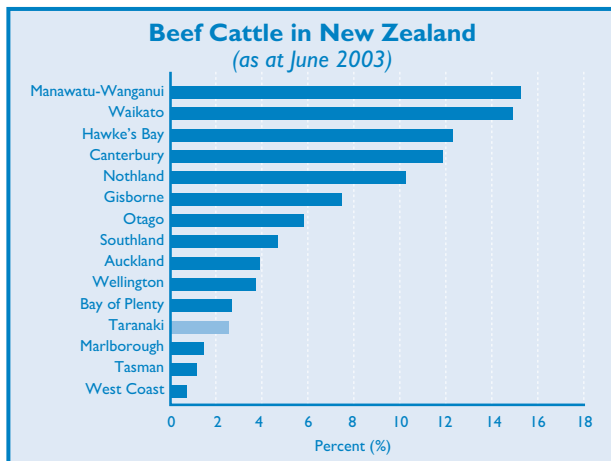


- Within Taranaki sheep numbers declined to 664,627; accounting for 1.7% of the national population.
- Canterbury hosts the largest number of sheep across New Zealand with 20.1% of the national sheep population.
- Southland, Otago and Manawatu-Wanganui regions collectively comprised 46.5% of sheep numbers.
- West Coast, Bay of Plenty and Auckland regions jointly accounted for less than three percent of the national sheep population.
- 518,598 lambs were tailed during the year ended June 2003 in Taranaki. Nationally 33.4 million lambs were tailed.



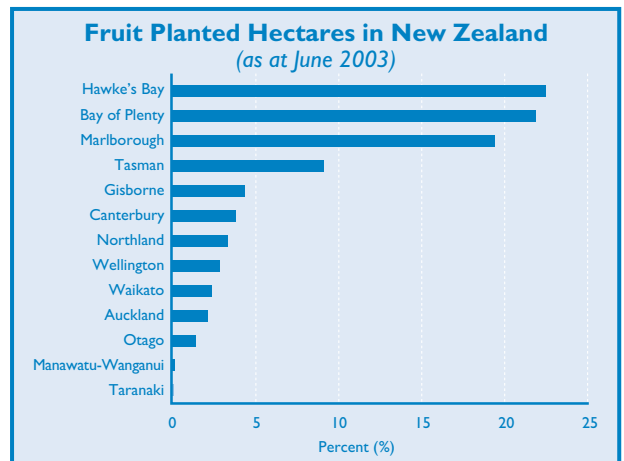
## Beef Cattle

- As at June 2003 there were 4.6 million beef cattle throughout New Zealand.
- Comprising 2.6% of the national population, 121,184 beef cattle were located in Taranaki in June 2003.
- Manawatu-Wanganui and Waikato regions collectively accounted for 30.4% of the national beef cattle population.



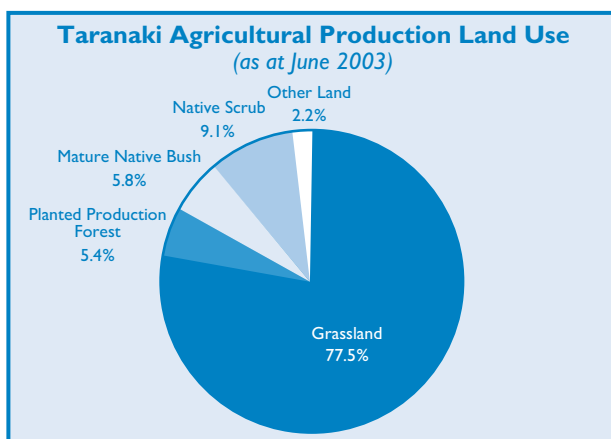
## Fruit

- 50,120 hectares was planted in fruit (apples, kiwifruit, avocados, wine grapes, olives) throughout New Zealand as at June 2003. Of this, 98 hectares (0.2%) was located in the Taranaki Region.
- Hawke's Bay (largely planted in apple) and Bay of Plenty (largely planted in kiwifruit) collectively account for 44.2% of planted fruit hectares throughout New Zealand.



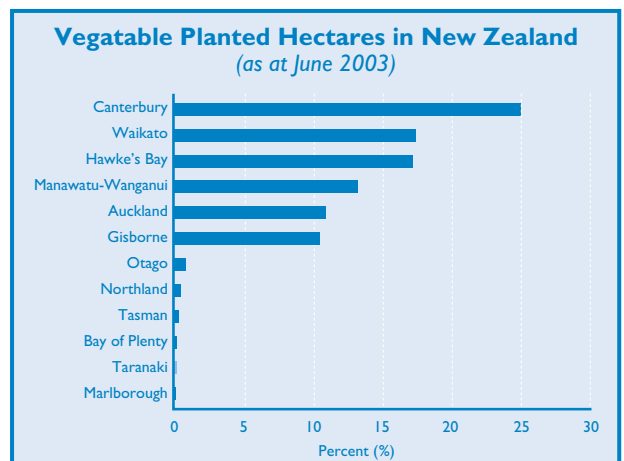
## Land Use

- Taranaki covers 723,610 hectares; as at June 2003 over half (448,489 hectares) was utilised for agricultural production purposes.
- Compared to the same time last year, the number of hectares utilised for agriculture production purposes in Taranaki has declined 10.0%.
- The most common use for Taranaki land is 'Grassland', which totals 342,909 hectares and comprises 77.5% of agricultural production land.
- Land planted in 'Native Shrub', 'Mature Native Bush' and 'Planted Production Forest' collectively account for 20.3% of agriculture land use in Taranaki.



## Vegetables

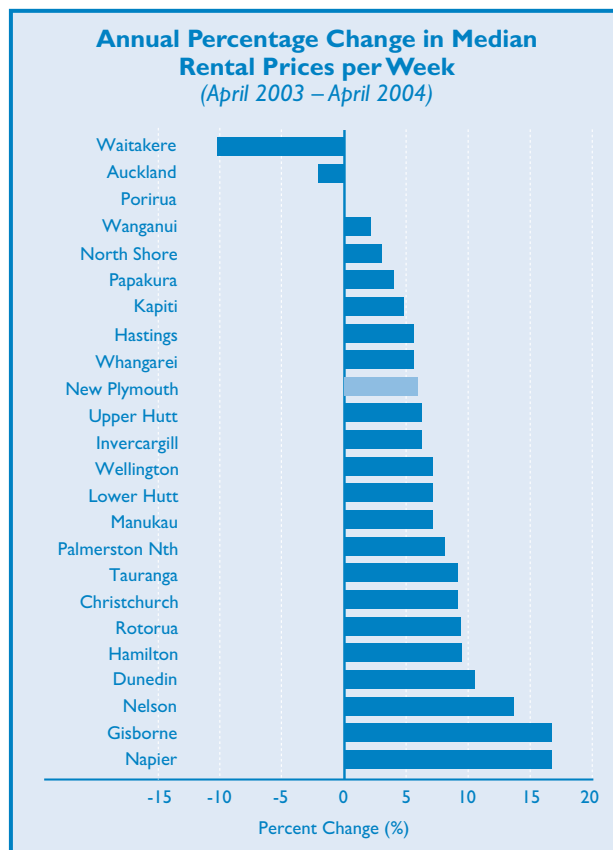
- 23,415 hectares of vegetables (onions, potatoes, squash) were harvested throughout New Zealand during the year ended June 2003. Of this, 37 hectares (0.2%) was harvested in the Taranaki Region.
- The majority (25.1%) of vegetable planted hectares were located in the Canterbury Region.
- Taranaki, Marlborough, Bay of Plenty, Tasman, Northland and Otago regions collectively account for less than two percent of hectares planted in vegetables throughout New Zealand.



# Real Estate and Rental Accommodation

## Household Rental Accommodation

- Over the three months ending April 2004 the national level of median rent for private sector rental accommodation remained at \$240 per week.
- Across New Zealand, New Plymouth experienced the largest decline (10.0%) in the median level of private sector rental accommodation during the quarter (from \$200 to \$180).
- Annually the region reported an increase of 5.9% in the median price for private sector rental accommodation; this is below the national average of 9.1%.
- Gisborne and Napier reported the largest annual increase in private sector rental accommodation.
- Conversely, Waitakere and Auckland were the only areas in the country to report a decline in median rental prices.



(Source: Massey University Real Estate Analysis Unit)

## Residential House Sales

- During the June 2004 quarter 660 residential dwellings were sold throughout Taranaki; down 15.3% on the previous quarter and 6.3% on the corresponding quarter last year.
- The average dwelling sale price for the quarter was \$170,800; an increase of 1.5% from \$168,200 last quarter and a 22.7% increase on the same time last year.
- Consistent with previous quarters, the majority of sales (44.5%) took place in the New Plymouth City Area.
- Sales throughout Taranaki totaled \$112.8 million during the quarter; a decrease of \$18.2 million on the March 2004 quarter.

Taranaki Dwelling Sales (June 2004 Quarter)		
Taranaki Area	Number of Sales	Percent of Total
Bell Block	38	5.8
Hawera	116	17.6
New Plymouth City	294	44.5
Stratford	84	12.7
Taranaki Country	94	14.2
Waitara	34	5.2
<b>Total Taranaki</b>	<b>660</b>	<b>100.0</b>

- Nationally 27,377 dwellings were sold over the quarter; a 7.9% decrease on last quarter and an 8.7% decrease on the same time last year.
- The Manawatu-Wanganui region reported the largest increase in the number of dwellings sold compared to the June 2003 quarter – increasing 132.1% from 617 to 1,432.
- Conversely the Marlborough/Kaikoura region reported the largest decline in the number of residential dwelling properties sold compared to June 2003 quarter, declining 55.6% from 617 to 274.

(Source: Statistics New Zealand/REINZ)

## Section Sales

- 48 sections were sold throughout Taranaki during the June 2004 quarter, increasing from 41 sections last quarter.
- The majority of sections were sold in the New Plymouth City and Taranaki Country Area, collectively accounting for 72.9% of all section sales throughout Taranaki.
- The average Taranaki selling price for the period was \$69,000 an increase from \$60,000 last quarter.
- Nationally 2,641 sections were sold, down from 3,057 last quarter and 2,869 the corresponding quarter last year.

Taranaki Section Sales (March 2004 Quarter)		
Taranaki Area	Number of Sales	Percent of Total
Bell Block	2	4.2
Hawera	3	6.3
New Plymouth City	19	39.6
Stratford	7	14.6
Taranaki Country	16	33.3
Waitara	1	2.1
<b>Total Taranaki</b>	<b>48</b>	<b>100.0</b>

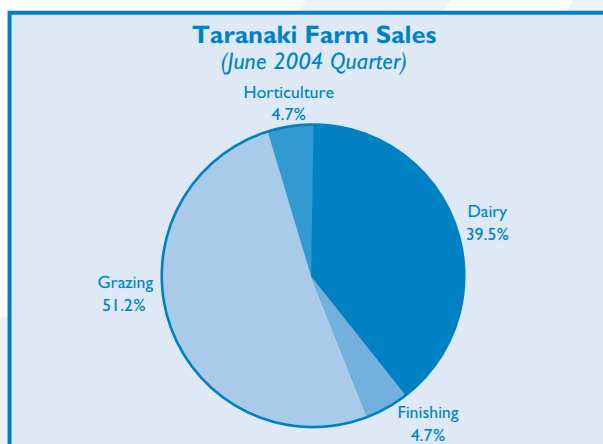
- Taranaki Country experienced the largest percentage increase in the number of sections sold compared to last quarter, increasing 220%.
- New Plymouth City Area experienced a decline of 29.6% in the number of sections sold, from 27 last quarter.

## Farm Sales

- Across Taranaki 43 farms were sold during the three months ending June 2004. Compared to last quarter this is a decline of 14.0% from 50.
- Nationally 681 farms were sold over the quarter. A decrease from last quarter when 692 farms were sold.
- The median Taranaki farm sale price ranged from \$530,000 to \$1,122,500 over the three months ending June 2004.

Taranaki Farm Sales (June 2004 Quarter)		
Month	Median Price (\$)	Number of Sales
April	738,500	10
May	1,122,500	26
June	530,000	7

- Grazing farms accounted for 51.2% of all farms sold in Taranaki over the quarter.
- Horticulture and Finishing farms accounted for four of the 43 farms sold in Taranaki during the quarter.



## Lifestyle Blocks

- 57 lifestyle blocks were sold over the June 2004 quarter, a decrease of 20.8% on last quarter.
- Most sales, 27 of the 57, took place during June.
- Nationally 2,085 lifestyle blocks were sold over the quarter.

Taranaki Lifestyle Sales (March 2004 Quarter)		
Month	Median Price (\$)	Number of Sales
April	206,000	13
May	252,500	17
June	226,000	27

(Source: Statistics New Zealand/REINZ)

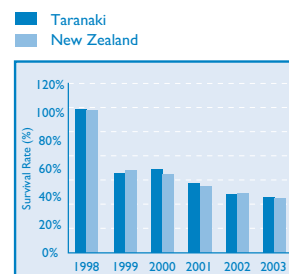
# Business Survival Rates by Industry 2003

This summary analyses business survival rates for New Zealand and Taranaki by industry. Estimates are calculated by tracking business units (businesses) that began trading in 1998 over subsequent years. The information in this summary is supplied by Statistics New Zealand. For further information contact Venture Taranaki.

## Property and Business Services

During 1998 410 businesses started trading in the 'Property and Business Services' Industry in Taranaki. Of these 160 (39%) were still operating in 2003. This is in alignment with the national trend.

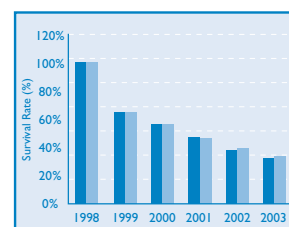
(2,260 business units in Taranaki as at 2003)



## Retail

170 'Retail' business units were established in Taranaki during 1998. Of these, 55 (32%) were still trading in 2003. Taranaki reported a slightly lower survival rate compared to the national level.

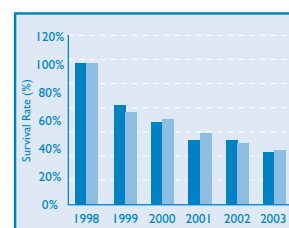
(1,004 business units in Taranaki as at 2003)



## Construction

38% of the 120 business units founded in Taranaki during 1998 were still trading in 2003. This compares to 39% of the 7,380 business units established nationally.

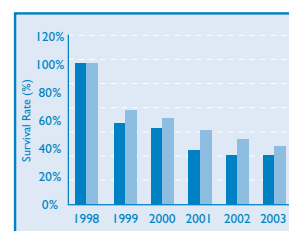
(761 business units in Taranaki as at 2003)



## Manufacturing

Throughout Taranaki 130 'Manufacturing' business units started trading in 1998, of which 45 (35%) were still operating in 2003. This is below the national survival rate of 42% for 'Manufacturing' businesses initiated in 1998.

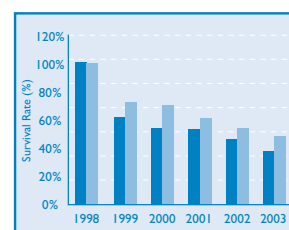
(551 business units in Taranaki as at 2003)



## Health and Community Services

During 1998 65 business units started up in the 'Health and Community Services' industry. As at 2003, 25 (38%) were still trading. Nationally 49% of business units established in 1998 were still in existence.

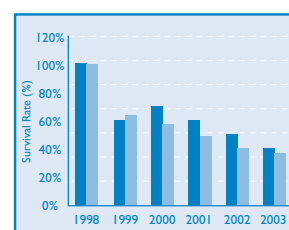
(407 business units in Taranaki as at 2003)



## Wholesale

50 business units were established within the 'Wholesale' industry in Taranaki during 1998. Nationally 3,280 business units were established. Of those 20 (40%) Taranaki and 1,200 (37%) nationwide business units were still operating during 2003.

(374 business units in Taranaki as at 2003)





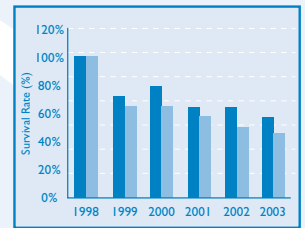


## Agriculture, Forestry and Fishing

57% of business units established within the 'Agriculture, Forestry and Fishing' industry (not including farmers) in Taranaki during 1998 were still trading in 2003. This compares to 46% for New Zealand.

(370 business units in Taranaki as at 2003)

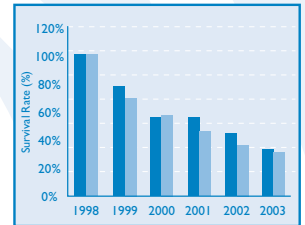
■ Taranaki  
■ New Zealand



## Accommodation, Cafes and Restaurants

During 1998 45 business units were founded in the 'Accommodation, Café and Restaurant' industry, 15 (33%) of which were still trading in 2003. Comparatively 2,180 business units started up across New Zealand during 1998, 31% were still trading in 2003.

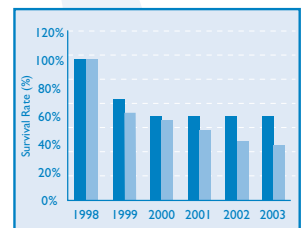
(265 business units in Taranaki as at 2003)



## Cultural and Recreational Services

Throughout Taranaki 25 'Cultural and Recreational' business units started trading in 1998, of which 15 (60%) were still operating in 2003. This is significantly above the national survival rate of 39% for the industry.

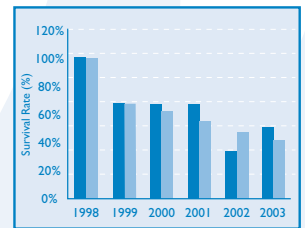
(252 business units in Taranaki as at 2003)



## Education

50% of 'Education' business units established in Taranaki during 1998 were still in operation as at 2003. Comparatively 42% of similar businesses founded throughout the country in 1998 remained operating in 2003.

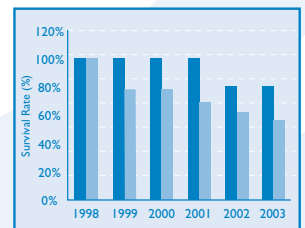
(251 business units in Taranaki as at 2003)



## Finance and Insurance Services

15 'Finance and Insurance Service' business units were established in Taranaki during 1998; of these 12 (80%) were still trading in 2003. Compared to the national statistics for the industry, Taranaki has a significantly higher survival rate.

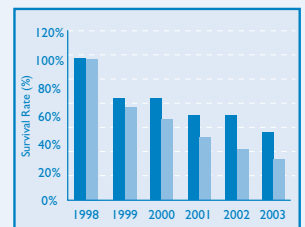
(218 business units in Taranaki as at 2003)



## Communication Services

In 1998 25 'Communication' business units were established in Taranaki. As at 2003 12 (48%) remained in operation. Nationally 29% of businesses founded in 1998 were still operating in 2003.

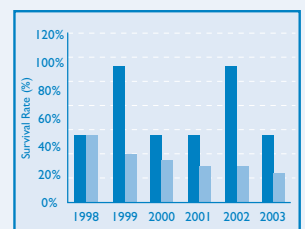
(94 business units in Taranaki as at 2003)



## Mining/Oil and Gas Exploration/Extraction

The 'Mining/Oil and Gas Exploration/Extraction' industry in Taranaki is small in terms of accounting for business units and FTE employees, however is a significant financial contributor to the local and national economy. During 1998 three local business units began trading in the industry – in 2003 all of these businesses were still in operation.

(3 business units in Taranaki as at 2003)



# Construction

## Residential Construction

- For the quarter ending June 2004 a total of 414 new and alteration residential building consents were issued throughout Taranaki. Valued at \$31.9 million the consents comprise 1.8% of the national value for the period.
- During the quarter Taranaki was granted 111 new residential building consents valued at \$24.6 million. Compared to last quarter an additional 26 consents have been issued, however the value has fallen.
- Alteration building consents also increased on last quarter from 294 to 303. Although a unit increase, there was a decline in the value of consents.
- Within the region, 71.3% of residential consents issued were within the New Plymouth District; down from 72.3% last quarter.
- Nationally there were 14,508 residential building consents issued; an increase of 4.5% on the previous quarter.

## Non-Residential Construction

- Nationally 4,250 non-residential consents were granted over the June 2004 quarter. Taranaki was issued 199 consents valued at \$32.6 for the period.
- The number of new non-residential consents increased from 75 to 134 over the March to June quarters.
- 65 alteration non-residential consents valued at \$4.0 million were issued throughout the region over the June 2004 quarter; a unit increase of 24 consents and a dollar decrease of \$0.9 million on the previous quarter.
- New Plymouth District accounted for just under half of the non-residential consents issued in Taranaki over the quarter.
- South Taranaki alteration non-residential consents increased 68.8% this quarter (from 16 to 27). Stratford also reported a significant increase of 150% (from 2 to 5).

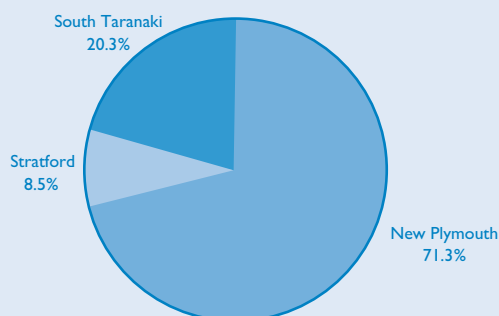
**Taranaki Residential Building Consents**  
(June 2004 Quarter)

District	Count		Value (\$m)	
	New	Altered	New	Altered
<b>New Plymouth</b>	85	210	18.9	5.2
<b>Stratford</b>	11	24	2.0	0.4
<b>South Taranaki</b>	15	69	3.6	1.7
<b>Taranaki Total</b>	<b>111</b>	<b>303</b>	<b>24.6</b>	<b>7.3</b>

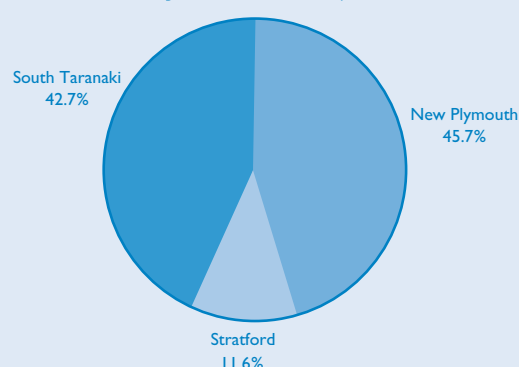
**Taranaki Non-Residential Building Consents**  
(June 2004 Quarter)

District	Count		Value (\$m)	
	New	Altered	New	Altered
<b>New Plymouth</b>	58	33	7.0	1.7
<b>Stratford</b>	18	5	0.7	0.1
<b>South Taranaki</b>	58	27	20.9	2.1
<b>Taranaki Total</b>	<b>134</b>	<b>65</b>	<b>28.6</b>	<b>4.0</b>

**Number of Residential Building Consents Issued in Taranaki**  
(June 2004 Quarter)



**Number of Non-Residential Building Consents Issued in Taranaki**  
(June 2004 Quarter)

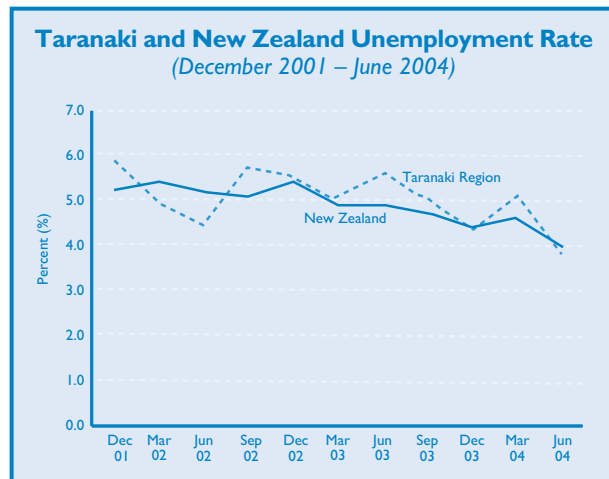


(Source: Statistics New Zealand)

# Labour Force

## Unemployment Rate

- Unemployment reached 4.0% nationwide as at the June 2004 quarter; the lowest rate in 17 years.
- The Taranaki unemployment rate declined from 5.1% last quarter to 3.8%, the fifth lowest rate across the country.



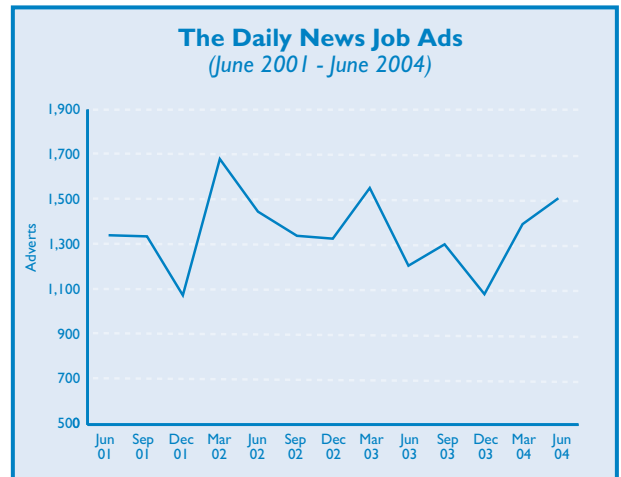
- With the exception of Tasman/Nelson/ Marlborough, West Coast and Gisborne/Hawke's Bay Regions, every region recorded a decline in unemployment compared to the same time last year

Regional Unemployment Rates (Percent)			
Region	Jun-03	Jun-04	2004 Ranking
Southland	3.5	2.1	1
Waikato	4.9	3.0	2
Nelson/ Tasman/ Marlborough/ West Coast	3.0	3.2	3
Auckland	4.0	3.7	4
Taranaki	5.5	3.8	5
Gisborne/ Hawkes Bay	4.0	4.0	6
Canterbury	4.3	4.0	6
Manawatu/ Wanganui	5.0	4.3	8
Otago	5.5	4.6	9
Northland	7.3	4.7	10
Wellington	4.8	4.7	10
Bay of Plenty	6.6	4.9	12
New Zealand	4.6	4.0	-

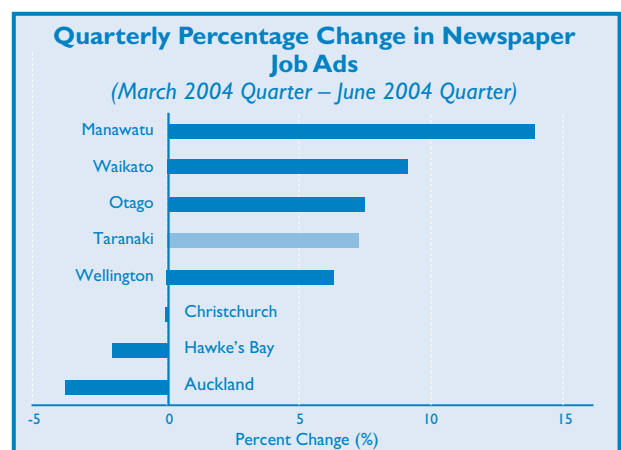
(Source: Statistics New Zealand)

## Situations Vacant

- During the second quarter of 2004 1,496 jobs were advertised in The Daily News; a 7.3% increase on the last quarter and a 24.3% increase on the same time last year.



- Over the quarter there were 98,895 jobs advertised in newspapers across the county; an increase of 8.9% on the same time last year.
- Manawatu reported the largest increase (14.0%) in jobs advertised compared to last quarter.
- Auckland, Hawke's Bay and Christchurch regions all reported a decline in the number of jobs advertised over the period.



**NOTE:** Data used in the ANZ Newspaper Job Ads series (as above) is obtained from the New Zealand Herald, the Dominion Post, the Christchurch Press, the Waikato Times, the Otago Daily Times, the Manawatu Standard, and Hawke's Bay Today. In addition to these, internet job listings from seek.co.nz, jobuniverse.co.nz, jobnet.co.nz, monster.co.nz and netcheck.co.nz were also included.

(Source: ANZ New Zealand/The Daily News)

# Migration

## Arrivals and Departures

- There were 1,249 permanent and long-term arrivals in Taranaki during the year ended June 2004 – this represents 1.5% of all immigrants who arrived in New Zealand during the period.
- Compared to the year ending June 2003, there was a decline of 5.3% in the number of arrivals to the region. Nationally a decline of 13.3% was reported.
- 1,165 permanent and long-term departures occurred in the Taranaki Region during the year ended June 2004. This compares to 62,277 for all of New Zealand.
- Compared to the year ended March 2004, Taranaki reported an increase of 3.7% in the number of departures.
- The arrival and departure of permanent and long term migrants during the year ended June 2004 resulted in a net increase of 84 people to the region.

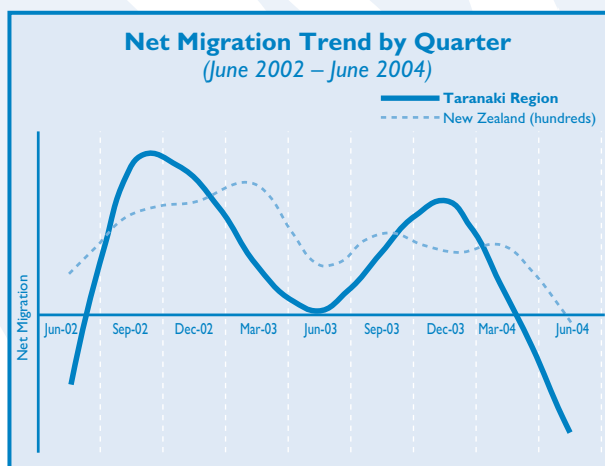
## Regional Analysis

- New Plymouth District reported the largest permanent and long term net migration across Taranaki (101) – down from 205 for the year ended June 2004. Nationally net migration totaled 22,007 for the period.
- Stratford District reported a positive net migration of 10 – down from 14 for the year ended March 2004.

District	Arrivals	Departures	Net Migration
New Plymouth	991	890	101
Stratford	66	56	10
South Taranaki	192	219	-27
<b>Taranaki Region</b>	<b>1,294</b>	<b>1,165</b>	<b>84</b>

- For the three months ending June 2004, Taranaki reported a negative net migration of 129 people. Nationally net migration for the same period was minus 730 people.

- Overtime the June quarter has typically reported the lowest net migration. This is likely to be correlated with seasonal influences.



- Across New Zealand Auckland City reported the largest net migration (8,609) for the year ended June 2004.
- Conversely Rotorua District reported the lowest net migration (-108) for the period.

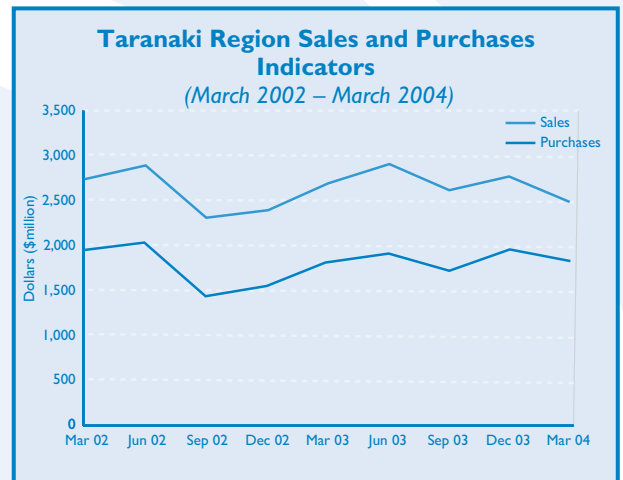
Area	Arrivals	Departures	Net Migration
<b>Taranaki Region</b>	1,249	1,165	84
<b>Auckland City</b>	20,016	11,407	8,609
<b>Taupo District</b>	406	385	21
<b>Rotorua District</b>	782	890	-108
<b>Napier City</b>	764	767	-3
<b>Wanganui District</b>	493	517	-24
<b>Palmerston North City</b>	1,581	1,192	389
<b>Wellington City</b>	4,829	3,610	1,219
<b>Christchurch City</b>	7,564	5,142	2,422
<b>Invercargill City</b>	536	485	51
<b>New Zealand</b>	<b>84,284</b>	<b>62,277</b>	<b>22,007</b>

(Source: Statistics New Zealand)

# Economic Indicators

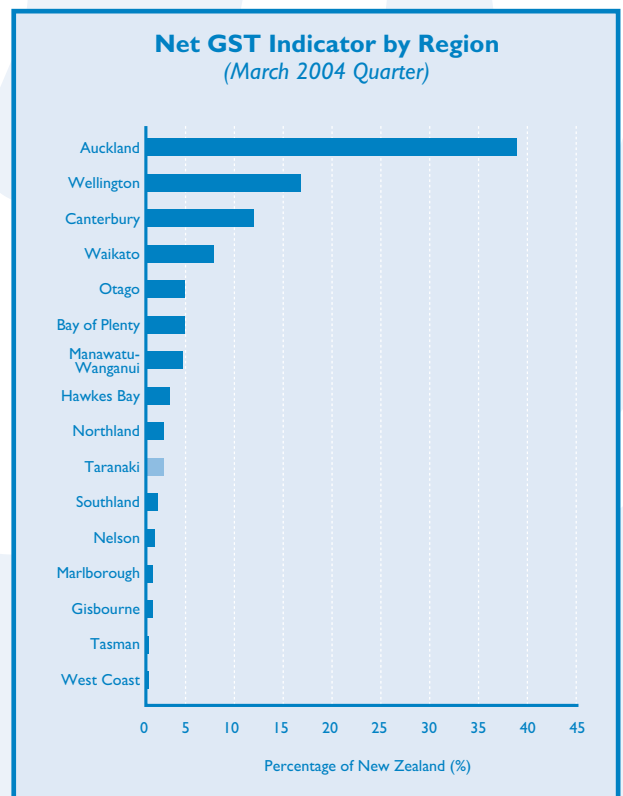
## Sales and Purchases Indicator

- The total Goods and Service Tax (GST) sales in the Taranaki Region for the March 2004 quarter was \$2,471.8 million, representing a decrease of \$236.5 million (8.7%) from the same quarter last year.
- Nationally there was an increase of 6.5% over the same period.
- Total GST purchases in Taranaki for the year ended March 2004 increased by \$31.5 million (1.8%) to \$1,830.3 million. This compares with a 6.4% increase for New Zealand.



## Net GST Indicator

- During the March 2004 quarter the total Net GST (sales minus purchases) in the Taranaki Region was \$641.5 million; 2.0% of total Net GST for New Zealand.
- For the year ended March 2004 the total Net GST in the Taranaki Region decreased by \$145.4 million (4.2%) on the previous year. Nationally an increase of 6.4% was evident for the same period.
- National Net GST for the March 2004 quarter was \$31,374.6 million.
- Across the country Nelson reported the largest increase (26.8%) from the March 2003 quarter to March 2004 quarter.
- Taranaki was the only region to report a decline in Net GST compared to the corresponding quarter last year.
- Across the country main centers (Auckland, Wellington and Canterbury) accounted for two thirds of Net GST produced over the year ended March 2004.
- Tasman, Nelson, Marlborough and West Coast regions each accounted for less than one percent of national Net GST for the quarter.



(Source: Statistics New Zealand)



# Maori Economic Development



Te Puni Kōkiri  
Ministry of Māori  
Development

## This Quarter...

- During the first three months of the year 17\* Maori individuals enquired with Venture Taranaki or Te Puni Kōkiri about starting up a new business.
- The most prominent industries of interest among this group were the 'Community, Social and Personal Services', 'Business and Financial Services' and 'Wholesale and Retail' sectors.
- Collectively these three industries accounted for 77% of Maori enquires for the quarter.

Industry Of Start up	Percent of Total*
Agriculture, Hunting, Forestry, Fishing	12%
Mining and Quarrying	-
Manufacturing	6%
Electricity, Gas and Water	-
Construction	-
Wholesale and Retail Trade	18%
Accommodation, Cafes, Restaurants	-
Transport, Storage and Communication	6%
Business and Financial Services	18%
Cultural and Recreational	-
Community, Social and Personal Services	41%
Tourism (Cultural and Recreational)	-
Education	-
Total	100%

- The 'Transport, Storage and Communication' and 'Manufacturing' industries each accounted for one enquiry over the period.

\* These statistics were collated from Venture Taranaki Trust and Te Puni Kōkiri. This is not an exhaustive list of all Maori business enquiries.

## Population Projections

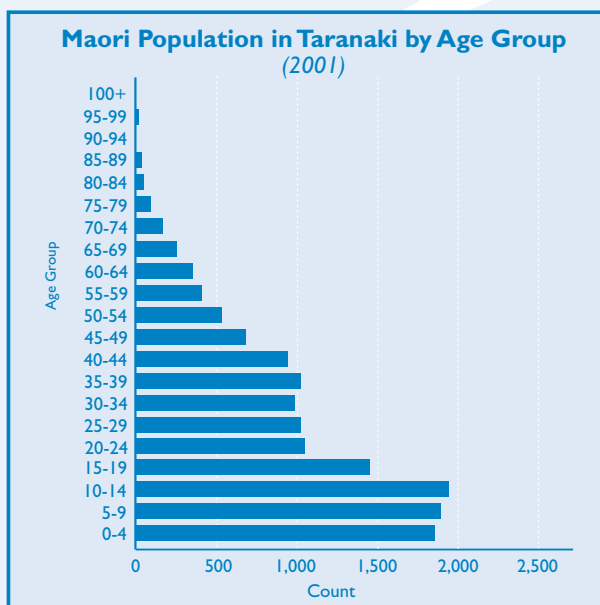
According to Statistics New Zealand, the Maori population in Taranaki is anticipated to increase by 11.8% by 2016, while other ethnic groups are anticipated to decline.

People can and do belong to more than one ethnic group. For example, at the 2001 Census of Population and Dwellings, 526,281 people identified with the Maori ethnicity. Of these people, 212,889 (or 40%) also identified with a European ethnicity. People who identify with more than one ethnicity have been included in each ethnic population. Therefore these ethnic projections are not mutually exclusive.

The table below details population projections for the Maori and European ethnic groups in Taranaki.

Ethnic Group	2001	2016	Change(%)
Maori	16,100	18,000	11.8
European	94,900	86,200	-9.2
Total	105,700	98,700	-6.6

This increase is likely to reflect future fertility rates; explained by the large young Maori population evident today.



(Source: Statistics New Zealand)

# Property and Business Services Industry in Taranaki

The following section has been derived from the economic model of the Taranaki Regional Economy constructed for Venture Taranaki by the University of Waikato's Department of Economics. The model comprises an analysis of 114 industry sectors for the 2003 year. The property and business services summary below includes 11 industry sectors.

Sector	FTE	VA(\$m)	VA per FTE(\$)
Property	575	84	146,625
Owner-Occupied	-	202	-
Technical Services	900	67	74,758
Computer Services	160	16	101,379
Legal Services	310	24	76,459
Accounting Services	390	28	70,925
Advertising/Marketing Services	85	8	90,789
Business Administration Services	470	25	52,979
Employment and Sectary Services	540	35	65,556
Pest Control and Cleaning Services	230	12	50,867
Other Business Services	330	13	40,838
<b>TOTAL</b>	<b>3,990</b>	<b>514</b>	<b>771,174</b>

## Full Time Equivalents (FTE)

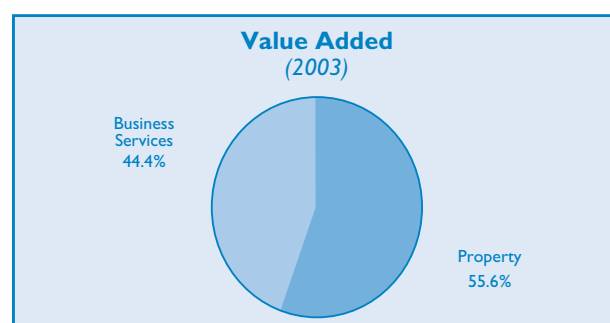
- The FTE statistic provides an estimate of how many full-time employment positions there are within an industry.
- Collectively there are 3,990 FTE positions in the Property and Business Services industry in Taranaki. Of these the majority, 22.6%, are within the 'Technical Services' sector.
- The smallest contribution to Property and Business Services employment is the 'Advertising/Marketing Services' sector accounting for 85 FTEs; 2.1% of the industries total FTEs.

## Value Added per FTE (VA per FTE)

- The VA per FTE statistic indicates the true value an industry contributes to the economy per FTE employee.
- On average, the Property and Business Services industry contributes \$771,174 per FTE to the Taranaki economy.
- The 'Property' sector is the single largest contributing sector accounting for 19.0% of the VA per FTE for the industry.

## Value Added (VA)

- Value added for an industry comprises gross wages/ salaries, gross operating profit and all taxes paid to the government by that sector. VA is also known as regional GDP (GRP).
- The Property and Business Services industry in Taranaki contributes an estimated \$514 million annually to the local economy.
- Of this, nearly forty percent is generated from the 'Owner Occupied' sector. This sector represents households who own their own properties and theoretically rent it back to themselves.
- Broken down, the Business sectors contribute \$228 million and the Property sector contributes \$84 million in GRP to the Taranaki economy.

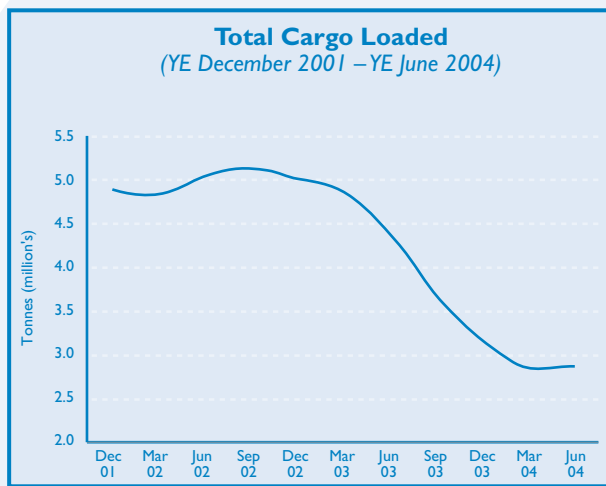


# Export Trade

## Port Taranaki

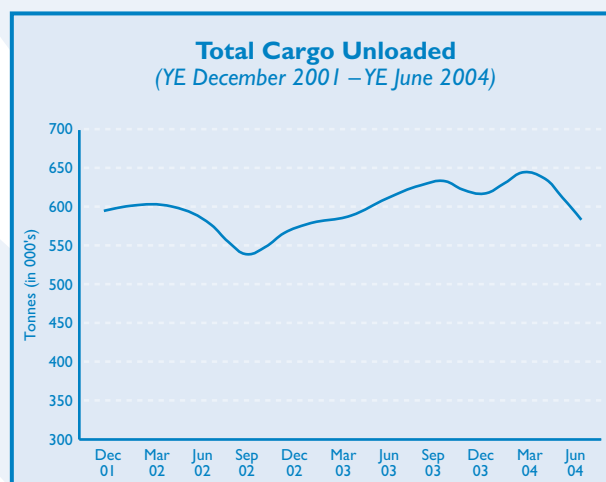
### Cargo Loaded:

- 4.9 million tonnes of coastal and international cargo was loaded at Port Taranaki as at the year ended June 2004. Compared to the same period last year this is a decline of 34.5%.
- Since last quarter there has been a one percent increase in the volume of cargo loaded.



### Cargo Unloaded:

- 589,000 tonnes of coastal and international cargo was unloaded at Port Taranaki during the year ended June 2004.
- The volume of cargo unloaded has decreased compared to last quarter and the same period last year.

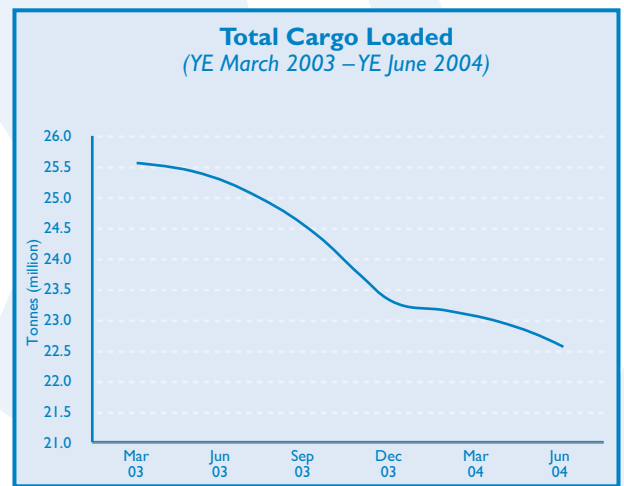


(Source: Port Taranaki)

## New Zealand

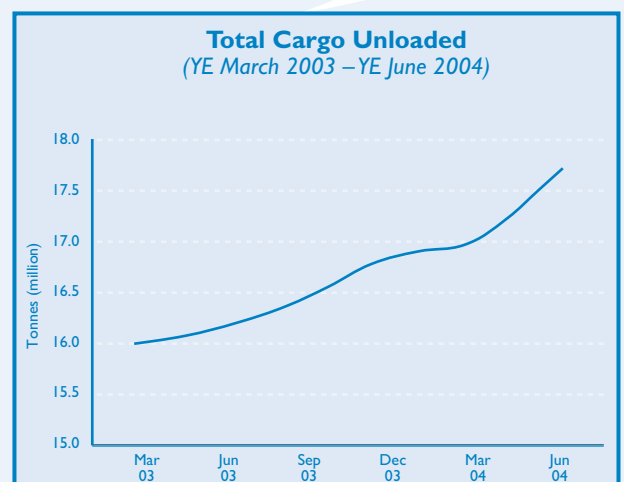
### Cargo Loaded:

- 22.6 million tonnes of cargo was loaded throughout New Zealand over the 12 months ending June 2004; a decrease of 10.8% on the year ended June 2003.
- Compared to the year ended March 2004 the volume of goods exported has decreased 2.2%.



### Cargo Unloaded:

- 17.7 million tonnes of cargo was unloaded at ports throughout New Zealand during the year ended June 2004.
- This equates to an increase of 4.1% on the year ending March 2004 and a 9.6% increase on the year ended June 2003.



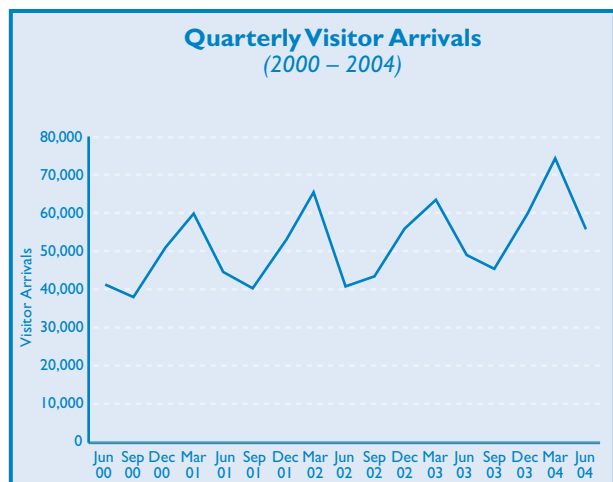
(Source: Statistics New Zealand)



# Tourism

## Visitor Arrivals

- 55,955 people visited the Taranaki Region and stayed in short term commercial accommodation during the three months ending June 2004. This is a 25.3% decrease from the busy summer March quarter.
- Compared to the June 2003 quarter arrivals to the region increased 12.4%.



- 3.4 million people stayed in short term commercial accommodation throughout New Zealand over the quarter; a decline of 37.0% on the March quarter.
- The majority of visitors to Taranaki, 82.1%, stayed in the New Plymouth District.
- Conversely the fewest visitors to the region, 6.1%, stayed in Stratford District.

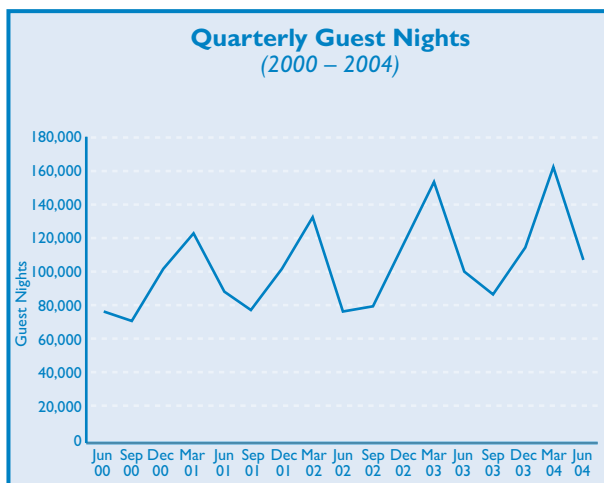
Visitor Arrivals by Taranaki District (June 2004 Quarter)	
District	Visitor Arrivals <sup>1</sup>
New Plymouth District	45,952
Stratford District	3,400
South Taranaki District	6,604
<b>Taranaki Total</b>	<b>55,955</b>

<sup>1</sup> Figures do not sum to total due to rounding consistency.

**Note:** Figures in this analysis include visitors that stayed in short term accommodation such as hotels, motels, backpackers, etc.

## Guest Nights<sup>2</sup>

- Taranaki hosted 106,494 guest nights in short term commercial accommodation during the June 2004 quarter. Guest nights have increased 4.8% compared to the corresponding quarter last year.
- Nationwide there were 6.2 million guest nights during the quarter; an increase of 6.7% on the same quarter last year.



## Occupancy Rate

- The average Taranaki occupancy rate for the three months ending June 2004 was 29.9%, down from 31.2% in the corresponding quarter last year.
- Nationally the average occupancy rate increased on last year from 31.7% to 32.7%.

Occupancy Rate by Taranaki District (June 2004 Quarter)	
District	Occupancy Rate
New Plymouth District	36.3%
Stratford District	15.6%
South Taranaki District	15.8%
<b>Taranaki Total</b>	<b>29.9%</b>

(Source: Statistics New Zealand)

<sup>2</sup> One guest night is equivalent to one guest spending one night at a commercial accommodation establishment. For example, if one individual stayed two nights in a motel this would be counted as two guest nights.

# 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.**

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# Venture Taranaki

**As Taranaki's Regional Development Agency, we're committed to making 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 aspirations, we offer a single point of contact to provide the help you require.**

**If you are:**

- **Thinking of starting up a business**
- **Trying to grow your business**
- **Considering relocating or investing in Taranaki**

**We have a range of products and services designed to meet your business needs.**

**Why not call us today!**

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