STRATEGIC PLANNING AND POLICY COMMITTEE

AGENDA

Meeting to be held

THURSDAY 6 JULY 2017

8.30am

In the Manawatu District Council Chambers,
135 Manchester Street, Feilding

Dr Richard Templer
Chief Executive
MEMBERSHIP

Chairperson

Councillor Phil Marsh

Deputy Chairperson

Councillor Shane Casey

Members

Her Worship the Mayor, Helen Worboys
Councillor Steve Bielski
Councillor Barbara Cameron
Councillor Stuart Campbell
Councillor Shane Casey
Councillor Michael Ford
Councillor Hilary Humphrey
Councillor Andrew Quarrie
Councillor Alison Short
Councillor Howard Voss
ORDER OF BUSINESS

1. MEETING OPENING

2. APOLOGIES

3. DECLARATIONS OF INTEREST

Notification from elected members of:

3.1 Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and

3.2 Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members’ Interests) Act 1968

4. CONFIRMATION OF MINUTES

Draft resolution

That the minutes of the Strategic Planning and Policy Committee meeting held 4 May 2017 be adopted as a true and correct record.

5. NOTIFICATION OF LATE ITEMS:

Where an item is not on the agenda for a meeting, that item may be dealt with at that meeting if:

5.1 The committee by resolution so decides; and

5.2 The Chairperson explains at the meeting at a time when it is open to the public the reason why the item is not on the agenda, and the reason why the discussion of the item cannot be delayed until a subsequent meeting.

6. PRESENTATIONS

6.1 VISITOR STATISTICS UPDATE 2017 – CEDA

Central Economic Development Agency Representatives Linda Stewart and Janet Reynolds will be in attendance to give a summary of visitor spending and visitor data to March 2017

6.2 LONG TERM PLAN – PROJECT PLAN AND SCOPING DISCUSSION

Presented By Strategy Manager - Tracey Hunt

6.3 LONG TERM PLAN – FORECAST ASSUMPTIONS

Presented By Strategy Manager - Tracey Hunt
6.4 LONG TERM PLAN – VISION AND OUTCOMES

Presented by Strategy Manager – Tracey Hunt

7. OFFICER REPORTS

7.1 MANAWATU DISTRICT QUARTERLY ECONOMIC UPDATE

Report of the General Manager – Community and Strategy dated 22 June 2017

8. CONSIDERATION OF LATE ITEMS

9. MEETING CLOSURE
Minutes of a meeting of the Strategic Planning and Policy Committee held on Thursday 4 May 2017, commencing at 8.30am in the Manawatu District Council Chambers, 135 Manchester Street, Feilding.

PRESENT:  Cr Phil Marsh (Chairperson)  
        Mayor Helen Worboys  
        Cr Barbara Cameron  
        Cr Stuart Campbell  
        Cr Shane Casey  
        Cr Michael Ford  
        Cr Hilary Humphrey  
        Cr Andrew Quarrie  
        Cr Alison Short  
        Cr Howard Voss  

LEAVE OF ABSENCE:  Cr Steve Bielski  

IN ATTENDANCE:  Richard Templer (Chief Executive)  
                Shayne Harris (General Manager – Corporate and Regulatory)  
                Frances Smorti (General Manager – People and Culture)  
                Brent Limmer (General Manager – Community and Strategy)  
                Hamish Waugh (General Manager – Infrastructure)  
                Michael Hawker (Project Delivery Manager)  
                Rachelle Johnston (Consents and Monitoring Team Leader)  
                Tracey Hunt (Strategy Manager)  
                Natasha Reid (Senior Consents Planner)  
                Bill Jamieson (Planning Officer)  
                Wendy Thompson (Principal Planning Adviser)  
                Glenn Young (Utility Projects Manager)  
                Chye Goh (Project Engineer)  
                Cynthia Ward (Senior Policy Planner)  
                Malcolm Thomas (Consultant)  
                Danielle Balmer (Communications Officer)  
                Maria Brensell (Executive Assistant – Mayor)  
                Allie Dunn (Governance Team Leader)  

SPP 17/042 MEETING OPENING  
Councillor Marsh declared the meeting open.  

SPP 17/043 APOLOGIES  
There were no apologies.  

SPP 17/044 DECLARATIONS OF INTEREST  
There were no declarations of interest.  

SPP 17/045 CONFIRMATION OF MINUTES  
RESOLVED  
That the minutes of the Strategic Planning and Policy Committee meeting held 6 April 2017 be adopted as a true and correct record.
Moved by: Mayor Helen Worboys
Seconded by: Councillor Howard Voss
CARRIED

SPP 17/046 NOTIFICATION OF LATE ITEMS:

There were no late items notified for consideration.

SPP 17/047 PRESENTATION – NEW ZEALAND YOUNG FARMERS

Paul Olsen and Cole Groves presented to the committee about the New Zealand Young Farmer of the year event being held at Manfeild from 5 to 8 July 2017. It was noted that a verbal commitment to supporting the event had been made by the previous Council, and it was agreed that this would be followed up.

SPP 17/048 PRESENTATION - CIVIL DEFENCE AND EMERGENCY MANAGEMENT ARRANGEMENTS

General Manager – Community and Strategy presented to the committee on Civil Defence and Emergency Management arrangements. His presentation covered the national, regional and local New Zealand Civil Defence and Emergency Management arrangements, recovery arrangements, the role of elected members in a civil defence emergency and the Manawatu District Council’s civil defence contract arrangements.

SPP 17/049 ENGINEERING STANDARDS FOR LAND DEVELOPMENT

Report of the General Manager – Infrastructure dated 26 April 2017 presenting draft engineering standards for subdivision and land development within the Manawatu District for information and feedback. The Utility Assets Manager presented to the committee on the previous land development and subdivision infrastructure standards adopted by Council in July 2014 and the changes being proposed through the new draft standard. It was noted that feedback and submissions would be sought from surveyors, developers, engineers and the general public with final standards being submitted to Council for adoption in June 2017.

RESOLVED

That the Strategic Planning and Policy Committee receive for information the draft Engineering Standards for Subdivision and Land Development and note that targeted consultation is proposed with the Development and Engineering community prior to a final standard being brought to Council for adoption.

Moved by: Councillor Stuart Campbell
Seconded by: Councillor Michael Ford
CARRIED

SPP 17/050 CONSIDERATION OF LATE ITEMS

There were no late items for consideration.
SPP 17/051  MEETING CLOSURE

The meeting closed at 10.30am.

Approved and adopted as a true and correct record:

--------------------------------------------------------------
| CHAIRPERSON | DATE |
--------------------------------------------------------------
Manawatu District Quarterly Economic Update

Purpose

The purpose of this report is to provide an overview of the current state and structure of the Manawatu District economy.

Significance of Decision

The Council’s Significance and Engagement policy is not triggered by matters discussed in this report.

Recommendations


Report prepared by:
Stacey Bell
Economic Development Adviser

Approved for submission by:
Brent Limmer
General Manager - Community and Strategy
1 Contribution to the Council Vision and Council Outcomes

1.1 Relationship to the Council Outcomes that underpin the Council’s Vision:

*Connected, vibrant and thriving Manawatu – the best rural lifestyle in New Zealand*

| Manawatu District will improve the natural environment, stewarding the district in a practice aligned to the concept of kaitiakitanga. | The Manawatu will attract and retain residents. | Manawatu district develops a broad economic base from its solid foundation in the primary sector. | Manawatu and its people are connected via quality infrastructure and technology. | Manawatu’s built environment is safe, reliable and attractive. | Manawatu District Council is an agile and efficient organisation. |}

2 Background

2.1 The Manawatu District Quarterly Economic Update provides an overview of the current state and structure of the Manawatu District economy to inform local decision making.

2.2 This is the second edition of the Manawatu District Quarterly Economic Update. Data included within the report is sourced from a number of reputable Government and professional economic data sources including Infometrics, StatsNZ, OECD, MBIE, Ministry of Education, Marketview, QV, and a range of financial and tourism sector economic reports.

3 Discussion and Options considered

3.1 The report and supporting information are for information purposes. Any matters that require resolution would be reported separately to Council.

3.2 Trade conditions, population growth, high levels of employment and consumer confidence alongside favourable economic conditions are supporting strong growth in the local economy. The key themes from the Manawatu District Quarterly Economic Update are:

- Gross Domestic Product for the district has grown by an estimated 3.5% to the year ended March 2017. This is an increase in earnings of almost $30m from the previous year. This compares with a regional growth rate of 2.4% and national growth of 2.9% over the same period.

- Estimated annual population growth for the district remains strong at 1.7%. Latest data from StatsNZ indicates net international migration is at unprecedented levels with 106 additional international residents estimated to have chosen the district as a place to live to the year ended March 2017.

- The unemployment rate for the district averaged 3.8% over the past year. This compares with a regional average rate of 5.4% and a national average unemployment rate of 5.0%.

- The number of consents for new dwellings in the District to March 2017 has grown by 42%. For the region, growth in residential consents was particularly strong at 58% while national growth in consents for new dwellings was sluggish at 10%.
• The value of non-residential consents in the district grew by 39%, while growth across the Manawatu-Whanganui Region was similar to national growth at 13% and 11% respectively.

• Average annual Manawatu house prices to the year ended March 2017 have increased by 12% when compared with the previous year. This compares to regional annual average growth of 13% and national annual average growth of 12%. QV figures for May indicate even stronger district growth with average house price increasing by 17.5% when compared with May 2016. This compares with a national increase of 9.7% over the same period.

• The average number of houses sold in the district to the year ended March 2017 has grown by 21%. This compares with a 22% increase in houses sold across the Manawatu-Whanganui region and a decline of 4.5% nationally.

• The Commercial Accommodation Monitor (CAM) is reporting a 6.6% decline in the number of guest nights in the district for the March quarter. Based on Qrious tourism data, it is estimated that only 17% of visitors opt to stay in accommodation captured in the CAM report. The data suggests a growing trend toward visitors to the district staying in alternative accommodation.

• Tourism spending in the district increased by 6.6% over the March Quarter when compared with the same quarter 2016.

• Retail spending in the district for the March quarter increased by 6.9% when compared with the previous March quarter. This was followed by a 6.1% annual increase in retail spending in the April Quarter and a further 6.0% increase in the quarter ended May 2017.

• The number of Manawatu District residents receiving a benefit decreased by 60 or 2.5% to the quarter ended March 2017. This compares with a 0.4% increase for the Manawatu-Whanganui Region and a 1.3% decrease in benefit recipients across New Zealand.

3.3 Events over the longer term that may affect the performance of the local economy include high levels of indebtedness of New Zealand households and the effects of rising interest rates, emerging labour constraints and a changing labour market, and the potential for a reduction in income as a result of deteriorating trade conditions. The above are identified as risks and will be monitored.

4 Operational Implications

4.1 There are no capital or operating expenditure implications or maintenance costs associated with this paper.

5 Financial implications

5.1 There are no financial implications associated with this paper.
6 Statutory Requirements
6.1 There are no statutory requirements associated with this paper.

7 Delegations
7.1 The Strategic Planning and Policy Committee has authority to consider this matter.

8 Consultation
8.1 There are no consultation requirements associated with this matter.

9 Cultural Considerations
9.1 There are no cultural considerations associated with this report.

10 Conclusion
10.1 The report alongside the Manawatu District Quarterly Economic Update presents the most up-to-date economic information to Council to support governance functions. The report and attached Quarterly Economic Update are submitted for your consideration and discussion.

11 Attachments
- Manawatu District Quarterly Economic Update
Introduction

‘New Zealand is enjoying a strong, broad based economic expansion’

The recently released OECD New Zealand Economic Survey (June 2017) cites the continued strength of the national economy with broad-based economic expansion on the back of ‘booming tourism, strong net inward migration, solid construction activity, and supportive monetary policy’ forecast to continue.

As a significant portion of our national economy is based on exports of goods and services, New Zealand is also benefiting broadly from favourable terms of trade. Hence, we can buy more for less on the basis that the value of our exports is increasing relative to import prices. The latest ‘Terms of Trade’ figures confirm that our purchasing power from exports is now at its highest level since 1973.

The above economic conditions, alongside price stability, sustained low interest rates, high levels of employment, increasing agricultural production, and expansionary government spending, are anticipated to continue to support annual economic growth of 3% through 2017 and 2018.

Our District

Growth in the local economy is particularly strong

Economic growth in the district to the year ended Mar 2017 exceeded growth at both the regional and national level.

The local economy is expanding due to several factors. In particular, due to the scale of our primary industry, we are benefiting considerably from favourable export conditions such as rising commodity prices and terms of trade. We are also benefiting from strong population growth and a growing visitor economy, high employment, planned investment and confidence of residents to spend.

While the strength of the local economy reflects opportunities from a strong national economy, it also reflects the points of difference of the district. Specifically, the Manawatu District benefits significantly from our central location and proximity to the city of Palmerston North in addition to the quality of our social and physical infrastructure.

Trend Summary

Gross domestic product growth

Latest Infometrics figures for the year ended March 2017 estimates GDP for the district has grown by 3.5% to $887m. This is an estimated increase in earnings of close to $30m from the previous year. Estimated economic growth for the district exceeds both estimated domestic and regional growth rates at 2.9% and 2.4% respectively.

Highlights

- The unemployment rate averaged 3.8% to the year ended March 2017. This compares to an average national unemployment rate of 5.0%.
- The residential property market remains strong with house sales, house prices and consents rising by 21%, 12% and 42% respectively.
- The value of non-residential consents increased by 39% to the year ended March 2017.
- Net international migration remains high. Latest figures estimate an increase of 106 international residents to our district over the year to March.
- Registration of new cars and commercial vehicles increased by 25% and 15% respectively.
- Retail spend increased by 6.9% in the March quarter when compared with the same quarter 2016. National retail spending grew by 3.7%.

Lowights

- Infometrics reports a 6.6% decline in visitors staying in Commercial Accommodation to the year ended March. In contrast, visitor spending increased by 6.6% over the same period.
- The decline in guest nights indicates the trend toward private accommodation with latest figures from Qrious estimating 83% of visitors to the region stay in private accommodation.
Driving the local economy

Trade

Trade conditions strengthen. With 33.1% of local businesses identifying as primary producers (versus 11.8% for New Zealand), strengthening trade conditions are significantly boosting the local economy.

Specifically, the ANZ commodity price index for May 2017 cites Dairy prices as 50% higher than May 2016. Meat prices also continue to perform strongly with lamb prices rising 2.8% from the previous month and beef prices rising 2.0% over the same period. Horticulture prices showed the largest gain over the month rising 12.1% while wool prices remained suppressed declining 0.4% for the month, or 34% for the year.

Overall ANZ reports the Commodity Price Index has risen 22.3% from the same time last year, with gains widely spread across sectors, regions and business.

This current strength in commodity prices is reflected in Dairy trade data for the year to April with a reduction of volumes illustrated alongside an increase in returns.

DAIRY

With latest data from Westpac indicating a 4.3% increase in agricultural production for the March Quarter, we can expect to see further strength in income from trade over the following quarter.

Population

Relative strength in population growth. Population growth in the district has exceeded estimated growth in all Territorial Authorities across the Manawatu-Whanganui Region over the last ten years.

<table>
<thead>
<tr>
<th>Territorial Authority</th>
<th>1-year</th>
<th>2-year</th>
<th>5-year</th>
<th>10-year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manawatu District</td>
<td>1.70%</td>
<td>1.70%</td>
<td>1.30%</td>
<td>1.10%</td>
</tr>
<tr>
<td>Horowhenua District</td>
<td>1.60%</td>
<td>1.00%</td>
<td>0.60%</td>
<td>0.40%</td>
</tr>
<tr>
<td>Tararua District</td>
<td>1.10%</td>
<td>0.70%</td>
<td>-0.20%</td>
<td>-0.30%</td>
</tr>
<tr>
<td>Palmerston North City</td>
<td>0.90%</td>
<td>1.10%</td>
<td>0.80%</td>
<td>0.70%</td>
</tr>
<tr>
<td>Rangitikei District</td>
<td>0.70%</td>
<td>0.70%</td>
<td>0.10%</td>
<td>-0.20%</td>
</tr>
<tr>
<td>Wanganui District</td>
<td>0.50%</td>
<td>0.50%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Ruapehu District</td>
<td>0.40%</td>
<td>0.20%</td>
<td>-0.70%</td>
<td>-1.20%</td>
</tr>
</tbody>
</table>

Assuming the absence of a significant change to Central Government immigration policy, net migration is expected to remain strong through 2017 and 2018. However an upcoming general election and growing political support for stricter immigration policy, may significantly impact on population growth rates over the medium to long term. Watch this space!

Central Government Investment

Significant public investment. Central Government has announced considerable levels of investment that will impact positively on our local economy in addition to shared markets with Palmerston North City, specifically:

- Defence Force - $397m to 2030, with $176m planned investment 2016-2021;
- Regional roading investment - $200m
- Food HQ - $39m
- MidCentral DHB Investment Plan - > $282m over 10 years
- Massey University Capital Plan - $184m

Significant investment in the Wellington Northern Corridor will further support market opportunities by improving access between the markets of Wellington and the Lower and Central North Island.

The Property Market

The property market strengthens further. The strength of the local property market reflects levels of population growth alongside continued confidence of households and businesses to invest in the district.
House Price Growth
House price versus annual percentage change

Strong growth in house prices continue. Average house price for the district reached $306,771 in May 2017, a 17.5% increase on the same month the previous year. This compares with a 9.7% average increase for New Zealand over the same timeframe and a 14.3% increase for Palmerston North. Average house prices for the district are now almost $46,000 more than twelve months prior.

House Sales
Quarterly number, Manawatu District

The number of houses sold continues to climb. Annual house sales to the year ended March 2017 continued to grow strongly. The number of houses sold in the district increased by 149 or 20.7% over the timeframe. In contrast, the number of houses sold across New Zealand declined by 4.5% over the period. Much of the national decline is explained by 3,762 fewer houses sold in Auckland. This is a decline of 12.3%. The number of houses sold in Wellington City also declined by 4.4%, while houses sold in Tauranga and Hamilton declined by 17.3% and 13.9% respectively.

Residential Consent Activity
Consent applications for new dwellings

Investment in new dwellings continues to grow. There were 162 consents for new dwellings granted in the district to the year ended March 2017. This is a 42% increase, or 48 additional dwellings consented from the previous year and exceeds the 15-year average by 40 dwellings. In contrast, the number of dwelling consents approved nationally grew by 10.2% over the same period.

Non-Residential Consent Activity
Value of non-residential consents

Non-residential investment climbs. The value of non-residential consents to the year ended March 2017 climbed by 39% when compared with the year ended March 2016. In contrast, the value of non-residential consents for the Manawatu-Whanganui Region and New Zealand grew by 13% and 11% respectively, over the same period. The latest increase in non-residential investment for the district bucked the recent trend with the value of consents declining by 10% on average over the period 2012 to 2017.
The Labour Market

Unemployment Rate

Average annual rate

Unemployment continues to decline. The average annual unemployment rate for the district average 3.8% over the four quarters to Mar 2017. This compares with a national average unemployment rate of 5.0%. Latest unemployment figures for the year ended March are the lowest since 2008 where unemployment in the district was 3.3%. Unemployment rates have been declining since 2014.

Beneficiaries as a proportion of working age population (15-64)

Annual average percentage

Beneficiaries as a proportion of the working age population is declining. The proportion of beneficiaries to the working age population illustrates the relative dependence of those aged 15 to 64 on welfare. Positively, dependence on welfare in the district is less than the national average. This outcome is consistent with rates of unemployment in the district lower than the national average.

Retail Trade

Change in retail sales (YE)

Growth in retail spending reflects population growth and a strong local economy. Marketview data indicates a 6.9% increase in spending in the quarter to Mar 2017 when compared with the Mar quarter 2016. This was followed by a 6.1% increase in quarterly spending to April and a 6.0% increase in

Benefit recipients decline by 60 alongside an increase in jobseeker recipients. Latest MSD figures indicate that overall 60 less residents were receiving a benefit in the March 2017 quarter than the previous quarter. While the number of residents receiving the job seeker benefit increased by 32 over the period, those receiving the sole parent benefit decreased by 22 with other benefits including supported living recipients declining by 70. The latest trend implies a transfer of beneficiaries to labour force participation.

Benefit recipients

Quarterly number of benefit recipients

Benefit recipients decline by 60 alongside an increase in jobseeker recipients. Latest MSD figures indicate that overall 60 less residents were receiving a benefit in the March 2017 quarter than the previous quarter. While the number of residents receiving the job seeker benefit increased by 32 over the period, those receiving the sole parent benefit decreased by 22 with other benefits including supported living recipients declining by 70. The latest trend implies a transfer of beneficiaries to labour force participation.

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spending to May when compared with the same quarters the previous year. Retail growth for the district exceeded national growth of 3.7%, 3.3% and 4.5% over the same timeframe. With the exception of majors, gains in the May quarter were across the board with the greatest increases in Takeaways (15.6%), accommodation (10.9%) and hardware and home ware (10.9%)

Tourism
Change in tourism spending 2010-2016

Tourism spending continues to expand in 2017. Combined tourism spending to the year ended March 2017 increased by $2.66m or 6.4% when compared to the year ended Mar 2016. Events such as the Grand Prix have supported tourism spending with Marketview data for Feilding indicating an increase in spending of 22.4% or $68,431 when compared with the following non-event weekend. Visitors from the ‘Rest of NZ’ contributed 69.5% of the additional spend while ‘Local’ spending increased by 28.8% and ‘International’ spending by 1.7%. Further analysis of visitor spending during event periods vs non-event periods will provide further insight into benefits to district retailers of events held in the district.

Things to watch
While the indicators continue to reflect the economic resilience of the domestic economy, over the longer-term emerging domestic and global conditions continue to pose some risk.

Specifically, the 2017 OECD Report highlights the vulnerability of the economy to elevated levels of domestic household debt, increasing labour constraints and a changing labour market alongside concerns of emerging protectionist trade policies and forecasts of a slowing Chinese economy.

Domestic debt
Due to record levels of household debt to disposable income, the threat of rising interest rates is cited by the OECD as the ‘major vulnerability facing the New Zealand economy.’ Increasing debt-servicing costs would affect the ability of families to pay their mortgage, reducing levels of disposable income and decreasing levels of spending on goods and services in the economy.

Labour Market Changes
The OECD flags high rates of qualifications and skills mismatch to demand for labour alongside growing automation as a concern. While skill levels in New Zealand are relatively high, efforts to direct the labour force into training to service areas of high labour demand are not yet managing to fill the gap. Further consideration of location specific skill shortages, immigration settings and agencies such as Talent Central are required to ensure that expansion of the economy is not constrained by the lack of availability of appropriately skilled labour.

Global trade conditions
As below, latest data confirms Australia, China, the European Union and the United States as our largest export markets. With high levels of debt emerging in China alongside declining forecast growth rates, the sustainability of current levels of demand from China is unclear. Any downturn in China would also impact significantly on the economy of Australia, our largest export market. Alongside the protectionist stance of the US and political upheaval in Europe, the potential for reduced incomes of our two largest trading partners poses a potential risk to the sustainability of levels of income to New Zealand from trade.

The above risks will continue to be monitored and reported on throughout the 2017 reporting series.
## Economic Outlook

### Summary Economic Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Manawatu District</th>
<th>Manawatu-Whanganui Region</th>
<th>New Zealand</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual average % change</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross domestic profit</td>
<td>3.5%</td>
<td>2.4%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Traffic flow</td>
<td>3.5%</td>
<td>4.3%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Residential consents</td>
<td>42%</td>
<td>58%</td>
<td>10%</td>
</tr>
<tr>
<td>Non-residential consents</td>
<td>39%</td>
<td>13%</td>
<td>11%</td>
</tr>
<tr>
<td>House prices</td>
<td>12%</td>
<td>13%</td>
<td>12%</td>
</tr>
<tr>
<td>House sales</td>
<td>21%</td>
<td>22%</td>
<td>-4.5%</td>
</tr>
<tr>
<td>Guest nights</td>
<td>-6.6%</td>
<td>2.1%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Beneficiaries</td>
<td>-2.5%</td>
<td>0.4%</td>
<td>-1.3%</td>
</tr>
<tr>
<td>Car registrations</td>
<td>25%</td>
<td>11%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Commercial vehicle registrations</td>
<td>15%</td>
<td>7.4%</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Level</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>3.8%</td>
<td>5.4%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Population growth*</td>
<td>1.7%</td>
<td>1.1%</td>
<td>2.1%</td>
</tr>
<tr>
<td>Retail trade</td>
<td>6.0%</td>
<td>5.5%</td>
<td>4.5%</td>
</tr>
</tbody>
</table>

*Same quarter previous year

Table source: Infometrics, Horizons and Marketview

The data included within this report is sourced from a number of reputable Government and professional economic data sources including Infometrics, StatsNZ, MBIE, Ministry of Education, Marketview, QV and a range of financial and tourism sector economic reports.

### Disclaimer

Information provided in this document is based solely on records held by, or provided to, Manawatu District Council. The accuracy of the information provided has not been checked. Use of this information for any purpose what-so-ever is at the discretion of the user. Manawatu District Council accepts no liability for any loss or hurt which may be suffered due to that use.
Notes

Gross Domestic Product

Gross Domestic Product is estimated by Infometrics. A top down approach breaks national industrial production (sourced from production based GDP measures published by Statistics New Zealand) is broken down to TA level by applying TA shares to the national total. Each TA’s share of industry output is based on earnings data from LEED. GDP growth in recent quarters is based on a model which uses the various partial economic indicators presented in this report as inputs.

Net Migration

Net migration is the difference between the number of arrivals and departures of permanent and long-term migrants. Data is sourced from International Travel and Migration statistics from Statistics New Zealand.

Unemployment

Regional level unemployment rates are sourced from Statistics New Zealand’s Household Labour Force Survey. Trends in the number of Jobseekers at TA level are used to break down regional unemployment rates to TA level. To reduce volatility the unemployment rate is presented as an average for the last four quarters.

Traffic Flow

Traffic flow growth rates are calculated from the number of vehicles passing approximately 110 sites monitored by New Zealand Transport Agency. Each of the sites has been mapped to a territorial authority.

Retail Sales

The retail spending data is sourced from Marketview. It measures total electronic card spending using spending through the Paymark network and adding to it an estimate of non-Paymark network spending using the pattern of BNZ card holder spending at non-Paymark retailers. For further breakdown of the data by storetype and other variables contact Marketview.

Accommodation

The number of guest nights is sourced from Statistics New Zealand’s Accommodation Survey. A guest night is equivalent to one guest spending one night at an establishment. For example, a motel with 15 guests spending two nights would report that they had provided 30 guest nights.

House sales

The number of house sales is sourced from REINZ. The indicator measures the number of house sales at the point when the sale becomes unconditional. The unconditional date is the date when all the terms of an agreement have been satisfied and the sale and purchase can proceed to settlement.

House values

House value (dollar value) are sourced from QVNZ. The levels quoted in the report are average current values over the past 12 months. An average current value is the average (mean) value of all developed residential properties in the area based on the latest house value index from QVNZ. It is not an average or median sales price, as both of those figures only measure what happens to have sold in the period. These average current values are affected by the underlying value of houses (including those not on the market) and are quality adjusted based on the growth in each house’s price between sales.

Building consents

Building consents data are sourced from Statistics New Zealand. Non-residential consents include the value of both new buildings and alterations.

Vehicle sales

Car and commercial vehicle sales data are sourced from New Zealand Transport Authority. Sales are based on new registrations which include the first time registration of new vehicles and used vehicles imported from overseas.

Jobseekers support

In July 2013 the New Zealand’s welfare system changed to better recognise and support people’s work potential. As part of this the Jobseekers Support benefit was introduced. This benefit is for people who can usually look or prepare for work but also includes people who can only work part-time or can’t work at the moment, for example, because they have a health condition, injury or disability.

Data presented for the September 2013 quarter onwards is provided by the Ministry of Social Development (MSD). Data prior to September 2013 are Infometrics estimates based on re-grouping pre-July 2013 benefit categories to be consistent with the post-July 2013 benefit categories. The pre-July 2013 benefit categories used to estimate the number of Jobseekers Support recipients are: Unemployment Benefit and Unemployment Benefit Hardship; Unemployment Benefit Training and Unemployment Benefit Hardship Training; Sickness Benefit and Sickness Benefit Hardship; Domestic Purposes Benefit - Sole Parent (if youngest child is 14 or over); Women Alone and Widow’s Benefit (without children or with children 14 or over).