

# Pōneke Pulse

An economic pulse check for Wellington businesses from  
Wellington City Council

August 2022



**Absolutely Positively  
Wellington City Council**

Me Heke Ki Pōneke

# Contents

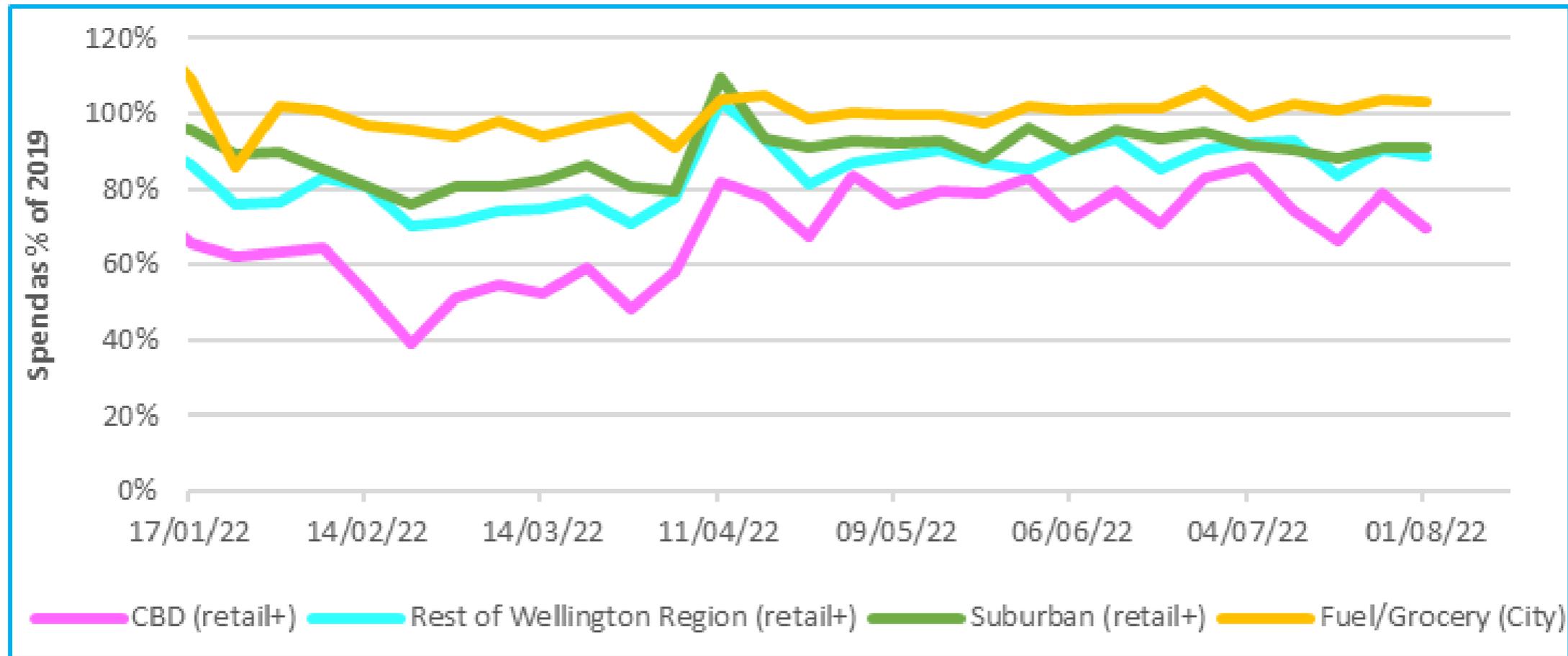
## General update – central city

- Spend
- Commuting
- The human resource
- Covid-19

## August spotlight – tourism

- Visitor economy
- Connectivity
- Hotel performance
- Events
- Tākina
- Opportunity and challenge

# Spend: the new normal

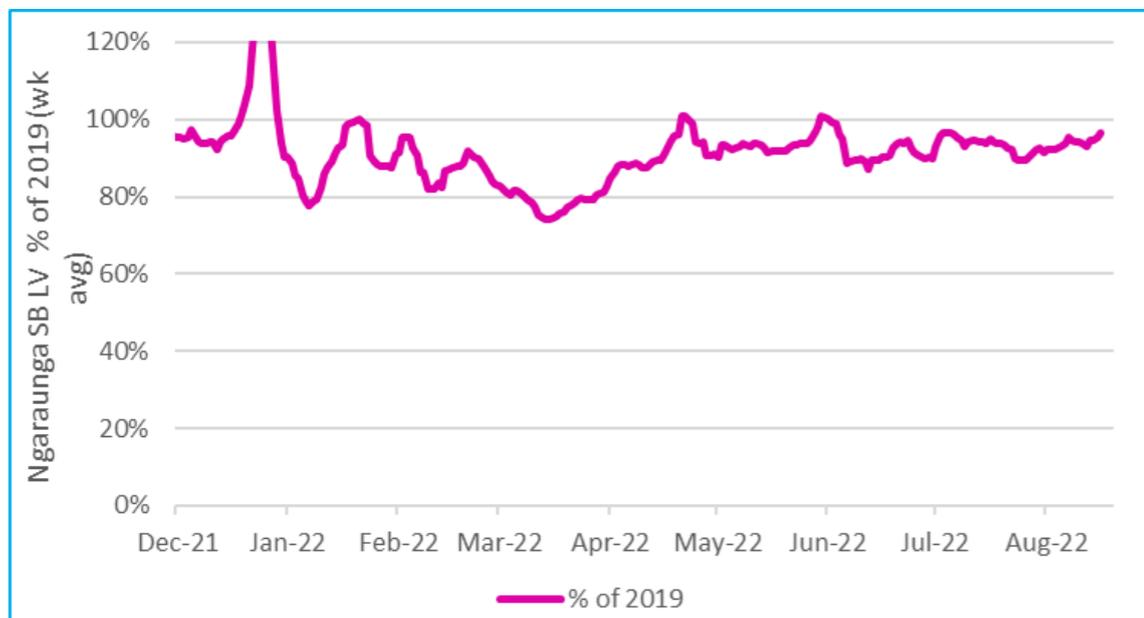


Source: AMarketView

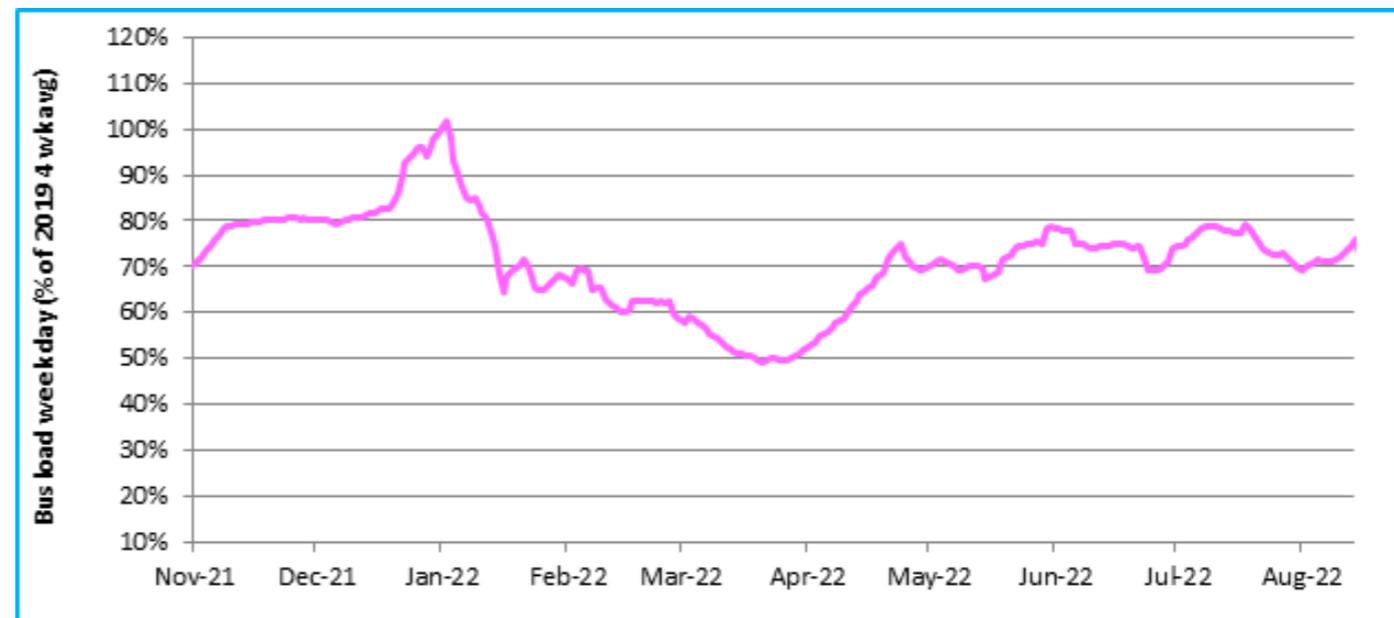
- Suburbs stable, almost returned to 2019 levels
- CBD volatile, perhaps trending down (a little)

# Commuting: stable patterns

## Car counts at Ngauranga Gorge



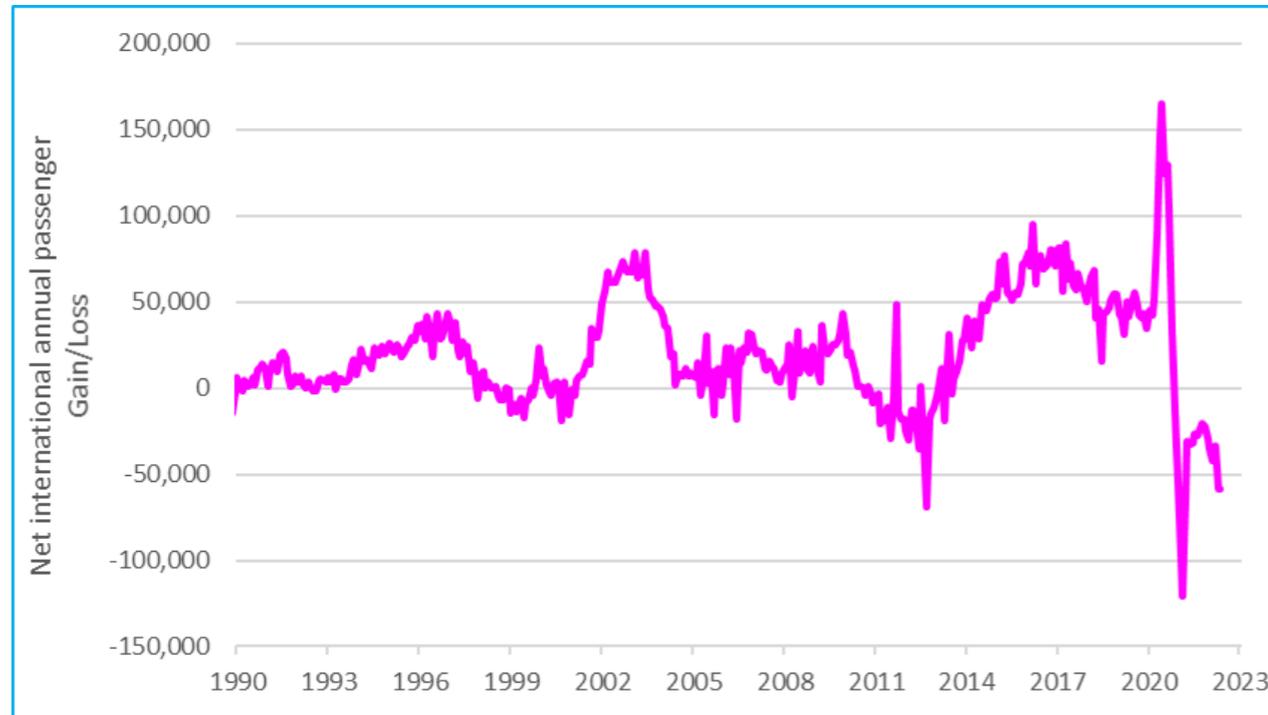
## Bus loadings



- Cars - approaching 2019
- Buses – stable(ish) at 70-80% of 2019
  - Driver shortage and cancellations will impact this
  - Despite low fares

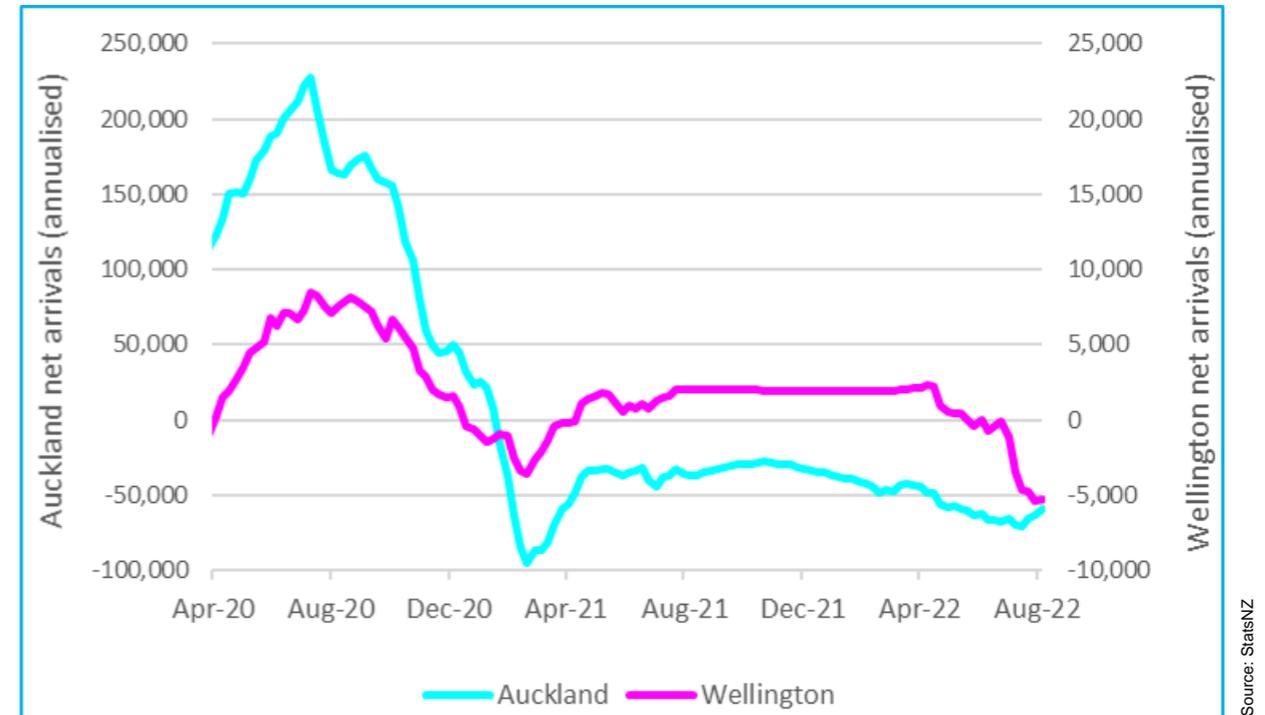
# Brain drain: net international passenger flow

## National departures



- Pent-up demand for OE + job-change
- Influenced by airline capacity + prices
- If persistent, of some concern

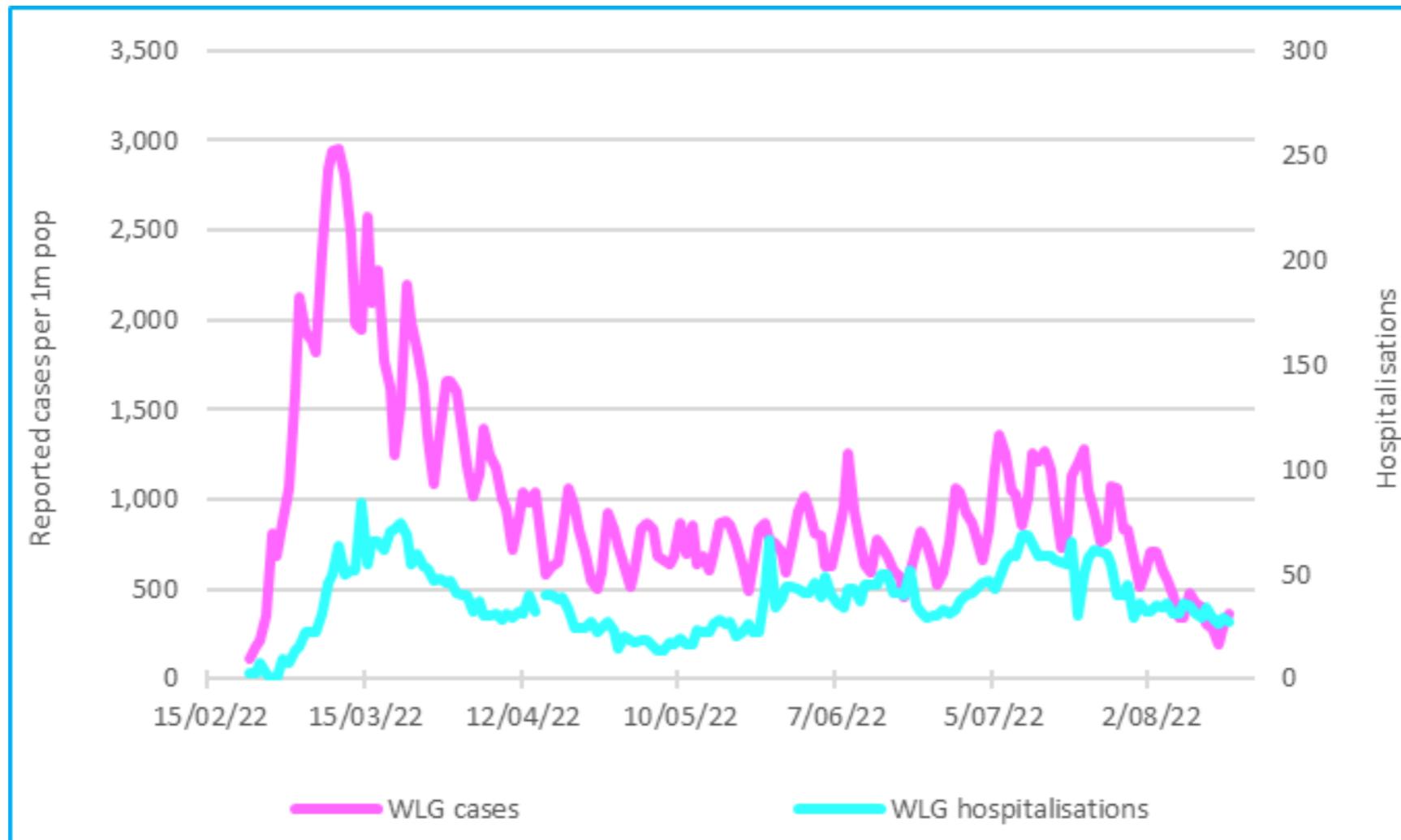
## Departures: AKL versus WLG



- AKL easing (a little)
- WLG still in decline

NOTE: this measures the net sum of passenger flows IN and OUT of the country over a year which removes short-term visitors but includes those staying > 6-12months who put pressure on housing and infrastructure. It is not an orthodox statistic but is included to measure an evolving situation

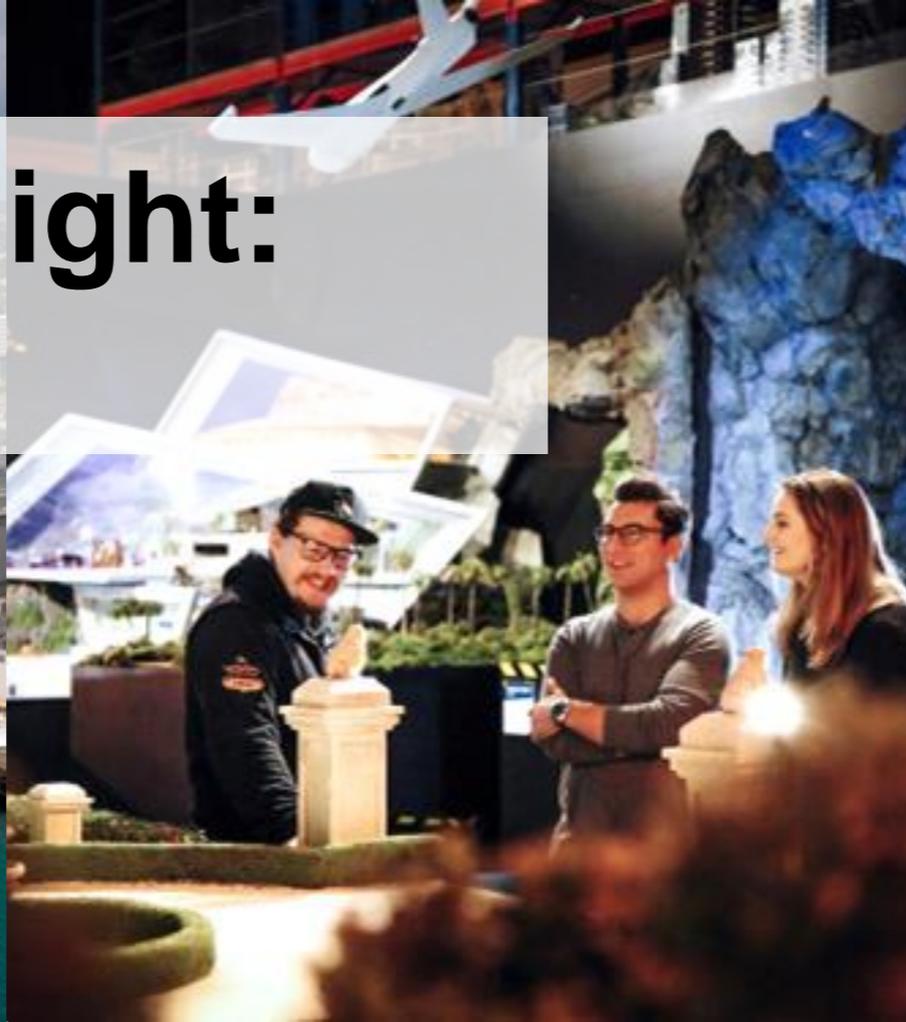
# COVID-19: Wellington's winter blues almost over



## Declining hospitalisations

- Burden of disease wanes
- Level of reported reinfections is low (<5%) but slowly growing

# August spotlight: Tourism



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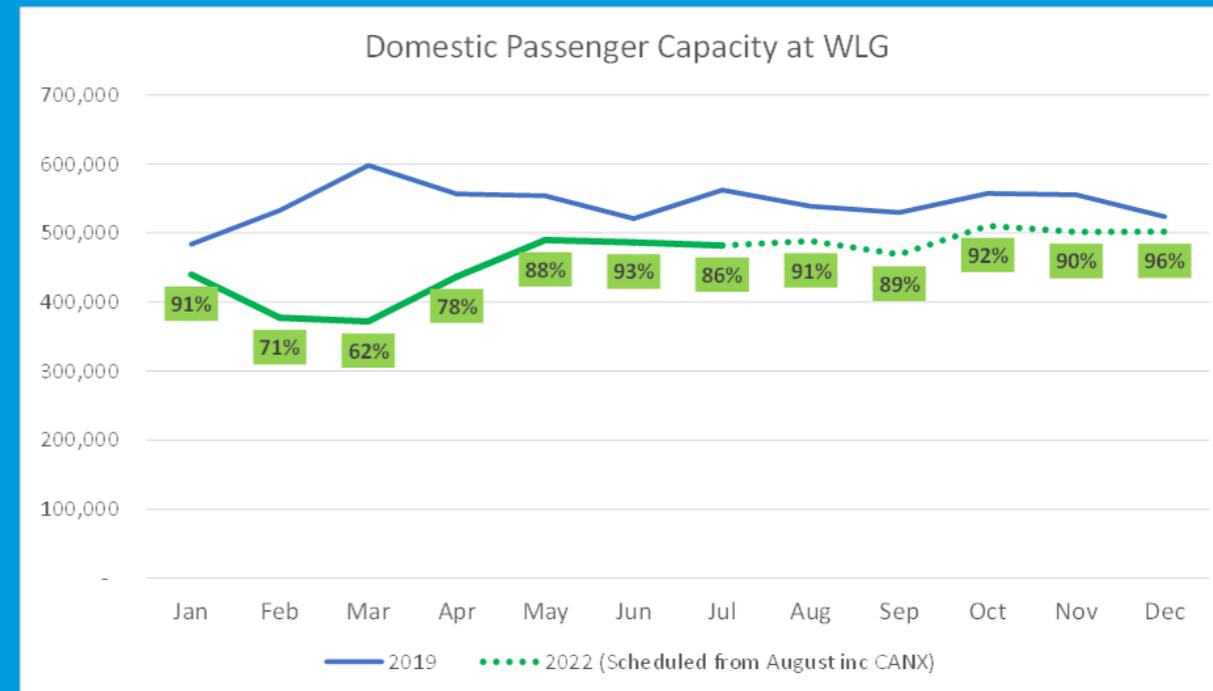
# The visitor economy

- Hotel occupancy bouncing back
- Forward bookings for summer positive
- Cruise making a comeback
- Staff constraining capacity
  - For most operators (hotels, airlines, hospitality)
- Solid line-up of events
  - Forward bookings and ticket sales are strong



# Connectivity

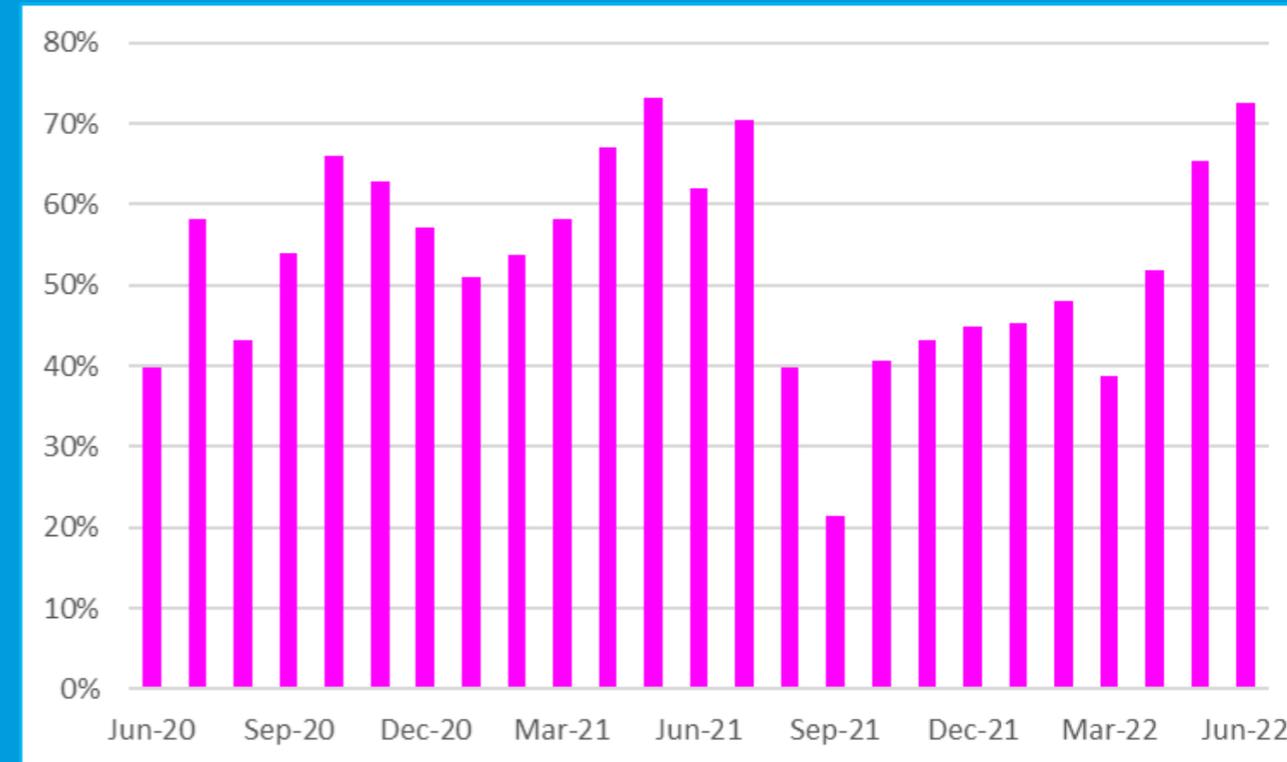
- Airline bookings positive but capacity limited by staff availability
  - Prices are rising as demand exceeds supply
- Domestic
  - Almost at 'full' capacity
  - 10% down on 2019
- International (ex-Wellington Airport)
  - Plateauing close to 60+% of 2019
  - Increasing steadily
  - Exit of Singapore Airlines from Wellington post-Covid has had a negative impact on Wellington's long-haul connectivity



# Hotel performance

## Wellington City hotel occupancy:

- Recovered
- Growth impacted by staff availability
- Rydges shut for renovations and other hotels have rooms out for upgrade / maintenance



Source: FreshInfo

# Events

- Visa Wellington On a Plate (and Beervana) is in full swing
- WOW in production and ticket sales strong (extra show added)
- St James theatre reopen and events line up for city is excellent
- Cruise ships
  - Expect more ships visiting than in 2019 (schedule yet to be released)



# Tākina

- June 2023 open to public
  - Despite COVID-19
  - Strong forward conference bookings and major exhibition programme
- \$44m+ in GDP of annual economic benefits
  - Conferences in Tākina will be run in partnership with Te Papa
  - Confirmed Year 1 conventions with more expected
  - Similar to economic benefit from cruise ships



# Opportunity and challenge

## Capacity constraints

- Flights and Hotels: as full as is practical
- Hospitality: struggling with staffing constraints

## Curated CBD

- Managed change via ‘managed’ interventions
- Enhance the attractors and minimise impact of Central City works etc
- Activate precincts through initiatives with events, hospitality, retail
- Need to attract more visitor accommodation

Got questions or to sign up to receive Pōneke Pulse updates email:  
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