

ANNUAL ECONOMIC PROFILE

Wellington City



2013

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ECONOMY

The New Zealand economy expanded by 2.6% in the March 2013 year, up from 2.3% growth in 2012. Although drought conditions throughout much of New Zealand took the edge off growth during the March 2013 quarter, rising construction activity, coupled with increases to consumer and business demand, ensured that annual economic growth over the year still picked up.

The drought's effects on the primary sector were stark, with value added by the agriculture, forestry, and fishing industry falling by 0.9% over the year to March 2013, compared with growth of close to 11% the previous year. Offsetting this decrease was rising construction activity and business investment, which helped push up private investment by 14%. Private consumption continued to climb at a moderate pace (up 2.5%), driven by increased purchases of durable goods. The increases to private consumption and investment more than offset fiscal drag from central government belt tightening.

How fast has Wellington City's economy grown?

This section measures economic performance in Wellington City during the year to March 2013 and previous years. All GDP estimates are measured in constant 2010 prices.

- GDP in Wellington City measured \$17,930m in the year to March 2013, up 2.6% from a year earlier. New Zealand's GDP increased by 2.6% over the same period.
- Economic growth in Wellington City averaged 2.4%pa over the last 10 years compared with an average of 2.2%pa in the national economy.
- Growth in Wellington City reached a high of 7.4% in 2008 and a low of -2.3% in 2011.
- Wellington City accounted for 8.9% of national GDP in 2013.

Figure 1. GDP growth (year to March 2013)

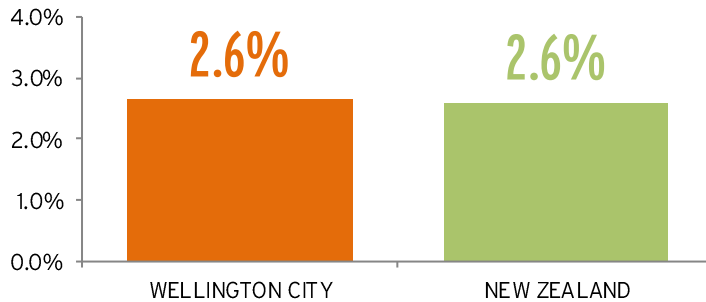


Figure 2. Annual average GDP growth (2002-2013)

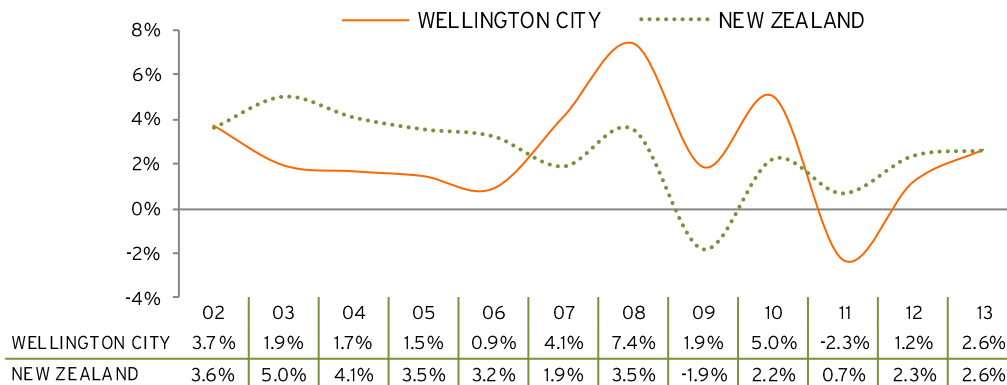


Figure 3. GDP growth last 1, 2, 5 and 10 years

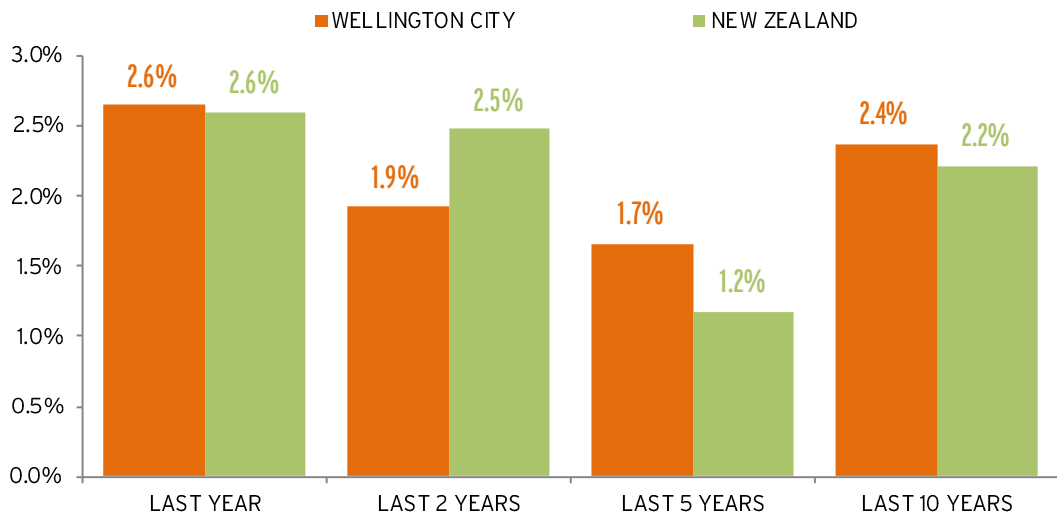


Figure 4 shows how Wellington City’s GDP growth compares with other districts in New Zealand. It shows which growth decile Wellington City is placed over the past one, two, five and ten year periods. Decile one contains the 10% of districts with the fastest growth rates while decile ten contains the 10% with the lowest growth rates.

- Wellington City's GDP growth of 2.6% in the year to March 2013 ranked it number 17 among the 66 territorial authorities in New Zealand. This ranking put it in the third growth decile (decile one = fastest 10% of TAs, decile ten = slowest 10%).
- Over the past two years (2013-2011) GDP in Wellington City grew by an average of 1.9%pa ranking it number 36 (decile 6).
- Over the past five years (2013-2008) GDP in Wellington City grew by an average of 1.7%pa ranking it number 21 (decile 4).
- Over the past ten years (2013-2003) GDP in Wellington City grew by an average of 2.4%pa ranking it number 25 (decile 4).

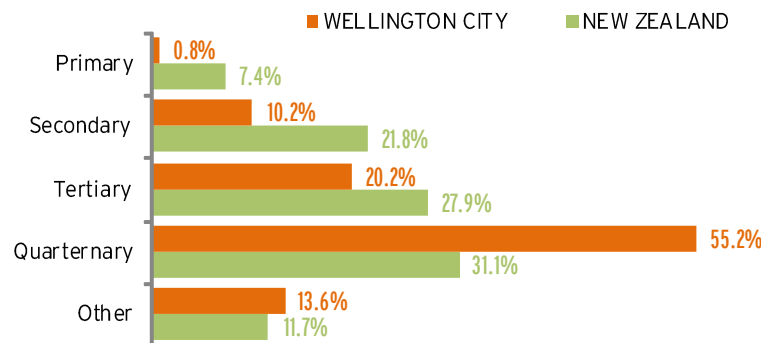
Figure 4. GDP growth decile rankings: last 1, 2, 5 and 10 years

Decile	Last year	Last 2 years	Last 5 years	Last 10 years
1 Fastest 10%				
2				
3	Wellington City			
4			Wellington City	Wellington City
5				
6		Wellington City		
7				
8				
9				
10 Slowest 10%				

What is the industrial structure of Wellington City's economy?

This section describes the structure of the economy in terms of the broad sectors: primary, secondary, tertiary and quarternary. The primary sector makes direct use of natural resources. It extracts or harvests products from the earth. The secondary sector produces manufactured and other processed goods. The tertiary sector includes the lower value-adding service industries while the quarternary sector includes the higher value-adding, knowledge-based service industries. A full definition of the sectors is given in the technical appendix.

Figure 5. Share of total GDP (2013)



- Quarternary industries accounted for the largest proportion of GDP (55.2%) in Wellington City, which is higher than in the national economy (31.1%).
- Tertiary industries accounted for 20.2% of GDP which was lower than for New Zealand as a whole (27.9%)
- Secondary industries accounted for 10.2% compared with 21.8% in the national economy.
- Primary industries accounted for the smallest proportion in Wellington City: 0.8% compared with 7.4% in the national economy.

Table 1. 1-digit industries ranked by contribution to GDP (2013)

Broad industry	GDP (M, 95/96 PRICES)		% OF TOTAL	
	Wellington City	New Zealand	Wellington City	New Zealand
Agriculture, Forestry and Fishing	33	11,325	0.2%	5.6%
Mining	19	3,640	0.7%	18%
Manufacturing	763	25,416	4.3%	12.6%
Electricity, Gas, Water and Waste Services	676	6,271	3.8%	3.1%
Construction	387	12,199	2.2%	6.1%
Wholesale Trade	419	10,540	2.3%	5.2%
Retail Trade	406	8,998	2.3%	4.5%
Accommodation and Food Services	342	4,224	1.9%	2.1%
Transport, Postal and Warehousing	586	8,591	3.3%	4.3%
Information Media and Telecommunications	1,664	6,589	9.3%	3.3%
Financial and Insurance Services	2,076	11,448	11.6%	5.7%
Rental, Hiring and Real Estate Services	1,434	24,144	8.0%	12.0%
Professional, Scientific and Technical Services	2,333	15,181	13.0%	7.5%
Administrative and Support Services	428	4,368	2.4%	2.2%
Public Administration and Safety	2,469	8,593	13.8%	4.3%
Education and Training	535	8,876	3.0%	4.4%
Health Care and Social Assistance	815	11,960	4.5%	5.9%
Arts and Recreation Services	355	2,506	2.0%	1.2%
Other Services	442	3,881	2.5%	1.9%
Unallocated	1,649	12,506	9.2%	6.2%
Total	17,930	201,255	100%	100%

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- Public Administration & Safety was the largest industry in Wellington City in 2013 accounting for 13.8% of total GDP.
- The second largest industry was professional, scientific & technical services (13%) followed by financial & insurance services (11.6%).
- The industry most highly represented in Wellington City relative to the national economy is public administration & safety. This industry contributes 13.8% to the district's economy compared with 4.3% to the national economy.
- The next most highly represented industries are information media & telecommunications (9.3% compared to 3.3% nationally) and financial & insurance services (11.6% compared with 5.7% nationally).

Figure 6. Share of total GDP (2013)

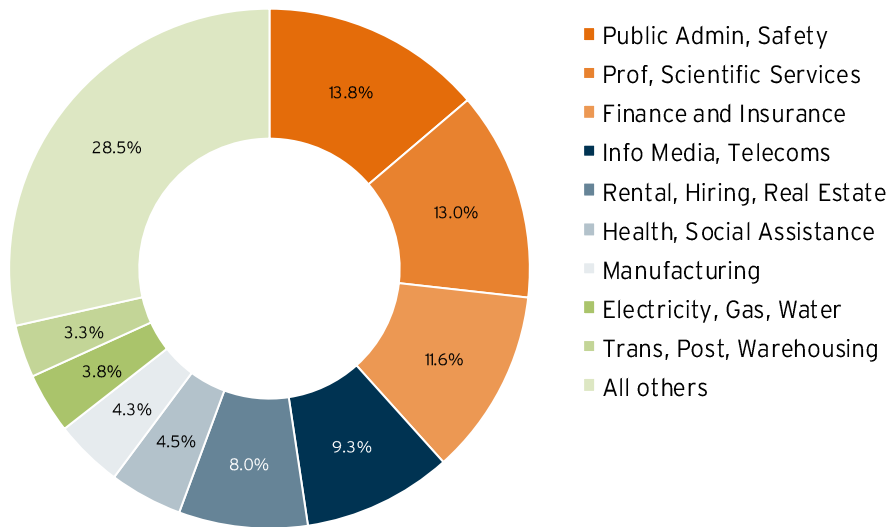


Table 2 on the following page shows 54 industries ranked according to their contribution to GDP. These industry categories are used by Statistics New Zealand in the national accounts. They are a mix of various levels of industries on the ANZSIC-06 classification. Further information about the industrial classification is given in the Technical Notes at the end of the document.

- Central Government Administration, Defence & Public Safety was the largest industry in Wellington City in 2013 accounting for 13.4% of total GDP.
- The second largest industry was professional, scientific & technical services (13%) followed by finance (8.1%).
- The industry most highly represented in Wellington City relative to the national economy is central government administration, defence & public safety. This industry contributes 13.4% to the district's economy compared with 0.5% to the national economy.
- The next most highly represented industries are petroleum & coal product manufacturing (1.9% and 0.5%) and telecommunications, internet & library services (7.3% and 2.4%).

Table 2. GDP by 54 industry categories (2013)

Rank	Industry	Wellington City		New Zealand
		GDP (\$ m)	% of total	% of total
1	Central Government Administration, Defence & Public Safety	2,395	13.4%	0.5%
2	Professional, Scientific & Technical Services	2,333	13.0%	5.5%
3	Finance	1,453	8.1%	3.8%
4	Telecommunications, Internet & Library Services	1,302	7.3%	2.4%
5	Health Care & Social Assistance	815	4.5%	4.4%
6	Owner-Occupied Property Operation	782	4.4%	1.9%
7	Electricity & Gas Supply	650	3.6%	2.6%
8	Education & Training	535	3.0%	3.8%
9	Property Operators & Real Estate Services	529	3.0%	5.2%
10	Administrative & Support Services	428	2.4%	7.5%
11	Wholesale Trade	419	2.3%	5.2%
12	Information Media Services	362	2.0%	0.9%
13	Arts & Recreation Services	355	2.0%	5.9%
14	Petroleum & Coal Product Manufacturing	346	1.9%	0.5%
15	Accommodation & Food Services	342	1.9%	2.1%
16	Insurance & Superannuation Funds	338	1.9%	0.9%
17	Auxiliary Finance & Insurance Services	285	1.6%	0.9%
18	Rail, Water, Air & Other Transport	252	1.4%	1.0%
19	Other Store-Based Retailing & Non Store Retailing	240	1.3%	2.6%
20	Postal, Courier Transport Support, & Warehousing Services	223	1.2%	1.9%
21	Construction Services	205	1.1%	3.1%
22	Supermarket, Grocery Stores & Specialised Food Retailing	126	0.7%	1.3%
23	Building Construction	124	0.7%	1.3%
24	Rental & Hiring Services (except Real Estate)	124	0.7%	1.3%
25	Mining	119	0.7%	1.8%
26	Road Transport	111	0.6%	1.4%
27	Meat & Meat Product Manufacturing	97	0.5%	1.4%
28	Fruit, Oil, Cereal & Other Food Product Manufacturing	77	0.4%	1.1%
29	Local Government Administration	73	0.4%	2.2%
30	Heavy & Civil Engineering Construction	58	0.3%	1.7%
31	Motor Vehicle & Motor Vehicle Parts & Fuel Retailing	40	0.2%	0.6%
32	Machinery & Other Equipment Manufacturing	39	0.2%	1.4%
33	Printing	34	0.2%	0.3%
34	Fabricated Metal Product Manufacturing	28	0.2%	0.9%
35	Water, Sewerage, Drainage & Waste Services	26	0.1%	0.5%
36	Furniture & Other Manufacturing	23	0.1%	0.3%
37	Basic Chemical & Chemical Product Manufacturing	20	0.1%	1.5%
38	Non-Metallic Mineral Product Manufacturing	19	0.1%	0.5%
39	Beverage & Tobacco Product Manufacturing	16	0.1%	0.9%
40	Transport Equipment Manufacturing	16	0.1%	0.6%
41	Textile, Leather, Clothing & Footwear Manufacturing	14	0.1%	0.4%
42	Forestry & Logging	11	0.1%	0.7%
43	Polymer Product & Rubber Product Manufacturing	11	0.1%	0.6%
44	Primary Metal & Metal Product Manufacturing	10	0.1%	0.6%
45	Fishing & Aquaculture	10	0.1%	0.1%
46	Wood Product Manufacturing	7	0.0%	0.7%
47	Agriculture, Forestry & Fishing Support Services & Hunting	5	0.0%	0.6%
48	Sheep, Beef Cattle & Grain Farming	5	0.0%	1.4%
49	Seafood Processing	2	0.0%	0.2%
50	Horticulture & Fruit Growing	2	0.0%	0.6%
51	Poultry, Deer & Other Livestock Farming	1	0.0%	0.2%
52	Dairy Product Manufacturing	1	0.0%	0.4%
53	Pulp, Paper & Converted Paper Product Manufacturing	1	0.0%	0.4%
54	Dairy Cattle Farming	0	0.0%	2.2%
	Owner-Occupied Property Operation	442	2.5%	1.9%
	Unallocated	1,649	9.2%	6.2%
	Total	17,930	100.0%	100.0%

Which broad industries made the largest contribution to economic growth?

Although an industry may be growing rapidly, if it is small relative to a region's total economy its contribution to overall GDP growth may also be small. This section therefore investigates which broad industries made the largest contribution to the overall growth of Wellington City's economy taking into account their relative sizes.

- Professional, Scientific & Technical Services made the largest contribution to overall growth in Wellington City between 2012 and 2013. The industry grew by 6.2% over the year and contributed 0.8 percentage points to the district's total growth of 2.6%.
- The next largest contributor was information media & telecommunications (0.4 percentage points) followed by health care & social assistance (0.2 percentage points).
- The largest detractor from growth over the year was electricity, gas, water & waste services which declined by 6.1% and contributed -0.3 percentage points to the total growth of 2.6%. Administrative & Support Services (-0.2 percentage points) and arts & recreation services (0 percentage points) were the next largest detractors.

Table 3. 1-digit industries ranked by % point contribution to GDP growth (2012 -2013)

Rank	Industry	GDP		% point contribution to growth	Annual % growth
		2012	2013		
1	Professional, Scientific & Technical Services	2,197	2,333	0.8%	6.2%
2	Information Media & Telecommunications	1,591	1,664	0.4%	4.6%
3	Health Care & Social Assistance	771	815	0.2%	5.7%
4	Public Administration & Safety	2,428	2,469	0.2%	1.7%
5	Construction	351	387	0.2%	10.4%
6	Retail Trade	386	406	0.1%	5.2%
7	Mining	100	119	0.1%	18.5%
8	Financial & Insurance Services	2,058	2,076	0.1%	0.9%
9	Manufacturing	747	763	0.1%	2.2%
10	Transport, Postal & Warehousing	573	586	0.1%	2.2%
11	Wholesale Trade	407	419	0.1%	3.0%
12	Accommodation & Food Services	330	342	0.1%	3.6%
13	Rental, Hiring & Real Estate Services	1,426	1,434	0.0%	0.6%
14	Education & Training	527	535	0.0%	1.5%
15	Agriculture, Forestry & Fishing	32	33	0.0%	4.7%
16	Other Services	444	442	0.0%	-0.5%
17	Arts & Recreation Services	361	355	0.0%	-1.5%
18	Administrative & Support Services	471	428	-0.2%	-9.2%
19	Electricity, Gas, Water & Waste Services	720	676	-0.3%	-6.1%
	Unallocated	1,550	1,649	0.6%	6.4%
	Total	17,469	17,930	2.6%	2.6%

Table 4. 1-digit industries percentage point contribution to growth: last 1, 2, 5 and 10 years

Industry	Last year 12 to 13	Last 2 years 11 to 13	Last 5 years 08 to 13	Last 10 years 03 to 13
Agriculture, Forestry & Fishing	0.0%	0.0%	0.0%	0.0%
Mining	0.1%	0.1%	0.0%	0.0%
Manufacturing	0.1%	0.1%	-0.2%	-0.2%
Electricity, Gas, Water & Waste Services	-0.3%	-0.4%	0.0%	0.2%
Construction	0.2%	0.1%	0.0%	0.1%
Wholesale Trade	0.1%	0.0%	0.0%	0.0%
Retail Trade	0.1%	0.1%	0.0%	0.1%
Accommodation & Food Services	0.1%	0.1%	0.1%	0.1%
Transport, Postal & Warehousing	0.1%	0.1%	0.0%	0.1%
Information Media & Telecommunications	0.4%	0.3%	0.5%	0.2%
Financial & Insurance Services	0.1%	-0.3%	0.1%	0.2%
Rental, Hiring & Real Estate Services	0.0%	0.1%	0.0%	0.1%
Professional, Scientific & Technical Services	0.8%	0.8%	0.4%	0.4%
Administrative & Support Services	-0.2%	0.0%	0.0%	0.0%
Public Administration & Safety	0.2%	0.3%	0.2%	0.7%
Education & Training	0.0%	0.1%	0.0%	0.0%
Health Care & Social Assistance	0.2%	0.1%	0.1%	0.1%
Arts & Recreation Services	0.0%	-0.1%	-0.1%	0.0%
Other Services	0.0%	0.0%	0.0%	0.0%
Owner-Occupied Property Operation	0.6%	0.2%	0.4%	0.4%
Unallocated	2.6%	1.9%	1.7%	2.4%
Total	2.6%	1.9%	1.7%	2.4%

- Over the past 10 years the broad industries making the largest contribution to GDP growth in Wellington City were public administration and safety (0.7 percentage points), professional, scientific and technical services (0.4 percentage points), and information media and telecommunications (0.2 percentage points).
- The broad industries making the lowest contributions were manufacturing (-0.2 percentage points), agriculture, forestry and fishing (0.0 percentage points), and arts and recreation services (0.0 percentage points).

Which detailed industries made the largest contribution to economic growth?

Table 5 shows a ranking of the detailed industries by their contribution to economic growth over the past year.

- Professional, Scientific & Technical Services made the largest contribution to growth in Wellington City in the year to March 2013. The industry grew by 6.2% over the year and contributed 0.8 percentage points to the district's total growth of 2.6%.
- The next largest contributor was central government administration, defence & public safety which contributed 0.3 percentage points followed by telecommunications, internet & library services (0.3 percentage points).
- The largest detractor from growth over the year was administrative & support services which declined by 9.2% and contributed -0.2 percentage points to the total growth of 2.6%. Electricity & Gas Supply (-0.2 percentage points) and insurance & superannuation funds (-0.2 percentage points) were the next largest detractors.

Table 5. 54 industries ranked by percentage point contribution to growth (2012 -2013)

Rank	Industry	GDP (\$ m)		% point contribution to growth	Annual % growth
		2012	2013		
1	Administrative & Support Services	2,197	2,333	0.8%	6.2%
2	Education & Training	2,346	2,395	0.3%	2.1%
3	Telecommunications, Internet & Library Services	1,257	1,302	0.3%	3.6%
4	Arts & Recreation Services	771	815	0.2%	5.7%
5	Finance	1,414	1,453	0.2%	2.8%
6	Information Media Services	334	362	0.2%	8.5%
7	Construction Services	186	205	0.1%	10.0%
8	Mining	100	119	0.1%	18.5%
9	Building Construction	109	124	0.1%	14.5%
10	Auxiliary Finance & Insurance Services	270	285	0.1%	5.7%
11	Petroleum & Coal Product Manufacturing	334	346	0.1%	3.7%
12	Wholesale Trade	407	419	0.1%	3.0%
13	Accommodation & Food Services	330	342	0.1%	3.6%
14	Supermarket, Grocery Stores & Specialised Food Retailing	114	126	0.1%	10.4%
15	Property Operators & Real Estate Services	520	529	0.1%	1.8%
16	Other Store-Based Retailing & Non Store Retailing	232	240	0.0%	3.7%
17	Professional, Scientific & Technical Services	774	782	0.0%	1.0%
18	Health Care & Social Assistance	527	535	0.0%	1.5%
19	Meat & Meat Product Manufacturing	89	97	0.0%	8.5%
20	Road Transport	104	111	0.0%	6.8%
21	Rail, Water, Air & Other Transport	246	252	0.0%	2.3%
22	Fruit, Oil, Cereal & Other Food Product Manufacturing	73	77	0.0%	6.3%
23	Heavy & Civil Engineering Construction	56	58	0.0%	3.8%
24	Beverage & Tobacco Product Manufacturing	15	16	0.0%	12.6%
25	Non-Metallic Mineral Product Manufacturing	18	19	0.0%	9.8%
26	Basic Chemical & Chemical Product Manufacturing	19	20	0.0%	7.3%
27	Primary Metal & Metal Product Manufacturing	9	10	0.0%	10.4%
28	Fishing & Aquaculture	9	10	0.0%	7.1%
29	Agriculture, Forestry & Fishing Support Services & Hunting	5	5	0.0%	10.6%
30	Dairy Product Manufacturing	0	1	0.0%	129.6%
31	Sheep, Beef Cattle & Grain Farming	5	5	0.0%	5.7%
32	Pulp, Paper & Converted Paper Product Manufacturing	0	1	0.0%	49.9%
33	Postal, Courier Transport Support, & Warehousing Services	223	223	0.0%	0.1%
34	Horticulture & Fruit Growing	1	2	0.0%	10.4%
35	Poultry, Deer & Other Livestock Farming	1	1	0.0%	3.4%
36	Dairy Cattle Farming	0	0	0.0%	131.6%
37	Forestry & Logging	11	11	0.0%	-0.9%
38	Seafood Processing	2	2	0.0%	-7.9%
39	Transport Equipment Manufacturing	17	16	0.0%	-1.6%
40	Motor Vehicle & Motor Vehicle Parts & Fuel Retailing	40	40	0.0%	-1.2%
41	Textile, Leather, Clothing & Footwear Manufacturing	15	14	0.0%	-5.3%
42	Wood Product Manufacturing	9	7	0.0%	-19.7%
43	Furniture & Other Manufacturing	25	23	0.0%	-7.8%
44	Polymer Product & Rubber Product Manufacturing	13	11	0.0%	-16.6%
45	Printing	36	34	0.0%	-6.3%
46	Machinery & Other Equipment Manufacturing	42	39	0.0%	-5.9%
47	Fabricated Metal Product Manufacturing	31	28	0.0%	-9.3%
48	Water, Sewerage, Drainage & Waste Services	29	26	0.0%	-10.6%
49	Other Services	361	355	0.0%	-1.5%
50	Central Government Administration, Defence & Public Safety	82	73	0.0%	-10.1%
51	Rental & Hiring Services (except Real Estate)	132	124	0.0%	-6.5%
52	Insurance & Superannuation Funds	375	338	-0.2%	-9.9%
53	Electricity & Gas Supply	691	650	-0.2%	-6.0%
54	Local Government Administration	471	428	-0.2%	-9.2%
	Owner-Occupied Property Operation	444	442	0.0%	-0.5%
	Unallocated	1,550	1,649	0.6%	6.4%
	Total	17,469	17,930	2.6%	2.6%

Table 6. 54 industries contribution to growth: last 1, 2, 5 and 10 years

Industry	Last year	Last 2 years	Last 5 years	Last 10 years
	12 to 13	11 to 13	08 to 13	03 to 13
Horticulture & Fruit Growing	0.0%	0.0%	0.0%	0.0%
Sheep, Beef Cattle & Grain Farming	0.0%	0.0%	0.0%	0.0%
Dairy Cattle Farming	0.0%	0.0%	0.0%	0.0%
Poultry, Deer & Other Livestock Farming	0.0%	0.0%	0.0%	0.0%
Forestry & Logging	0.0%	0.0%	0.0%	0.0%
Fishing & Aquaculture	0.0%	0.0%	0.0%	0.0%
Agriculture, Forestry & Fishing Support Services & Hunting	0.0%	0.0%	0.0%	0.0%
Mining	0.1%	0.1%	0.0%	0.0%
Meat & Meat Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Seafood Processing	0.0%	0.0%	0.0%	0.0%
Dairy Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Fruit, Oil, Cereal & Other Food Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Beverage & Tobacco Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Textile, Leather, Clothing & Footwear Manufacturing	0.0%	0.0%	0.0%	0.0%
Wood Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Pulp, Paper & Converted Paper Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Printing	0.0%	0.0%	-0.1%	0.0%
Petroleum & Coal Product Manufacturing	0.1%	0.2%	0.0%	0.0%
Basic Chemical & Chemical Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Polymer Product & Rubber Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Non-Metallic Mineral Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Primary Metal & Metal Product Manufacturing	0.0%	0.0%	0.0%	0.0%
Fabricated Metal Product Manufacturing	0.0%	0.0%	0.0%	-0.1%
Transport Equipment Manufacturing	0.0%	0.0%	0.0%	0.0%
Machinery & Other Equipment Manufacturing	0.0%	0.0%	0.0%	0.0%
Furniture & Other Manufacturing	0.0%	0.0%	0.0%	0.0%
Electricity & Gas Supply	-0.2%	-0.3%	0.0%	0.2%
Water, Sewerage, Drainage & Waste Services	0.0%	-0.1%	0.0%	0.0%
Building Construction	0.1%	0.0%	0.0%	0.0%
Heavy & Civil Engineering Construction	0.0%	0.0%	0.0%	0.0%
Construction Services	0.1%	0.1%	0.0%	0.0%
Wholesale Trade	0.1%	0.0%	0.0%	0.0%
Motor Vehicle & Motor Vehicle Parts & Fuel Retailing	0.0%	0.0%	0.0%	0.0%
Supermarket, Grocery Stores & Specialised Food Retailing	0.1%	0.1%	0.0%	0.0%
Other Store-Based Retailing & Non Store Retailing	0.0%	0.1%	0.0%	0.0%
Accommodation & Food Services	0.1%	0.1%	0.1%	0.1%
Road Transport	0.0%	0.0%	0.0%	0.0%
Rail, Water, Air & Other Transport	0.0%	0.1%	0.0%	0.1%
Postal, Courier Transport Support, & Warehousing Services.	0.0%	0.0%	0.0%	0.0%
Information Media Services	0.2%	0.2%	0.1%	0.0%
Telecommunications, Internet & Library Services	0.3%	0.1%	0.5%	0.2%
Finance	0.2%	-0.2%	0.3%	0.3%
Insurance & Superannuation Funds	-0.2%	-0.1%	-0.2%	0.0%
Auxiliary Finance & Insurance Services	0.1%	0.1%	0.1%	-0.1%
Rental & Hiring Services (except Real Estate)	0.0%	0.0%	0.0%	0.0%
Property Operators & Real Estate Services	0.1%	0.1%	0.0%	0.0%
Professional, Scientific & Technical Services	0.0%	0.1%	0.0%	0.1%
Administrative & Support Services	0.8%	0.8%	0.4%	0.4%
Local Government Administration	-0.2%	0.0%	0.0%	0.0%
Central Government Administration, Defence & Public Safety	0.0%	0.0%	0.0%	0.0%
Education & Training	0.3%	0.4%	0.2%	0.6%
Health Care & Social Assistance	0.0%	0.1%	0.0%	0.0%
Arts & Recreation Services	0.2%	0.1%	0.1%	0.1%
Other Services	0.0%	-0.1%	-0.1%	0.0%
Ownership of owner-occupied dwellings	0.0%	0.0%	0.0%	0.0%
Unallocated	0.6%	0.2%	0.4%	0.4%
Total	2.6%	1.9%	1.7%	2.4%

In which industries does Wellington City have a comparative advantage?

A high concentration of certain industries in a region may be indicative of that region having a comparative advantage in those industries. This may be due to its natural endowments, location, skills of its labour force or other reasons. The location quotient indicates in which industries a region has comparative advantage. A region has a location quotient larger (smaller) than one when the share of that industry in the regional economy is greater (less) than the share of the same industry in the national economy.

Table 7 shows a ranking of 54 industries by their location quotients.

- The industries in which Wellington City has the largest comparative advantages are petroleum & coal product manufacturing (location quotient = 3.4), education & training (3.3), and telecommunications, internet & library services (2.8).

Table 7. Location quotient as a measure of comparative advantage

Rank	Industry	Location Quotient	Share of total GDP	
			Wellington City	New Zealand
1	Petroleum & Coal Product Manufacturing	3.4	19%	0.6%
2	Education & Training	3.3	13.4%	4.1%
3	Telecommunications, Internet & Library Services	2.8	7.3%	2.6%
4	Information Media Services	2.1	2.0%	10%
5	Finance	1.9	8.1%	4.2%
6	Insurance & Superannuation Funds	1.8	19%	10%
7	Auxiliary Finance & Insurance Services	1.6	16%	10%
8	Administrative & Support Services	1.6	13.0%	8.2%
9	Other Services	1.5	2.0%	14%
10	Rail, Water, Air & Other Transport	1.3	14%	1.1%
11	Electricity & Gas Supply	1.3	3.6%	2.8%
12	Accommodation & Food Services	0.8	1.9%	2.3%
13	Professional, Scientific & Technical Services	0.7	4.4%	6.0%
14	Arts & Recreation Services	0.7	4.5%	6.5%
15	Health Care & Social Assistance	0.6	3.0%	4.8%
16	Postal, Courier Transport Support, & Warehousing Services.	0.6	12%	2.0%
17	Printing	0.6	0.2%	0.3%
18	Fishing & Aquaculture	0.6	0.1%	0.1%
19	Property Operators & Real Estate Services	0.5	3.0%	5.6%
20	Supermarket, Grocery Stores & Specialised Food Retailing	0.5	0.7%	14%
21	Building Construction	0.5	0.7%	14%
22	Rental & Hiring Services (except Real Estate)	0.5	0.7%	14%
23	Other Store-Based Retailing & Non Store Retailing	0.5	1.3%	2.8%
24	Furniture & Other Manufacturing	0.4	0.1%	0.3%
25	Wholesale Trade	0.4	2.3%	5.7%
26	Road Transport	0.4	0.6%	15%
27	Meat & Meat Product Manufacturing	0.4	0.5%	15%
28	Fruit, Oil, Cereal & Other Food Product Manufacturing	0.4	0.4%	12%
29	Construction Services	0.3	1.1%	3.3%
30	Mining	0.3	0.7%	2.0%
31	Motor Vehicle & Motor Vehicle Parts & Fuel Retailing	0.3	0.2%	0.7%
32	Water, Sewerage, Drainage & Waste Services	0.3	0.1%	0.6%
33	Non-Metallic Mineral Product Manufacturing	0.2	0.1%	0.5%
34	Textile, Leather, Clothing & Footwear Manufacturing	0.2	0.1%	0.4%
35	Heavy & Civil Engineering Construction	0.2	0.3%	1.8%
36	Fabricated Metal Product Manufacturing	0.2	0.2%	10%
37	Machinery & Other Equipment Manufacturing	0.1	0.2%	15%
38	Transport Equipment Manufacturing	0.1	0.1%	0.7%
39	Beverage & Tobacco Product Manufacturing	0.1	0.1%	10%
40	Polymer Product & Rubber Product Manufacturing	0.1	0.1%	0.7%
41	Primary Metal & Metal Product Manufacturing	0.1	0.1%	0.7%
42	Forestry & Logging	0.1	0.1%	0.7%
43	Seafood Processing	0.1	0.0%	0.2%
44	Basic Chemical & Chemical Product Manufacturing	0.1	0.1%	17%
45	Wood Product Manufacturing	0.1	0.0%	0.7%
46	Agriculture, Forestry & Fishing Support Services & Hunting	0.0	0.0%	0.6%
47	Poultry, Deer & Other Livestock Farming	0.0	0.0%	0.2%
48	Sheep, Beef Cattle & Grain Farming	0.0	0.0%	15%
49	Horticulture & Fruit Growing	0.0	0.0%	0.6%
50	Pulp, Paper & Converted Paper Product Manufacturing	0.0	0.0%	0.4%
51	Dairy Product Manufacturing	0.0	0.0%	0.5%
52	Dairy Cattle Farming	0.0	0.0%	2.4%

How diversified is Wellington City's economy?

The more concentrated a region's economy is in a few industries the more vulnerable it is to adverse events such as climatic conditions and commodity price fluctuations. This section presents the Herfindahl–Hirschman Index which measures the level of diversification of Wellington City's economy. An index of 0 represents a diversified economy with economic activity evenly spread across all industries. The higher the index the more concentrated economic activity is in a few industries.

- Wellington City had an HHI of 71.9 in 2013 which ranks it number 41 among all 66 territorial authorities ranked from most to least diverse. This means that 25 districts had a less diversified economy than Wellington City.
- Since 2001 Wellington City's HHI has decreased from 58.4 indicating an increase in industrial diversity. During the same period the national economy has become less diversified with the HHI increasing from 32.0 to 36.1.

Figure 7. Herfindahl–Hirschman Index of industrial diversity

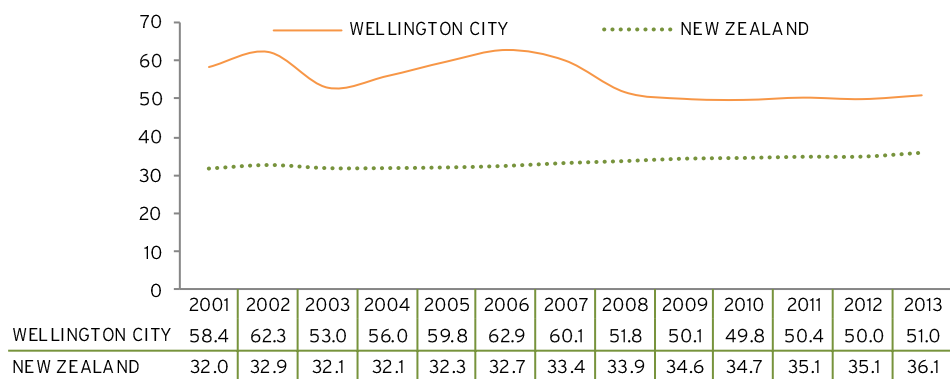


Table 8. Districts ranked by the value of the Herfindahl–Hirschman Index

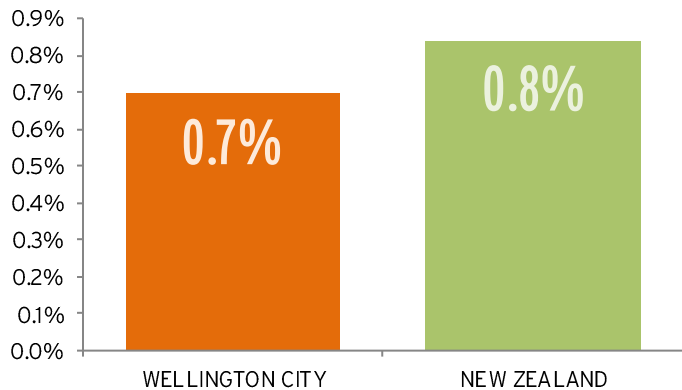
Rank	District	HHI	Rank	District	HHI
1	Tasman	36.2	34	Whakatane	61.5
2	Napier City	36.7	35	Queenstown-Lakes	62.3
3	Invercargill City	36.8	36	Taupo	63.4
4	Waimakariri	39.6	37	Whangarei	66.7
5	Christchurch City	40.6	38	Ruapehu	67.2
6	Hastings	42.0	39	Hauraki	69.1
7	Far North	42.8	40	Waipa	69.5
8	Nelson City	43.3	41	Wellington City	71.9
9	Auckland	43.6	42	South Wairarapa	72.9
10	Marlborough	44.3	43	Waikato	73.6
11	Rotorua	44.6	44	Selwyn	73.7
12	Gisborne	44.8	45	Buller	75.9
13	Thames-Coromandel	45.8	46	Clutha	80.7
14	Tauranga City	45.9	47	Tararua	80.8
15	Central Otago	46.0	48	Rangitikei	85.6
16	Timaru	46.4	49	Upper Hutt City	85.8
17	Grey	46.7	50	Ashburton	86.9
18	Masterton	46.8	51	Kaipara	87.6
19	Wanganui	49.5	52	Westland	88.9
20	Dunedin City	49.8	53	Opotiki	91.6
21	Kapiti Coast	50.0	54	Mackenzie	97.4
22	Lower Hutt City	50.1	55	South Waikato	98.6
23	Horowhenua	50.9	56	Central Hawke's Bay	100.4
24	Manawatu	51.3	57	Stratford	103.1
25	New Plymouth	53.8	58	Wairoa	116.1
26	Hamilton City	54.9	59	Matamata-Piako	120.0
27	Palmerston North	56.4	60	Southland	121.9
28	Waitaki	56.9	61	Hurunui	123.2
29	Western Bay of Plenty	57.0	62	Carterton	138.6
30	Gore	58.1	63	Otorohanga	150.7
31	Porirua City	59.5	64	South Taranaki	198.7
32	Kaikoura	59.8	65	Waimate	228.1
33	Waitomo	61.0	66	Kawerau	427.9

EMPLOYMENT AND UNEMPLOYMENT

How fast has employment grown in Wellington City?

Employment growth provides new opportunities for the region’s population to earn income and contribute to the region’s economy. This section contrasts Wellington City’s recent performance in creating jobs with other regions in the country.

Figure 8. Employment growth (year to March 2013)



- Total employment in Wellington City averaged 151,853 in the March 2013 year, up 0.7% from a year earlier. Employment in New Zealand increased by 0.8% over the same period.
- Employment growth in Wellington City averaged 1.3%pa over the last ten years compared with 1.3%pa in the national economy.
- Employment growth in Wellington City reached a high of 3.2% in 2005 and a low of -1.4% in 2010.

Figure 9. Annual average employment growth (2003-2013)

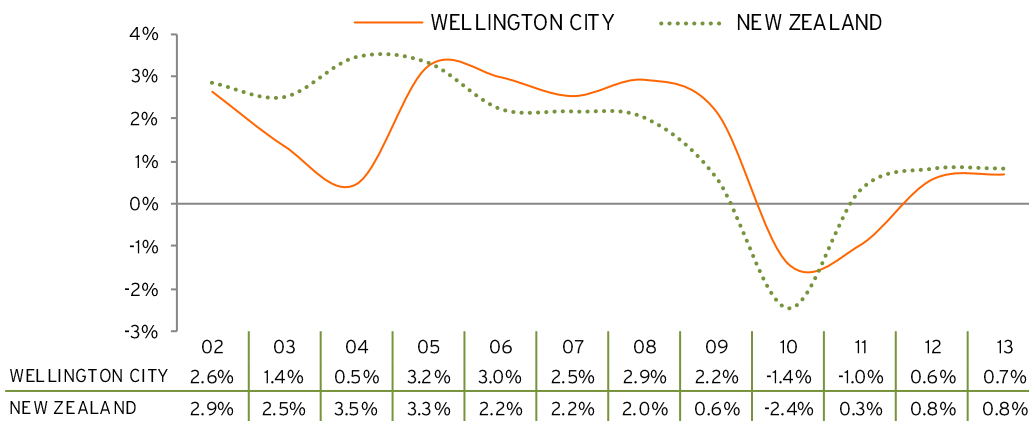


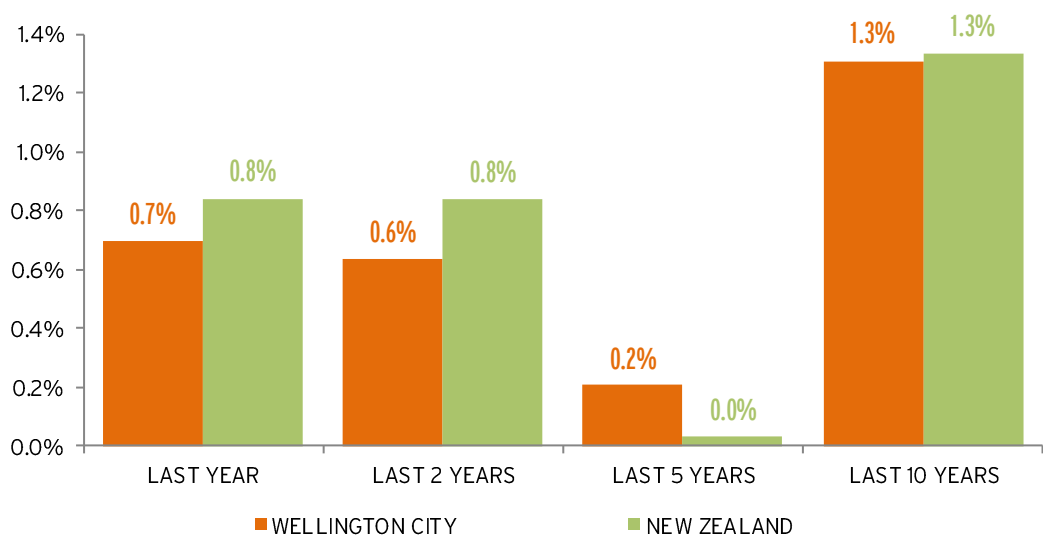
Table 9 shows how Wellington City’s employment growth compares with other districts in New Zealand. It shows which growth decile Wellington City is placed over the past one, two, five and ten years. Decile one contains the 10% of districts with the fastest growth rates while decile ten contains 10% with the lowest growth rates.

Table 9. Employment growth decile rankings: last 1, 2, 5 and 10 years

Decile	Last year	Last 2 years	Last 5 years	Last 10 years
1 Fastest 10%				
2				
3				
4				
5		Wellington City	Wellington City	Wellington City
6	Wellington City			
7				
8				
9				
10 Slowest 10%				

- Wellington City's employment change of 0.7% between 2012 and 2013 ranked it number 36 among the 66 territorial authorities. This ranking put it in the sixth decile (decile one = fastest 10% of TAs, decile ten = slowest 10%).
- Over the past two years (2011 to 2013) employment change in Wellington City was 0.6%pa ranking it number 29 (decile 5).
- Over the past five years (2008 to 2013) employment change in Wellington City was 0.2%pa ranking it number 31 (decile 5).
- Over the past ten years (2003 to 2013) employment change in Wellington City was 1.3%pa ranking it number 27 (decile 5).

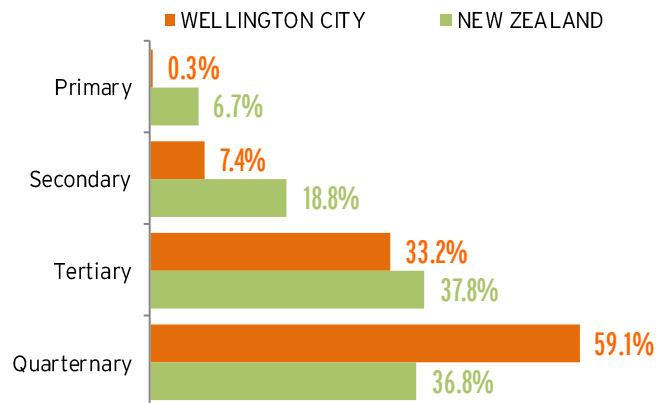
Figure 10. Employment growth over last 1, 2, 5 and 10 years



What is the industrial structure of employment in Wellington City?

This section describes the structure of the labour market in terms of the primary, secondary, tertiary and quarternary categories and the industries that fall within these categories. The primary sector makes direct use of natural resources. It extracts or harvests products from the earth. The secondary sector produces manufactured and other processed goods. The tertiary sector includes the lower value-adding service industries while the quarternary sector includes the higher value-adding, knowledge-based service industries. A list of industries making up the quarternary sector is given in the technical appendix.

Figure 11. Employment by broad sector (2013)



- Quarternary industries accounted for the largest proportion of employment (59.1%) in Wellington City, which is higher than in the national economy (36.8%).
- Tertiary industries accounted for 33.2% of employment which was lower than in New Zealand (37.8%).
- Secondary accounted for 7.4% in Wellington City compared with 18.8% in the national economy.
- Primary accounted for 0.3% in Wellington City compared with 6.7% in the national economy.

Which are the largest employing industries in Wellington City?

This section identifies the broad industries that make the largest contribution to employment in Wellington City.

Table 10. 1-digit industries ranked by size of employment (2013)

Rank	Industry	Wellington City		New Zealand
		Employment	% of total	% of total
1	Professional, Scientific & Technical Services	26,837	17.7%	9.2%
2	Public Administration & Safety	22,236	14.6%	4.7%
3	Health Care & Social Assistance	12,220	8.0%	10.0%
4	Education & Training	11,275	7.4%	8.0%
5	Accommodation & Food Services	10,492	6.9%	6.2%
6	Retail Trade	9,707	6.4%	9.5%
7	Financial & Insurance Services	9,237	6.1%	2.8%
8	Administrative & Support Services	7,954	5.2%	4.8%
9	Information Media & Telecommunications	7,116	4.7%	2.0%
10	Construction	6,128	4.0%	8.0%
11	Other Services	5,917	3.9%	3.8%
12	Transport, Postal & Warehousing	5,356	3.5%	4.2%
13	Manufacturing	4,234	2.8%	10.1%
14	Wholesale Trade	4,135	2.7%	5.2%
15	Arts & Recreation Services	4,083	2.7%	1.8%
16	Rental, Hiring & Real Estate Services	2,237	1.5%	2.3%
17	Electricity, Gas, Water & Waste Services	784	0.5%	0.6%
18	Agriculture, Forestry & Fishing	251	0.2%	6.3%
19	Mining	224	0.1%	0.3%
Total		151,853	100%	100%

- Among broad industries professional, scientific & technical services was the largest employer in Wellington City in 2013, accounting for 17.7% of total employment.
- The second largest employer was public administration & safety (14.6%) followed by health care & social assistance (8%).
- The industry most highly represented in Wellington City relative to the national economy is public administration & safety. This industry accounts for 14.6% of the district's employment compared with 4.7% to the national economy.
- The next most highly represented industries are information media & telecommunications (4.7% compared with 2.0% nationally) and financial & insurance services (6.1% compared with 2.8% nationally).

Table 11 on the following page shows the 50 detailed industries among the approximately 500 7-digit ANZSIC industry categories which employ the highest number of people in Wellington City.

- Central Government Administration was the largest 7-digit industry in Wellington City in 2013 employing 12,626 persons and accounting for 8.3% of total employment in the district. By contrast this industry accounted for 1.2% of total employment in the national economy.
- The second largest employing industries were computer systems design & related services (6,948) followed by corporate head office management services (5,394).

Table 11. 50 largest employing 7-digit ANZSIC industries (2013)

Rank	Industry	Wellington City		New Zealand
		Jobs	% of total	% of total
1	Central Government Administration	12,626	8.3%	12%
2	Computer Systems Design & Related Services	6,948	4.6%	15%
3	Corporate Head Office Management Services	5,394	3.6%	12%
4	Banking	4,511	3.0%	1.1%
5	Hospitals (except Psychiatric Hospitals)	4,389	2.9%	2.9%
6	Cafes & Restaurants	4,308	2.8%	2.5%
7	Higher Education	4,089	2.7%	15%
8	Management Advice & Other Consulting Services	3,814	2.5%	15%
9	Supermarket & Grocery Stores	2,747	1.8%	2.5%
10	Legal Services	2,202	1.4%	0.8%
11	Accounting Services	2,061	1.4%	1.0%
12	Regulatory Services	2,054	1.4%	0.3%
13	Wired Telecommunications Network Operation	1,925	1.3%	0.3%
14	Engineering Design & Engineering Consulting Services	1,906	1.3%	1.0%
15	Accommodation	1,890	1.2%	1.3%
16	Primary Education	1,753	1.2%	2.2%
17	Labour Supply Services	1,637	1.1%	1.2%
18	Employment Placement & Recruitment Services	1,605	1.1%	0.4%
19	Catering Services	1,593	1.0%	0.5%
20	Other Social Assistance Services	1,574	1.0%	0.9%
21	Justice	1,521	1.0%	0.2%
22	Police Services	1,487	1.0%	0.5%
23	Other Allied Health Services	1,487	1.0%	1.3%
24	Buildings Cleaning Services	1,471	1.0%	1.0%
25	Secondary Education	1,425	0.9%	1.6%
26	Other Administrative Services n.e.c.	1,398	0.9%	0.6%
27	Other Auxiliary Finance & Investment Services	1,394	0.9%	0.4%
28	Pubs, Taverns & Bars	1,383	0.9%	0.6%
29	Takeaway Food Services	1,224	0.8%	1.0%
30	Other Interest Group Services n.e.c.	1,178	0.8%	0.5%
31	House Construction	1,168	0.8%	1.4%
32	Aged Care Residential Services	1,106	0.7%	1.4%
33	Business & Professional Association Services	1,084	0.7%	0.1%
34	Local Government Administration	1,076	0.7%	0.9%
35	Investigation & Security Services	1,053	0.7%	0.4%
36	Clothing Retailing	1,042	0.7%	0.7%
37	Real Estate Services	993	0.7%	0.9%
38	Motion Picture & Video Production	978	0.6%	0.3%
39	Life Insurance	945	0.6%	0.1%
40	Preschool Education	940	0.6%	1.1%
41	Hairdressing & Beauty Services	899	0.6%	0.6%
42	Postproduction Services & Other Motion Picture & Video Ac	853	0.6%	0.1%
43	Defence	844	0.6%	0.6%
44	Market Research & Statistical Services	839	0.6%	0.2%
45	Other Public Order & Safety Services	808	0.5%	0.1%
46	Religious Services	806	0.5%	0.4%
47	Technical & Vocational Education & Training	773	0.5%	0.4%
48	Non-Residential Building Construction	761	0.5%	0.5%
49	Architectural Services	757	0.5%	0.3%
50	Adult, Community & Other Education n.e.c.	747	0.5%	0.5%
	All other industries	50,393	33.2%	55.2%
	Total	151,853	100%	100%

Which industries have created the most jobs?

This section investigates which industries have created and lost the most number of jobs in Wellington City. The employment numbers differ from those published in Business Demography by Statistics New Zealand. The reasons for these differences are explained in the technical appendix.

Table 12. 1-digit industries ranked by number of jobs created (2012 -2013)

Rank		Employment		Jobs created	Annual % growth
		2012	2013		
1	Professional, Scientific & Technical Services	25,869	26,837	968	3.7%
2	Public Administration & Safety	21,548	22,236	689	3.2%
3	Financial & Insurance Services	8,938	9,237	299	3.3%
4	Accommodation & Food Services	10,248	10,492	244	2.4%
5	Health Care & Social Assistance	12,035	12,220	185	1.5%
6	Wholesale Trade	4,072	4,135	63	1.5%
7	Mining	167	224	57	34.1%
8	Transport, Postal & Warehousing	5,308	5,356	48	0.9%
9	Agriculture, Forestry & Fishing	211	251	39	18.7%
10	Education & Training	11,259	11,275	16	0.1%
11	Information Media & Telecommunications	7,107	7,116	9	0.1%
12	Electricity, Gas, Water & Waste Services	780	784	4	0.5%
13	Retail Trade	9,714	9,707	-7	-0.1%
14	Rental, Hiring & Real Estate Services	2,245	2,237	-8	-0.3%
15	Manufacturing	4,257	4,234	-24	-0.6%
16	Construction	6,227	6,128	-99	-1.6%
17	Arts & Recreation Services	4,189	4,083	-106	-2.5%
18	Other Services	6,077	5,917	-161	-2.6%
19	Administrative & Support Services	9,075	7,954	-1,121	-12.4%
	Unallocated	1,478	1,433	-45	-3.0%
	Total	150,804	151,853	1,049	0.7%

- Professional, Scientific & Technical Services made the largest contribution to employment growth in Wellington City between 2012 and 2013 with the industry adding 968 jobs.
- The next largest contributor was public administration & safety (689 jobs) followed by financial & insurance services (299 jobs).
- The largest detractor from growth over the year was administrative & support services in which employment declined by 1121.

- Over the past 10 years the broad industries making the largest contribution to employment growth in Wellington City were professional, scientific & technical services (5,955 jobs), public administration & safety (5,698 jobs), and education & training (2,695 jobs).
- The industries making the lowest contribution to employment growth in Wellington City were administrative & support services (-1,900 jobs), manufacturing (-1,722 jobs), and wholesale trade (-568 jobs).

Table 13. Job creation by broad industries: last 1, 2, 5 and 10 years

Industry	Last year	Last 2 years	Last 5 years	Last 10 years
	12 to 13	11 to 13	08 to 13	03 to 13
Agriculture, Forestry & Fishing	39	40	51	-64
Mining	57	82	88	156
Manufacturing	-24	-206	-1,040	-1,722
Electricity, Gas, Water & Waste Services	4	-72	167	260
Construction	-99	-188	-594	1,062
Wholesale Trade	63	-67	-516	-568
Retail Trade	-7	-52	-714	150
Accommodation & Food Services	244	999	1,194	2,433
Transport, Postal & Warehousing	48	223	-270	610
Information Media & Telecommunications	9	160	841	294
Financial & Insurance Services	299	-444	482	1,030
Rental, Hiring & Real Estate Services	-8	-77	-370	-410
Professional, Scientific & Technical Services	968	1,386	1,119	5,955
Administrative & Support Services	-1,121	-677	-2,379	-1,900
Public Administration & Safety	689	739	1,850	5,698
Education & Training	16	-6	871	2,695
Health Care & Social Assistance	185	417	1,253	1,799
Arts & Recreation Services	-106	9	423	1,021
Other Services	-161	-182	-500	175
Total	1,094	2,084	1,958	18,674

Table 14 on the next page shows the 50 industries (out of a total of approximately 500 industries of the ANZSIC 2006 industry classification¹) that created the most number of jobs over the past year. Table 31 shows the 50 detailed industries that made the lowest contribution to job creation over the same period.

- Text Central Government Administration was the largest creator of jobs in Wellington City between 2012 and 2013 generating an additional 724 positions.
- This was followed by computer systems design & related services (+552 jobs) and banking (+528 jobs).

Table 14. The 50 seven-digit industries that created most jobs between 2012 and 2013

Rank	Industry	Jobs		Change (2012- 2013)	% of total (2013)
		2012	2013		
1	Central Government Administration	11,902	12,626	724	8.3%
2	Computer Systems Design & Related Services	6,396	6,948	552	4.6%
3	Banking	3,983	4,511	528	3.0%
4	Corporate Head Office Management Services	5,019	5,394	375	3.6%
5	Catering Services	1,382	1,593	210	1.0%
6	Other Residential Building Construction	96	295	199	0.2%
7	Other Social Assistance Services	1,401	1,574	174	1.0%
8	Primary Education	1,614	1,753	139	1.2%
9	Justice	1,390	1,521	130	1.0%
10	Defence	719	844	125	0.6%
11	Meat Processing	621	721	100	0.5%
12	Motion Picture & Video Production	879	978	99	0.6%
13	Takeaway Food Services	1,131	1,224	93	0.8%
14	Auxiliary Insurance Services	569	647	78	0.4%
15	Other Publishing (except Software, Music & Internet)	44	120	76	0.1%
16	Liquor Retailing	148	224	75	0.1%
17	Investigation & Security Services	979	1,053	75	0.7%
18	Market Research & Statistical Services	766	839	72	0.6%
19	Road Freight Transport	421	486	65	0.3%
20	Child Care Services	671	732	61	0.5%
21	Higher Education	4,031	4,089	58	2.7%
22	Oil & Gas Extraction	125	179	54	0.1%
23	Fossil Fuel Electricity Generation	0	49	49	0.0%
24	General Line Groceries Wholesaling	30	77	47	0.1%
25	Commission Based Wholesaling	246	292	47	0.2%
26	Other Telecommunications Network Operation	104	151	47	0.1%
27	Supermarket & Grocery Stores	2,701	2,747	46	1.8%
28	Nature Reserves & Conservation Parks Operation	491	535	45	0.4%
29	Clothing & Footwear Wholesaling	154	199	45	0.1%
30	Pubs, Taverns & Bars	1,341	1,383	42	0.9%
31	Other Public Order & Safety Services	770	808	38	0.5%
32	Other Auxiliary Finance & Investment Services	1,357	1,394	37	0.9%
33	Pharmaceutical & Toiletry Goods Wholesaling	86	118	31	0.1%
34	Postproduction Services & Other Motion Picture & Video Activities	823	853	30	0.6%
35	Sport & Camping Equipment Retailing	236	266	30	0.2%
36	Other Residential Care Services	211	239	28	0.2%
37	Other Health Care Services n.e.c.	388	415	26	0.3%
38	General Insurance	606	632	26	0.4%
39	Engineering Design & Engineering Consulting Services	1,880	1,906	26	1.3%
40	Pathology & Diagnostic Imaging Services	237	263	26	0.2%
41	Rail Passenger Transport	301	324	22	0.2%
42	Water Passenger Transport	563	584	22	0.4%
43	Hydro-electricity Generation	3	24	21	0.0%
44	Advertising Services	517	538	21	0.4%
45	Other Building Installation Services	35	55	20	0.0%
46	Air Conditioning & Heating Services	516	535	19	0.4%
47	Urban Bus Transport (Including Tramway)	398	417	19	0.3%
48	Aged Care Residential Services	1,089	1,106	17	0.7%
49	Communications Equipment Manufacturing	52	69	17	0.0%
50	Concreting Services	26	40	15	0.0%
	All other industries	91,359	87,490	-3,869	57.6%
	Total	150,804	151,853	1,049	100%

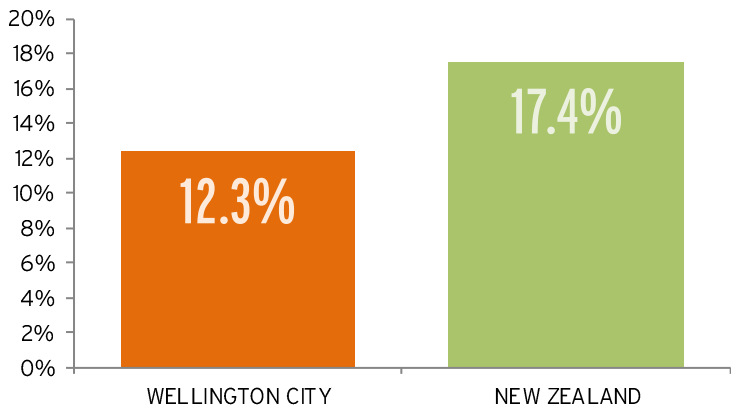
Table 15. The 50 seven-digit industries that lost the most jobs between 2012 and 2013

Rank	Industry	Jobs		Change (2012- 2013)	% of total (2013)
		2012	2013		
1	Office Administrative Services	1,168	705	-463	0.5%
2	Buildings Cleaning Services	1,786	1,471	-314	10%
3	Regulatory Services	2,329	2,054	-276	14%
4	Life Insurance	1,149	945	-204	0.6%
5	Other Administrative Services n.e.c.	1,559	1,398	-161	0.9%
6	Other Allied Health Services	1,646	1,487	-159	10%
7	Non-depository Financing	245	106	-140	0.1%
8	Electrical Services	706	589	-117	0.4%
9	Labour Supply Services	1,752	1,637	-115	1.1%
10	Combined Primary & Secondary Education	630	516	-114	0.3%
11	Book Publishing	374	271	-103	0.2%
12	Non-Residential Building Construction	856	761	-96	0.5%
13	Libraries & Archives	802	729	-73	0.5%
14	Police Services	1,552	1,487	-65	10%
15	Electrical, Electronic & Gas Appliance Retailing	376	315	-61	0.2%
16	Postal Services	474	414	-60	0.3%
17	Accommodation	1,948	1,890	-59	1.2%
18	Credit Reporting & Debt Collection Services	148	91	-58	0.1%
19	Telecommunication Goods Wholesaling	542	486	-56	0.3%
20	Sports & Recreation Venues & Grounds & Operation	435	383	-52	0.3%
21	Adult, Community & Other Education n.e.c.	798	747	-52	0.5%
22	Other Interest Group Services n.e.c.	1,222	1,178	-44	0.8%
23	Cafes & Restaurants	4,351	4,308	-43	2.8%
24	Newspaper Publishing	309	269	-40	0.2%
25	Other Heavy & Civil Engineering Construction	463	425	-38	0.3%
26	House Construction	1,206	1,168	-37	0.8%
27	Other Specialised Design Services	735	698	-37	0.5%
28	Superannuation Funds	57	20	-37	0.0%
29	Clothing Manufacturing	111	79	-33	0.1%
30	Antique & Used Goods Retailing	129	97	-32	0.1%
31	Car Retailing	439	408	-31	0.3%
32	Travel Agency & Tour Arrangement Services	507	476	-31	0.3%
33	Computer & Computer Peripherals Wholesaling	274	244	-30	0.2%
34	Other Automotive Repair & Maintenance	397	370	-27	0.2%
35	Other Goods & Equipment Rental & Hiring n.e.c.	266	240	-26	0.2%
36	Performing Arts Operation	420	395	-26	0.3%
37	Business & Professional Association Services	1,109	1,084	-25	0.7%
38	Local Government Administration	1,100	1,076	-24	0.7%
39	Lifting & Material Handling Equipment Manufacturing	39	16	-24	0.0%
40	Air & Space Transport	653	629	-24	0.4%
41	Electricity Distribution	29	7	-23	0.0%
42	Poultry Processing	50	28	-22	0.0%
43	Performing Arts Venue Operation	250	229	-22	0.2%
44	Architectural Services	778	757	-21	0.5%
45	Footwear Retailing	277	256	-21	0.2%
46	Correctional & Detention Services	182	162	-20	0.1%
47	Fire Protection & Other Emergency Services (except Ambulance & Fire Fighting)	503	483	-20	0.3%
48	Furniture & Floor Coverings Wholesaling	80	61	-19	0.0%
49	Computer & Computer Peripherals Retailing	107	88	-19	0.1%
50	Polymer Film & Sheet Packaging Material Manufacturing	22	3	-19	0.0%
	All other industries	113,465	118,123	4,658	77.8%
		150,804	151,853	1,049	100%

What proportion of the workforce is self-employed in Wellington City?

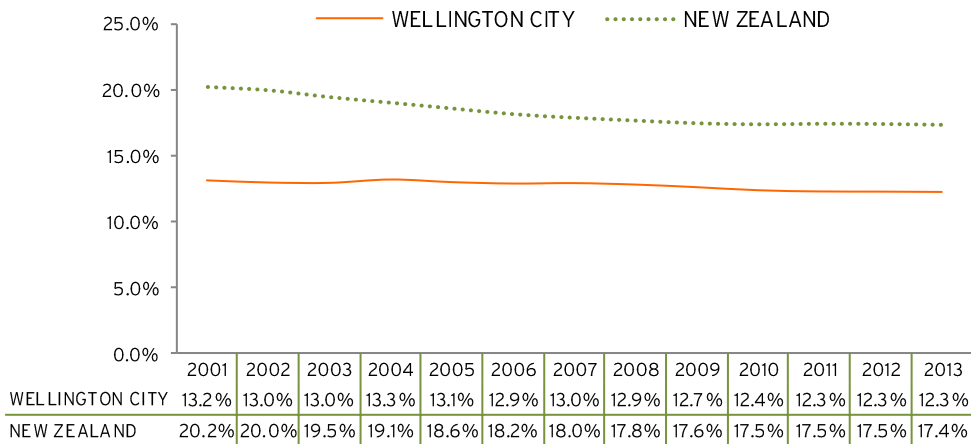
Self-employment makes up a sizeable proportion of total employment in New Zealand although it declined through the economic boom years and stabilised since the recession. This section contrasts self-employment in Wellington City with the national economy.

Figure 12. Self-employment rate (year to March 2013)



- Self-employed workers accounted for 12.3% of the workforce in Wellington City in 2013, which was a lower rate than in the national economy (17.4%).
- A total of 18,693 workers were self-employed in Wellington City in 2013.
- The self-employment rate reached a high of 13.3% in 2004 and a low of 12.3% in 2013.

Figure 13. Self-employment rate (2001-2013)



Which industries have the highest self-employment rate in Wellington City?

Self-employment rates differ across industries with agriculture, construction, and rental, hiring and real estate services typically having high self-employment rates. This section describes self-employment rates by industry in Wellington City.

Table 16. Self-employment by 1-digit industry (2013)

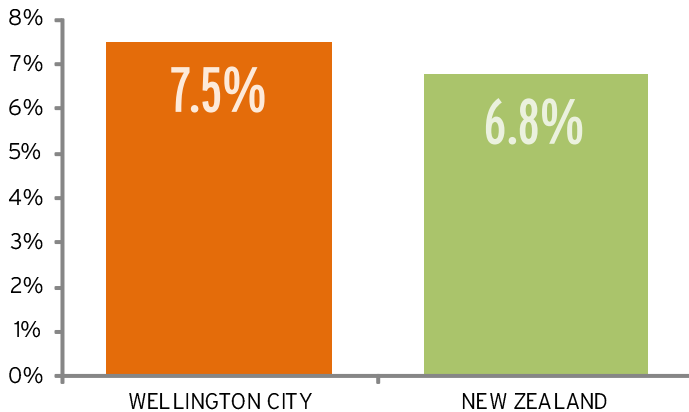
Industry	Wellington City			New Zealand Self-employment rate
	Employees	Self-employed	Self-employment rate	
Agriculture, Forestry & Fishing	125	126	50.3%	37.4%
Mining	221	3	1.3%	4.8%
Manufacturing	3,670	564	13.3%	9.7%
Electricity, Gas, Water & Waste Services	754	30	3.8%	6.1%
Construction	4,190	1,938	31.6%	35.0%
Wholesale Trade	3,736	399	9.6%	12.0%
Retail Trade	8,840	867	8.9%	12.0%
Accommodation & Food Services	9,724	768	7.3%	11.9%
Transport, Postal & Warehousing	4,642	714	13.3%	15.0%
Information Media & Telecommunications	5,262	1,854	26.1%	19.0%
Financial & Insurance Services	8,868	369	4.0%	12.0%
Rental, Hiring & Real Estate Services	1,331	906	40.5%	49.7%
Professional, Scientific & Technical Services	21,296	5,541	20.6%	27.3%
Administrative & Support Services	7,009	945	11.9%	18.0%
Public Administration & Safety	22,035	201	0.9%	3.6%
Education & Training	10,849	426	3.8%	3.3%
Health Care & Social Assistance	11,329	891	7.3%	7.2%
Arts & Recreation Services	3,504	579	14.2%	16.3%
Other Services	5,122	795	13.4%	23.7%
Unallocated	656	777	54.2%	88.9%
Total	133,160	18,693	12.3%	0.0%

- Unallocated had the highest self-employment rate (54.2%) in Wellington City in 2013. This was followed by Agriculture, Forestry & Fishing (50.3%) and Rental, Hiring & Real Estate Services (40.5%).
- Mining had the lowest (1.3%) self-employment rate.

What is Wellington City's unemployment rate?

The unemployment rate is the number of unemployed people expressed as a percentage of the labour force. An unemployed person is someone of working-age who is without work, but is actively seeking employment and is available to immediately begin work. The labour force is the sum of people who are currently in employment and those that are unemployed.

Figure 14. Unemployment rate (year to March 2013)



- The unemployment rate in Wellington City was 7.5% in March 2013, which was higher than the national rate of 6.8%.
- Since 2002 the unemployment rate in Wellington City reached a high of 7.5% in the March 2013 year, and a low of 3.4% in the March 2008 year.

Figure 15. Unemployment rate (2002-2013)

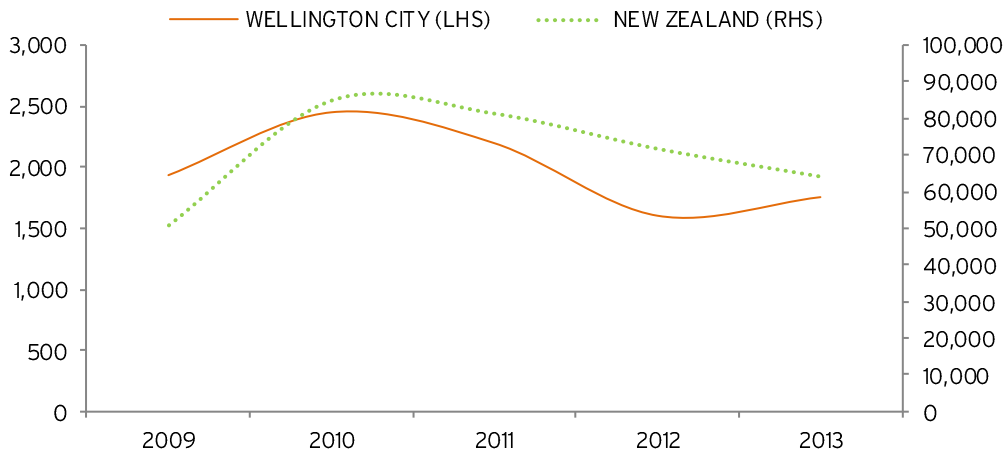


How many unemployment beneficiaries are there in Wellington City?

The number of unemployment beneficiaries in that national economy has fallen significantly since peaking at more than 65,000 in September 2010 following the recent recession. Gradual improvements to the domestic economy will have contributed slightly to this overall downward trend, but with the underlying unemployment rate still elevated, the government’s tightening of benefit eligibility conditions will have also played a significant role.

- There were 1,755 unemployment beneficiaries in Wellington City in March 2013, up from 1,603 in March 2012.
- The number increased by 9.5% over the year to March 2013 compared with a decrease of 10.6% at the national level.

Figure 16. Number of unemployment beneficiaries (2009-2013)

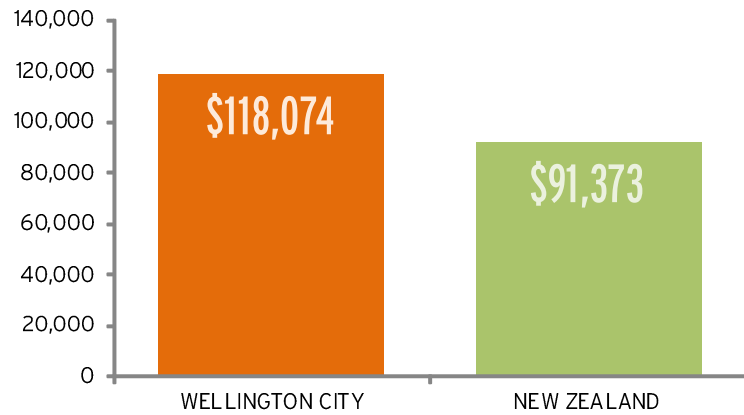


PRODUCTIVITY

Productivity is a way of describing the efficiency of production. In this section, we investigate GDP per employee to determine how much economic activity is generated on average by each employee. When looking at this indicator, one needs to consider that labour is only one input into production. As a result, a comparison of a region's labour productivity growth to its own history or to other districts, implicitly assumes that each worker has the same access to machinery, technology, and land.

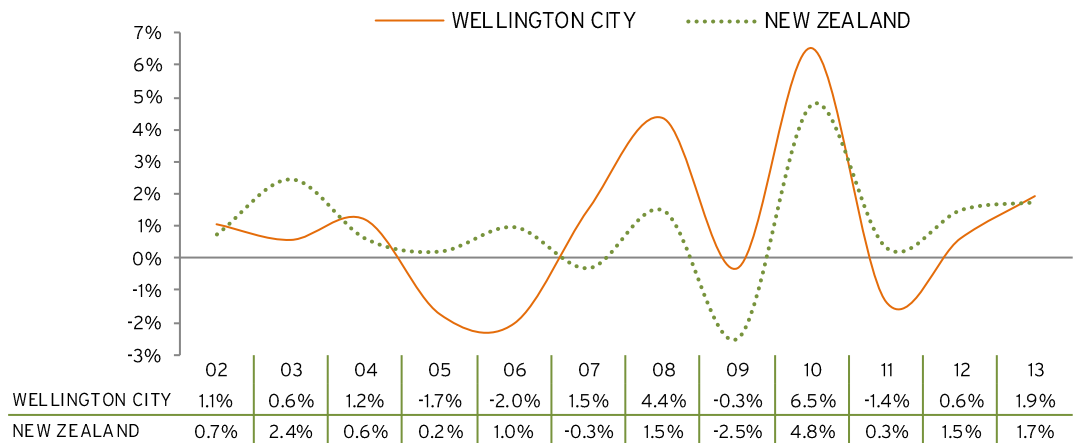
This section describes Wellington City's productivity level during the year to March 2013 and previous years. Productivity is measured by GDP per employee (in constant 2010 prices).

Figure 17. GDP per employee (year to March 2013)



- GDP per employee in Wellington City measured \$118,074 in the year to March 2013, which was 29.2% higher than at the national level.
- Productivity in Wellington City, increased by 1.9% from a year earlier compared with an increase of 1.7% in the national economy.
- Productivity growth in Wellington City averaged 1.0%pa over the last ten years compared with an average of 0.9%pa in the national economy.

Figure 18. Annual average productivity growth (2001-2013)



What are the most productive industries in Wellington City?

This section ranks industries according to their level of GDP per employee in Wellington City. The level of GDP per employee may differ between industries because of the skill levels of workers and their inherent efficiency, as well as due to different amounts of machinery, technology, and land being used as production inputs. Table 22 below ranks broad industries by GDP per employee in Wellington City and shows the corresponding GDP per employee in the national economy. Since the capital intensity of industries is often a significant explainer of productivity we also show the capital intensity of each industry in the table. Capital intensity is measured as the share of GDP which is attributable to capital. Industries with a high proportion are thus highly capital intensive.

Table 17. 1-digit industries ranked by productivity (2013)

Industry	GDP per employee		Capital intensity
	Wellington City	New Zealand	New Zealand
Electricity, Gas, Water and Waste Services	862,513	450,147	0.86
Rental, Hiring and Real Estate Services	641,319	479,421	0.82
Mining	529,064	546,080	0.78
Information Media and Telecommunications	233,813	150,284	0.66
Financial and Insurance Services	224,779	184,373	0.56
Manufacturing	180,187	114,982	0.42
Agriculture, Forestry and Fishing	132,259	81,611	0.41
Public Administration and Safety	111,020	82,851	0.20
Transport, Postal and Warehousing	109,324	92,781	0.40
Wholesale Trade	101,341	93,001	0.42
Arts and Recreation Services	87,063	62,461	0.51
Professional, Scientific and Technical Services	86,921	75,763	0.20
Other Services	74,660	46,607	0.22
Health Care and Social Assistance	66,667	54,786	0.22
Construction	63,217	69,688	0.23
Administrative and Support Services	53,801	41,819	0.20
Education and Training	47,441	50,604	0.22
Retail Trade	41,839	43,492	0.31
Accommodation and Food Services	32,558	31,105	0.29
Total	118,074	91,373	0.42

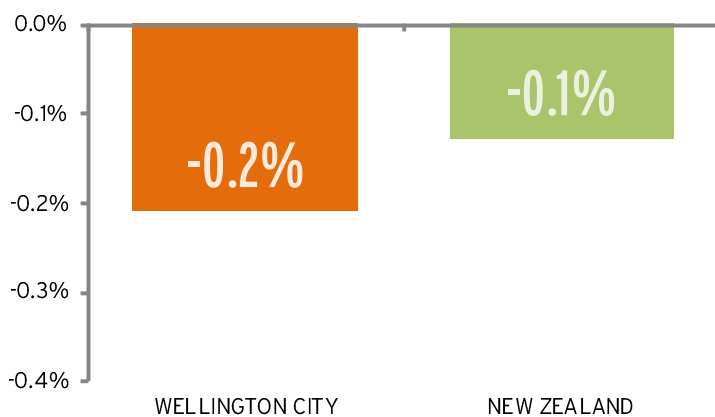
- Electricity, Gas, Water and Waste Services was the industry with the highest GDP per employee in Wellington City in 2013 with GDP per employee of \$862,513.
- The second highest was rental, hiring and real estate services (\$641,319) followed by mining (\$529,064).
- The industries with the lowest GDP per employee were accommodation and food services (\$32,558), retail trade (\$41,839) and education and training (\$47,441).

BUSINESS GROWTH

How fast did the number of business units grow in Wellington City?

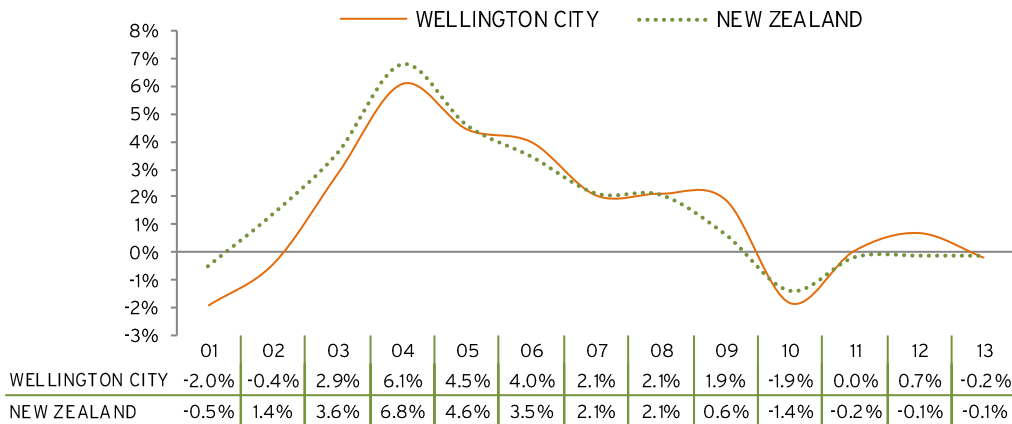
Growth in the number of business units is an indicator of entrepreneurial activity. It indicates an environment in which entrepreneurs are prepared to take risks to start new ventures. This section contrasts Wellington City's recent performance in business unit growth with other regions in the country.

Figure 19. Business unit growth (year to March 2013)



- A total of 25,163 business units were recorded in Wellington City in 2013, down 0.2% from a year earlier.
- The number of business units in New Zealand declined by 0.1% over the same period.
- Growth in the number of business units in Wellington City averaged 1.9%pa over the past 10 years compared with 1.8%pa in the national economy.
- Business unit growth in Wellington City varied from a high of 6.1% in 2004 to a low of -2.0% in 2001.

Figure 20. Annual average business unit growth (2001-2013)

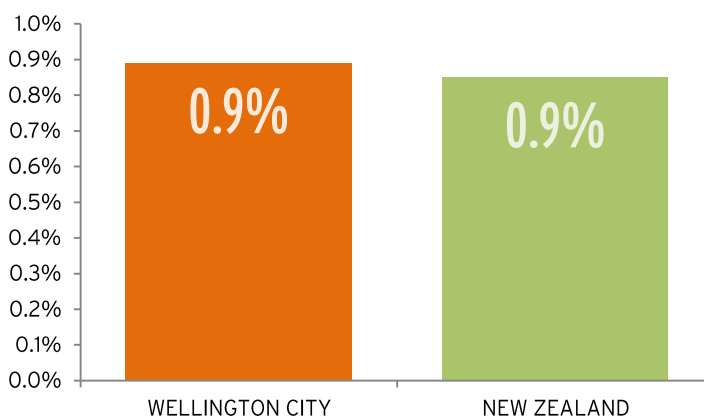


POPULATION GROWTH

How fast has Wellington City's population grown?

Population growth is an indicator of a region's attractiveness as a place to live and work. A strong regional economy with plentiful job opportunities will help a region retain its population and attract new residents from other regions and abroad. This section contrasts Wellington City's recent population growth with other districts and the country as a whole.

Figure 21. Population growth (year to June 2013)



- Wellington City's population was 204,000 in 2013, up 0.9% from a year earlier. New Zealand's total population grew by 0.9% over the same period.
- Population growth in Wellington City averaged 1.3%pa over the last 10 years compared with 1.1%pa in the national economy.
- Since 2000 growth in Wellington City reached a high of 2.5% in 2003 and a low of 0.9%pa in 2013.

Figure 22. Annual population growth (June years)

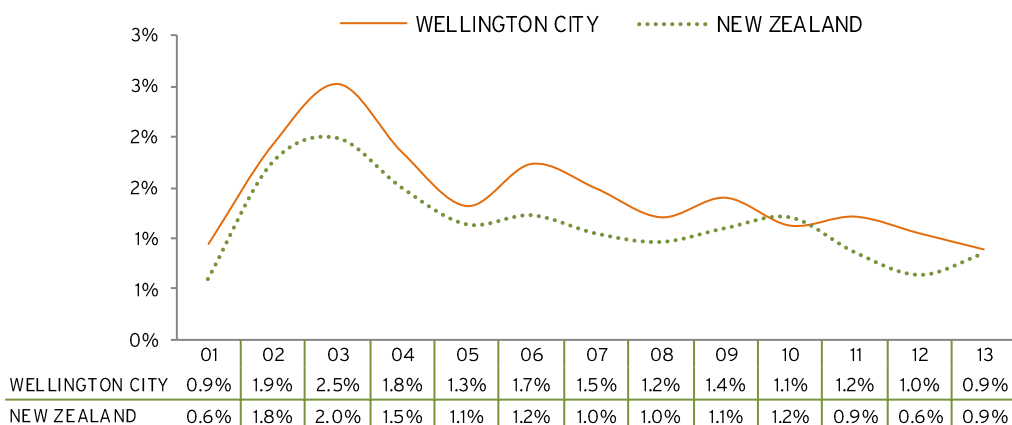
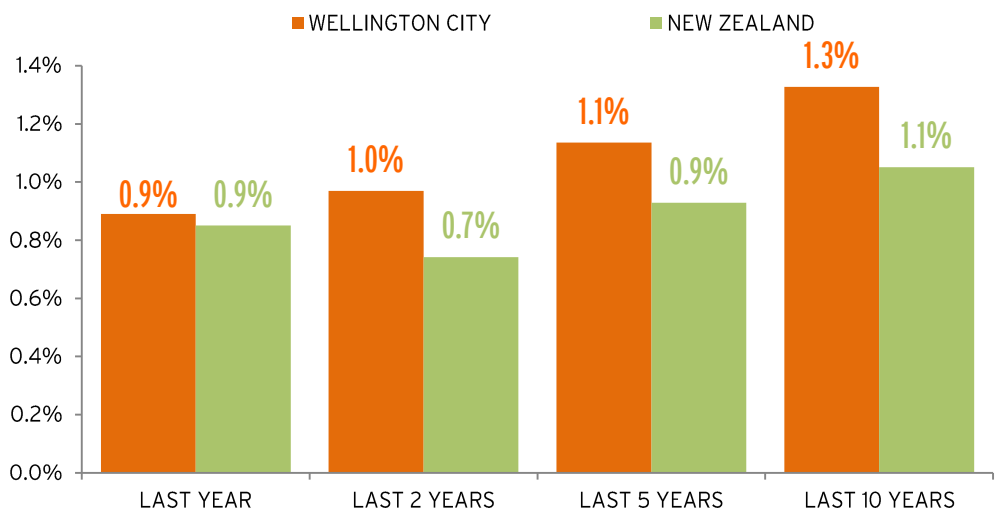


Table 18. Districts ranked by population growth

Rank	2012 to 2013	2011 to 2013	2010 to 2013	2008 to 2013	2003 to 2013			
1	Selwyn	4.5%	Selwyn	3.7%	Selwyn	3.3%	Queenstown-Lakes	4.0%
2	Queenstown-Lakes	3.4%	Queenstown-Lakes	2.6%	Queenstown-Lakes	2.7%	Selwyn	3.6%
3	Waimakariri	3.0%	Waimakariri	2.1%	Waimakariri	1.9%	Waimakariri	2.3%
4	Ashburton	1.6%	Ashburton	1.6%	Ashburton	1.6%	Central Otago	1.8%
5	Central Otago	1.6%	Hamilton City	1.6%	Hamilton City	1.6%	Tauranga City	1.7%
6	Auckland	1.4%	Hurunui	1.5%	Auckland	1.5%	Hamilton City	1.7%
7	Hamilton City	1.3%	Auckland	1.4%	Hurunui	1.3%	Auckland	1.7%
8	Hurunui	1.3%	Central Otago	1.2%	Central Otago	1.3%	Ashburton	1.5%
9	Carterton	1.2%	Carterton	1.1%	Carterton	1.2%	Waikato District	1.4%
10	Tauranga City	1.0%	Wellington City	1.0%	Tauranga City	1.2%	Wellington City	1.3%
11	Waimate	0.9%	Palmerston North	0.8%	Wellington City	1.1%	Western Bay of Plenty	1.2%
12	Timaru	0.9%	Tauranga City	0.8%	Waikato District	1.1%	Hurunui	1.2%
13	Wellington City	0.9%	Waimate	0.7%	Palmerston North	1.0%	Waipa	1.1%
14	Christchurch City	0.8%	Nelson City	0.6%	Nelson City	0.9%	Whangarei	1.1%
15	Manawatu	0.7%	New Plymouth	0.6%	Tasman	0.9%	Kapiti Coast	1.0%
16	Palmerston North	0.7%	Dunedin City	0.6%	Porirua City	0.9%	Tasman	1.0%
17	New Plymouth	0.7%	Porirua City	0.6%	New Plymouth	0.8%	Carterton	0.9%
18	Matamata-Piako	0.6%	Timaru	0.6%	Whangarei	0.8%	Marlborough	0.9%
19	Whangarei	0.6%	Manawatu	0.5%	Waipa	0.7%	Westland	0.8%
20	Westland	0.6%	Tasman	0.5%	Waimate	0.7%	Palmerston North	0.8%
21	Waitaki	0.5%	Whangarei	0.5%	Upper Hutt City	0.7%	Upper Hutt City	0.8%
22	Dunedin City	0.5%	Waikato District	0.5%	Dunedin City	0.7%	Nelson City	0.7%
23	Marlborough	0.4%	Taupo	0.4%	Western Bay of Plenty	0.7%	New Plymouth	0.7%
24	Waipa	0.4%	Southland District	0.3%	Manawatu	0.7%	Hastings	0.6%
25	Nelson City	0.4%	Marlborough	0.3%	Kapiti Coast	0.7%	Waimate	0.6%
26	Tasman	0.4%	Waipa	0.3%	Marlborough	0.6%	Mackenzie	0.6%
27	Porirua City	0.4%	Matamata-Piako	0.3%	Mackenzie	0.6%	Porirua City	0.6%
28	Thames-Coromandel	0.4%	Mackenzie	0.2%	Taupo	0.6%	Manawatu	0.6%
29	Rangitikei	0.3%	Upper Hutt City	0.2%	Timaru	0.6%	Dunedin City	0.5%
30	South Wairarapa	0.3%	Waitaki	0.2%	South Wairarapa	0.5%	Christchurch City	0.5%
31	Waikato District	0.3%	Stratford	0.2%	Matamata-Piako	0.5%	Matamata-Piako	0.5%
32	Taupo	0.3%	Kapiti Coast	0.2%	Invercargill City	0.5%	South Wairarapa	0.5%
33	Hastings	0.3%	Thames-Coromandel	0.2%	Hastings	0.5%	Timaru	0.4%
34	Upper Hutt City	0.2%	Hastings	0.1%	Kaipara	0.5%	Kaipara	0.4%
35	Western Bay of Plenty	0.2%	Gisborne	0.1%	Southland District	0.5%	Taupo	0.4%
36	Kapiti Coast	0.2%	Otorohanga	0.1%	Westland	0.4%	Thames-Coromandel	0.3%
37	Lower Hutt City	0.2%	Hauraki	0.0%	Hauraki	0.4%	Napier City	0.3%
38	Hauraki	0.0%	Western Bay of Plenty	0.0%	Gisborne	0.3%	Hauraki	0.3%
39	Napier City	0.0%	Napier City	0.0%	Waitaki	0.3%	Grey	0.3%
40	Clutha	0.0%	Horowhenua	0.0%	Napier City	0.3%	Kaikoura	0.3%
41	Southland District	0.0%	South Wairarapa	0.0%	Otorohanga	0.2%	Lower Hutt City	0.3%
42	Invercargill City	0.0%	Lower Hutt City	0.0%	Lower Hutt City	0.2%	Far North	0.2%
43	Far North	-0.2%	Westland	-0.1%	Thames-Coromandel	0.2%	Gisborne	0.2%
44	Gisborne	-0.2%	Invercargill City	-0.1%	Stratford	0.2%	Waitaki	0.2%
45	Otorohanga	-0.2%	Far North	-0.2%	Buller	0.2%	Buller	0.2%
46	Stratford	-0.2%	South Taranaki	-0.2%	Masterton	0.2%	Invercargill City	0.2%
47	Wanganui	-0.2%	Masterton	-0.2%	Rotorua	0.1%	Southland District	0.1%
48	Kaipara	-0.3%	Rotorua	-0.2%	Far North	0.1%	Stratford	0.1%
49	Rotorua	-0.3%	Christchurch City	-0.2%	Central Hawke's Bay	0.0%	Rotorua	0.1%
50	Horowhenua	-0.3%	Buller	-0.2%	South Taranaki	0.0%	Central Hawke's Bay	0.1%
51	South Taranaki	-0.4%	Kaipara	-0.3%	Horowhenua	0.0%	Masterton	0.0%
52	Central Hawke's Bay	-0.4%	Gore	-0.4%	Kaikoura	0.0%	Whakatane	0.0%
53	Gore	-0.4%	Whakatane	-0.4%	Grey	0.0%	Horowhenua	0.0%
54	Masterton	-0.4%	Wanganui	-0.5%	Clutha	0.0%	Clutha	-0.1%
55	Mackenzie	-0.5%	Rangitikei	-0.5%	Gore	-0.1%	Otorohanga	-0.2%
56	Whakatane	-0.6%	Clutha	-0.6%	Whakatane	-0.1%	Wanganui	-0.2%
57	Ruapehu	-0.8%	South Waikato	-0.7%	Wanganui	-0.1%	Waitomo	-0.4%
58	Kaikoura	-0.8%	Central Hawke's Bay	-0.7%	Christchurch City	-0.2%	Gore	-0.4%
59	Tararua	-0.9%	Tararua	-0.9%	South Waikato	-0.3%	South Taranaki	-0.4%
60	South Waikato	-0.9%	Grey	-0.9%	Tararua	-0.4%	Tararua	-0.4%
61	Buller	-1.0%	Waitomo	-1.1%	Waitomo	-0.4%	Rangitikei	-0.5%
62	Wairoa	-1.1%	Kaikoura	-1.2%	Rangitikei	-0.4%	South Waikato	-0.6%
63	Waitomo	-1.4%	Ruapehu	-1.3%	Ruapehu	-0.9%	Kawerau	-0.8%
64	Opotiki	-1.4%	Kawerau	-1.6%	Kawerau	-1.0%	Opotiki	-1.0%
65	Grey	-1.4%	Wairoa	-1.8%	Wairoa	-1.0%	Wairoa	-1.2%
66	Kawerau	-2.7%	Opotiki	-2.0%	Opotiki	-1.1%	Ruapehu	-1.2%
	New Zealand	0.9%	New Zealand	0.7%	New Zealand	0.9%	New Zealand	1.1%

- Total population in Wellington City increased by 0.9%pa between 2012 and 2013, which ranks it number 12 among the 66 districts for rate of growth.
- The highest ranking district was Selwyn which grew by 4.5% followed by Queenstown-Lakes (3.4 percentage points)
- Over the last two years Wellington City ranked number 10 with total population increasing by 1%pa between 2011 and 2013.
- Wellington City ranked number 11 over the last five years, with its population increasing by 1.1%pa between 2008 and 2013.
- Over a ten year period Wellington City ranked number 10 with its population increasing by 1.3%pa.

Figure 23. Population growth last 1, 2, 5 and 10 years

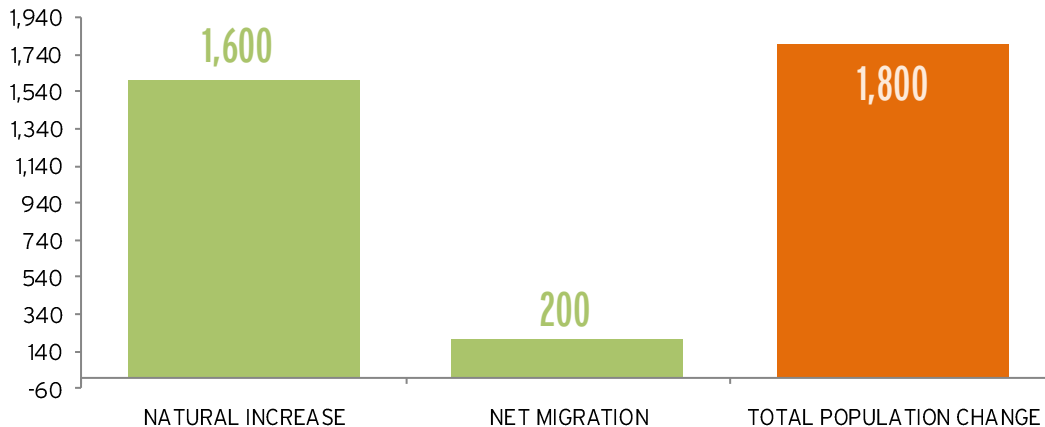


What is the source of Wellington City's population growth?

A region's population can grow through natural growth (births less deaths) and net migration (arrivals less departures). This section describes the relative contributions of these two sources to population growth in Wellington City.

- Wellington City's population increased by 1,800 people in the year to June 2013. This net increase was made up of net migration of 200 and natural increase of 1,600.

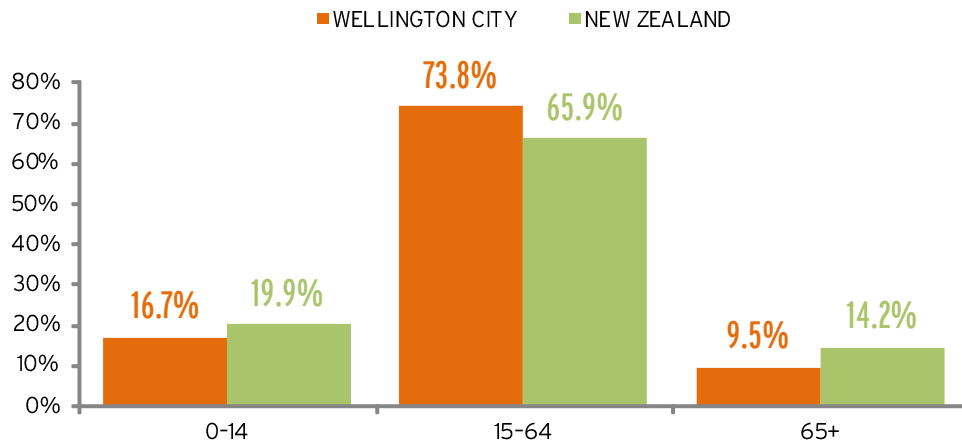
Figure 24. Source of population growth (year to June 2013)



What is the age structure of Wellington City's population?

- Wellington City's median age of 33.8 years in 2013 was significantly lower than the median age of the national population (37.1).
- In 2013, 16.7% of Wellington City's population was of working age (15-64). This was significantly higher than the proportion of the national population (9.5%).
- Wellington City had a significantly lower proportion (16.7%) of young people (0-14) than the country as a whole (19.9%) and a significantly lower proportion (9.5%) of people 65 years and older compared with the national (14.2%). Overall the dependency ratio in Wellington City (35.4%) was lower than in the national economy (51.8%). The dependency ratio expresses the number of persons outside of the working age as a proportion of the number of persons of working age (15 to 64 years).

Figure 25. Age composition of the population (year to June 2013)



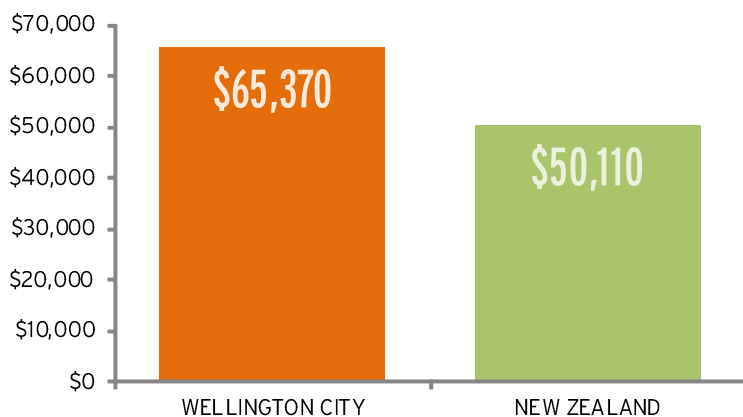
STANDARD OF LIVING

This section describes a few indicators of economic standard of living. It investigates average earnings, house prices and housing affordability. Note that due to data constraints earnings data are provided for the year to March 2012.

What are the median earnings in Wellington City?

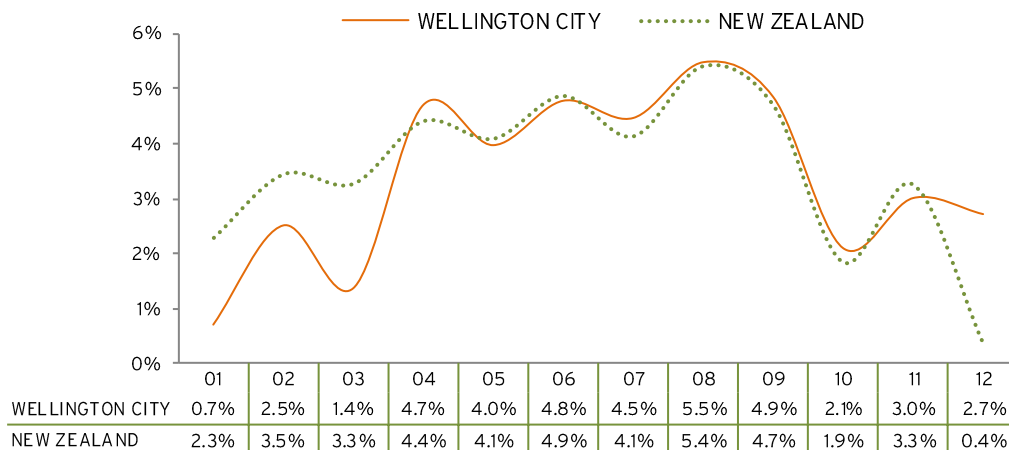
Income earned in the labour market is an important source of household income. This section contrasts Wellington City’s median annual earnings with the country as a whole.

Figure 26. Median annual earnings (year to March 2012)



- The median annual earnings in Wellington City was \$65,370 in the year to March 2012, which was higher than the national median of \$50,110.
- Median earnings in Wellington City increased by 2.7% over the year to March 2012 compared with an increase of 0.4% at the national level.
- Over the last ten years earnings growth in Wellington City reached a maximum of 5.5% in 2008 and a minimum of 0.7% in 2001.

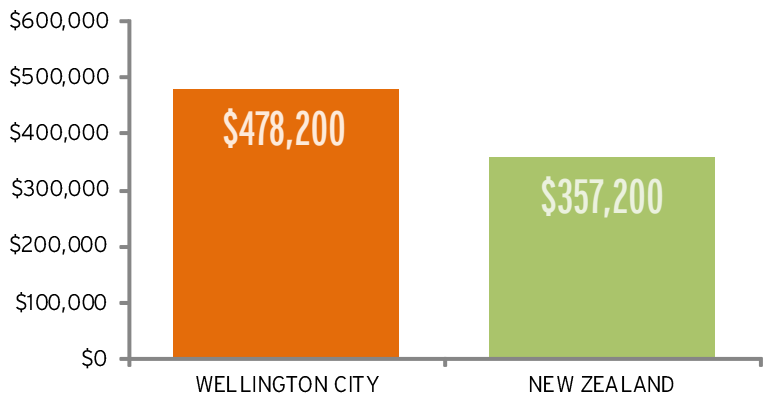
Figure 27. Earnings growth (2001-2012)



How do house prices in Wellington City compare?

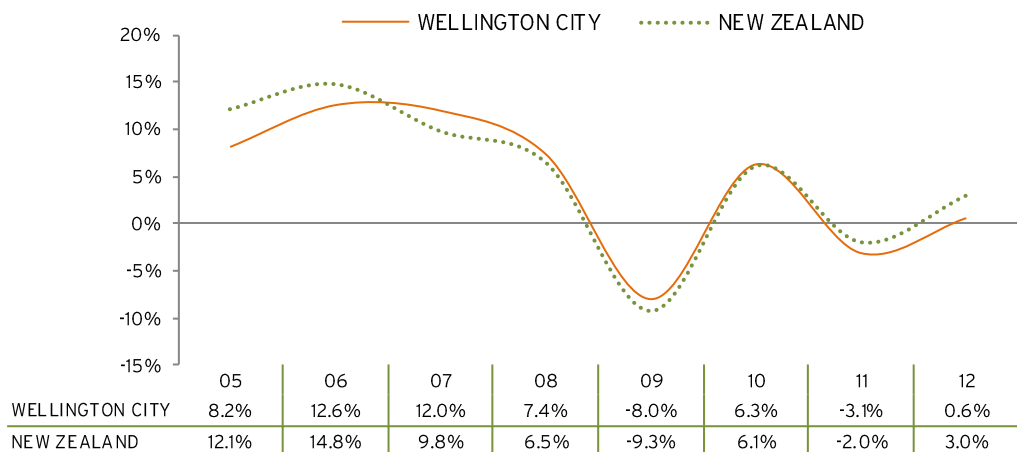
The cost of housing is a major component of household spending. This section describes the cost of housing in Wellington City relative to the rest of the country.

Figure 28. Median house price (year to March 2013)



- The median house price in Wellington City was \$478,200 in 2013, which was 34% higher than the national median of \$357,200.
- House prices in Wellington City declined by 0.0% over the year to March 2013 compared with an increase of 0.0% at the national level.
- Since 2005 house price growth in Wellington City reached a maximum of 12.6% in 2006 and a minimum of -8.0% in 2009.

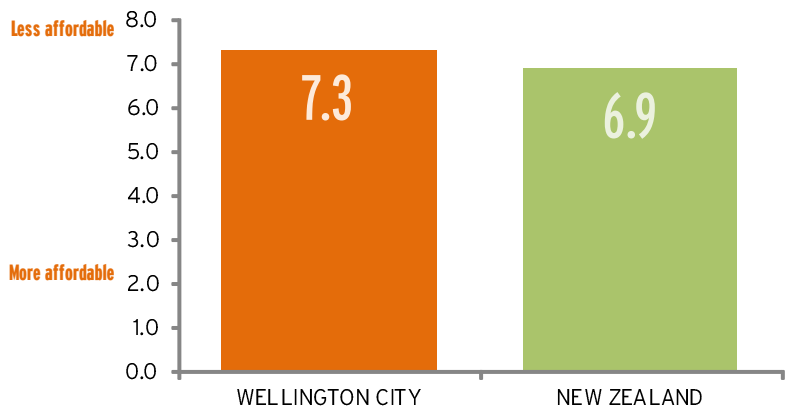
Figure 29. Annual median house price growth (2005-2013)



How affordable is housing in Wellington City?

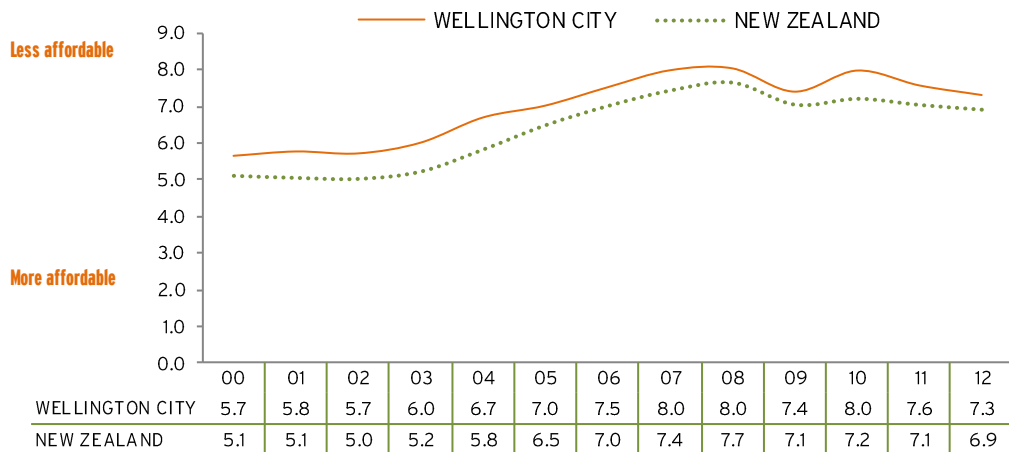
This section investigates the affordability of housing by comparing median house prices with average earnings. We have estimated a housing affordability index which is the ratio of the median house price to annual average earnings measured in the Linked Employer Employee Data. A higher ratio therefore indicates lower housing affordability.

Figure 30. Housing affordability index (year to March 2012)



- The housing affordability index in Wellington City was 7.3 in the year to March 2012, which was higher than the national index of 6.9. This means that housing is less affordable in Wellington City than in the country as a whole.
- Since 2000 housing in Wellington City has become more affordable relative to the national average level.

Figure 31. Housing affordability index (2000-2012)



TECHNICAL NOTES

Time period

This annual profile reports on March years (eg 2013 refers to the 12 months to March 2013) for all indicators except population. Population statistics are presented for the year to June.

Industrial classification

This report uses industry categories from the 2006 Australia New Zealand Standard Industrial Classification (ANZSIC). The ANZSIC is a hierarchical classification with four levels, namely divisions (the broadest level also referred to as 1-digit categories), subdivisions (3-digit), groups (4-digit) and classes (7-digit). There are approximately 500 7-digit industries.

Gross Domestic Product

Gross Domestic Product for each region and district is estimated by Infometrics. The methodology used in this current report differs from that used in previous regional economic profiles. A top down approach breaks national production-based GDP (published by Statistics New Zealand) down to TA level by applying TA shares to the national total. Each TA's share of industry output is based on the share of earnings measured in LEED. This captures differences in productivity between TAs and over time. GDP is measured in 2010 prices. Further details of this methodology can be obtained from Infometrics.

Employment by industry

Employment in this report is measured as an average of the four quarters making up each year.

Regional employment is estimated by Infometrics' Regional Industry Employment Model (RIEM). The model draws heavily on quarterly and annual Linked Employer Employee Data (LEED) and Business Demography (BD) series published by Statistics New Zealand. RIEM differs from BD in that it is a quarterly series (BD is annual) and it includes both employees and self-employed whereas BD only includes employees. Further details of this methodology can be obtained from Infometrics.

Industry sectors

The report uses four broad industry sectors: primary, secondary, tertiary and quaternary. The quaternary sector includes the higher value-adding, knowledge-based service industries which are: Information Media Services, Telecommunications, Internet and Library Services, Finance, Insurance and Superannuation Funds, Auxiliary Finance and Insurance Services, Professional, Scientific and Technical Services, Local Government Administration, Central Government Administration, Defense and Public Safety, Education and Training, and Health Care and Social Assistance.

Unemployment rate

Regional level unemployment rates are sourced from Statistics New Zealand's Household Labour Force Survey. Trends in the number of unemployment beneficiaries at TA level are used to break down regional unemployment rates to TA level.

Earnings

Earnings data are from the quarterly Linked Employer Employee Data. Average annual earnings are the sum of mean earnings for each quarter of full quarter jobs.

House prices

House price levels (dollar value) are sourced from REINZ. The levels are based on median sale prices for the month when the sale and purchase becomes unconditional.

Employment by occupation

Employment in each industry is converted to occupational employment using the relationship between industry and occupational employment observed in various Population Censuses. The Population Census measures the occupational composition of employment in each industry and how this changes over time.

Employment by qualification and field of study

Employment by occupation is converted to employment by qualification using the unique matching between occupation and the five qualification or skill levels used in the Australian New Zealand Standard Classification of Occupations. Fields of study for each combination of occupation and skill are obtained from Population Census. Shares of employment in a particular occupation - skill combination for each field of study can thus be aggregated into demand for labour by skill/qualification.

Business Units

Data on the number of business units are sourced from the Business Demography statistics from Statistics New Zealand.

Population

Demographic statistics are sourced from Statistics New Zealand.

Exports

Lack of regional specific data on exports requires us to employ a modeling approach. The main assumption of our approach is that the industries in the regions have the same export characteristics as those at the national level, i.e., their export orientation (export / gross output ratio) is the same as the national average. The export characteristic of the industry is calculated as an average for the period 2008-2010 and remains constant over time. Thus, an industry's contribution to export growth in a region is different to the country as a whole (or another region) because of the relative importance of the industry in the region compared to the country as a whole (or another region). If a region becomes better represented in an industry with a relatively high export orientation, this industry is expected to make a higher positive contribution to the region's overall export orientation and the latter will improve as a result. We therefore do not account for national level industry specific changes in export orientation nor for regional level industry specific export orientation or changes thereof.

All export estimates are measured in constant 2010 prices.