



Trends

TARANAKI FACTS AND FIGURES

WINTER 2016



WELCOME TO TARANAKI TRENDS FOR WINTER 2016

There's no doubt that Taranaki's economy is feeling the impact of lower global dairy and oil commodity prices. At an economic level challenges can be confronted through innovation and diversification, and continued investment in our most important asset: our people.

The indicators covered in this edition of Taranaki Trends tell a story of a region holding its own. Our visitor numbers for January reflect some of the strongest growth rates in the country, reflecting product development activity undertaken over the past year. A growing understanding of the potential that tourism can bring our region has seen major inroads made in terms of infrastructure, businesses, and export-ready product.

We are seeing net migration growth across all our districts. Retail is tracking steadily, as are business numbers and employment, though maintaining a smart and capable workforce, ready for when dairying and oil and gas prices improve, is emerging as a significant issue for the region.

In this edition we've taken a look at how the region's young Māori will shape Taranaki's future: it is projected that by 2023, 32 percent of Taranaki Māori will be aged under 15 years, compared to 20 percent of the Taranaki population generally. Strategic consideration must be given now to how we can support and enable this future power base.

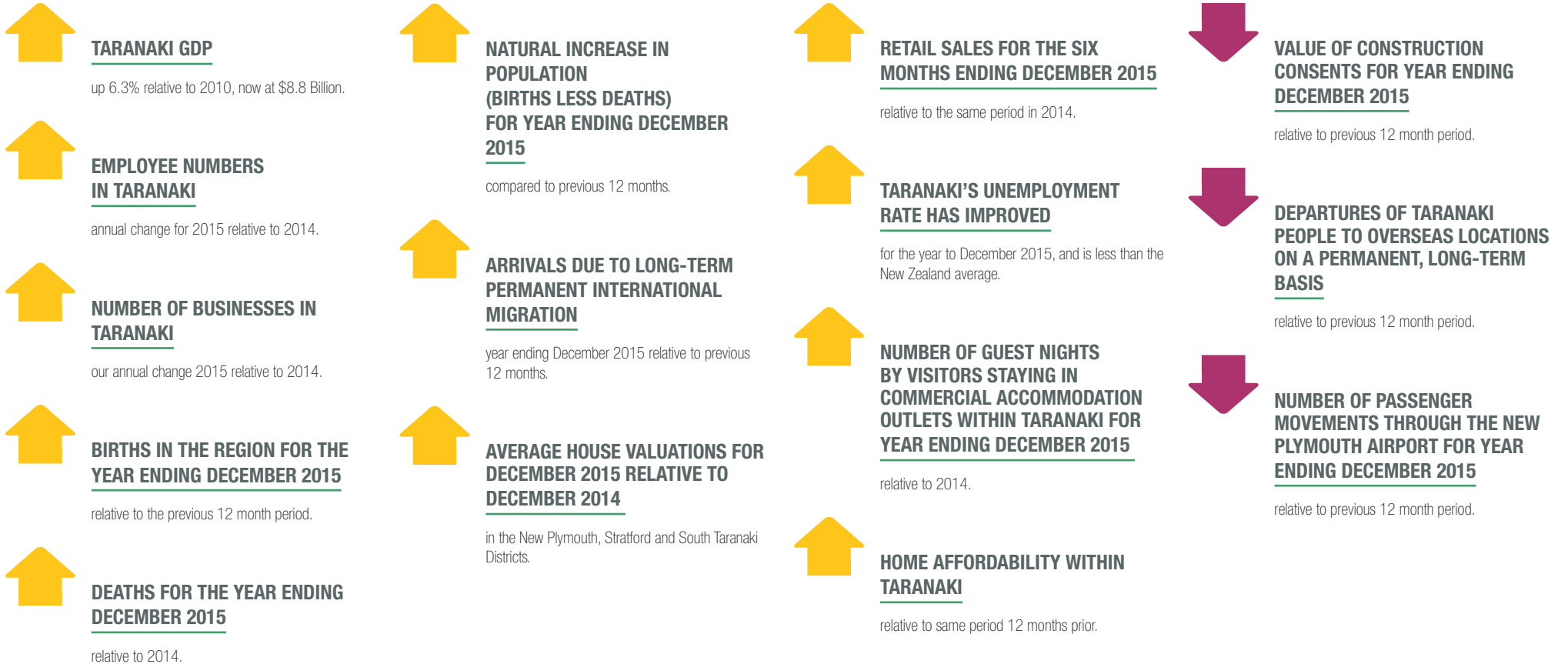
Taranaki is not out of the proverbial woods yet. A focus on innovating and diversifying sectors, markets and products and services must permeate all levels of our regional economy – from small businesses to multinationals, startups to government agencies, leaders to new recruits.

Your link to the region's development agency, Venture Taranaki, has never been more important. If you need help with business, innovation or diversification it's time to get in touch with our experienced team of advisors.

A handwritten signature in blue ink, appearing to read 'Stuart Trundle', written over a horizontal line.

Stuart Trundle
Chief Executive
Venture Taranaki

Economic Summary



Regional Gross Domestic Product (Regional GDP)

REGIONAL GROSS DOMESTIC PRODUCT (GDP) IS A **GEOGRAPHIC BREAKDOWN**

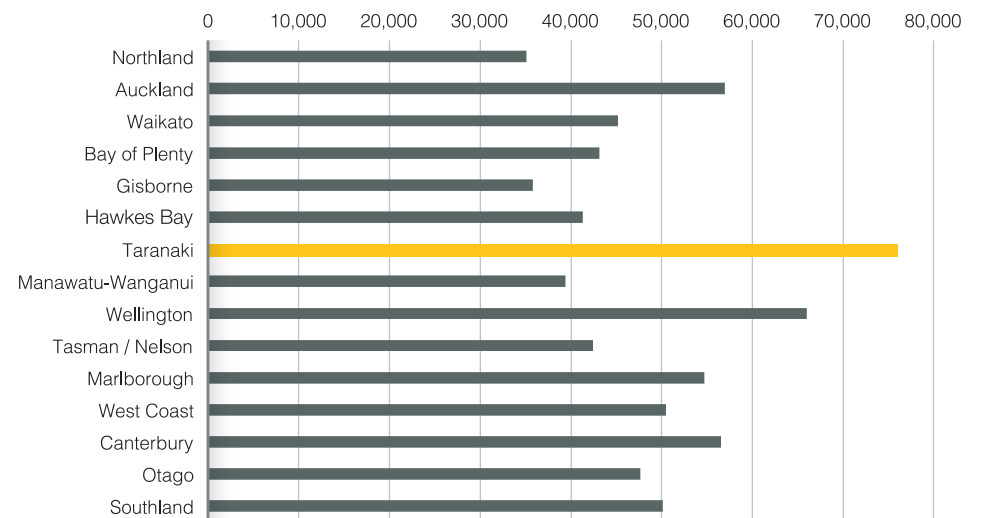
OF NATIONAL-LEVEL GDP, WHICH IS NEW ZEALAND'S OFFICIAL MEASURE OF
ECONOMIC ACTIVITY

THE GDP OF EACH REGION ADDS UP TO THE NATIONAL GDP TOTAL.

TARANAKI'S GDP:

- **TARANAKI GDP: \$8.8 BILLION FOR THE YEAR ENDED MARCH 2015**
- **3.6% OF NEW ZEALAND'S GDP**
- **INCREASED BY 6.3% RELATIVE TO 2010**
- **HAS THE HIGHEST GDP PER CAPITA (\$75,941), FOLLOWED BY WELLINGTON (\$65,974) AND AUCKLAND (\$56,997).**

GDP PER CAPITA \$

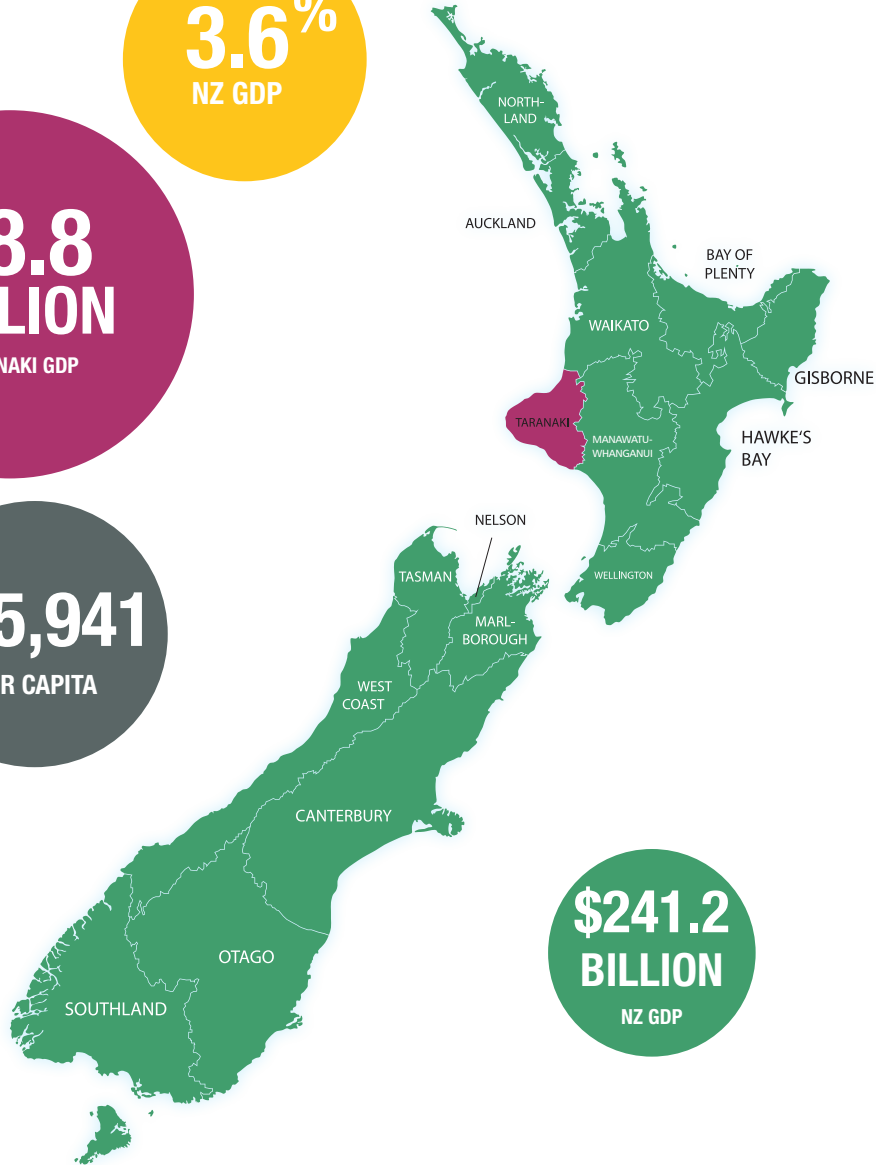


\$8.8 BILLION
TARANAKI GDP

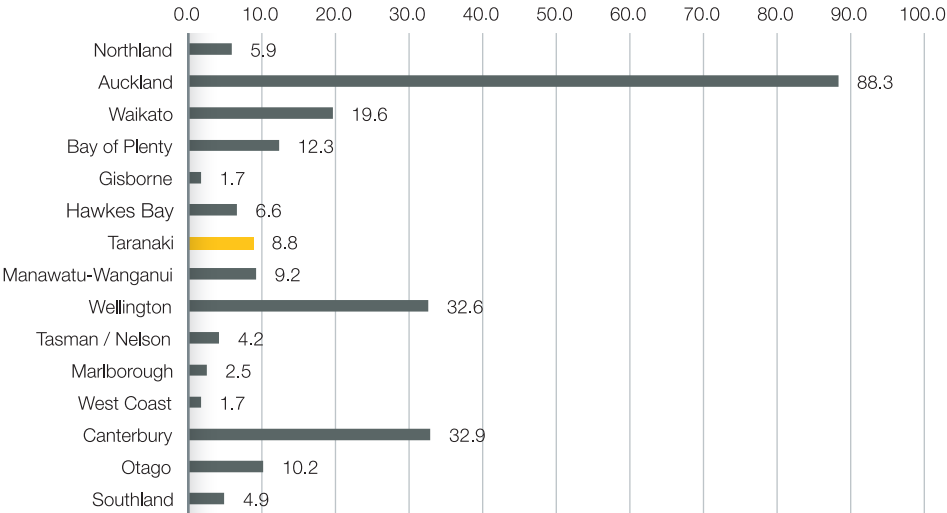
3.6%
NZ GDP

\$75,941
PER CAPITA

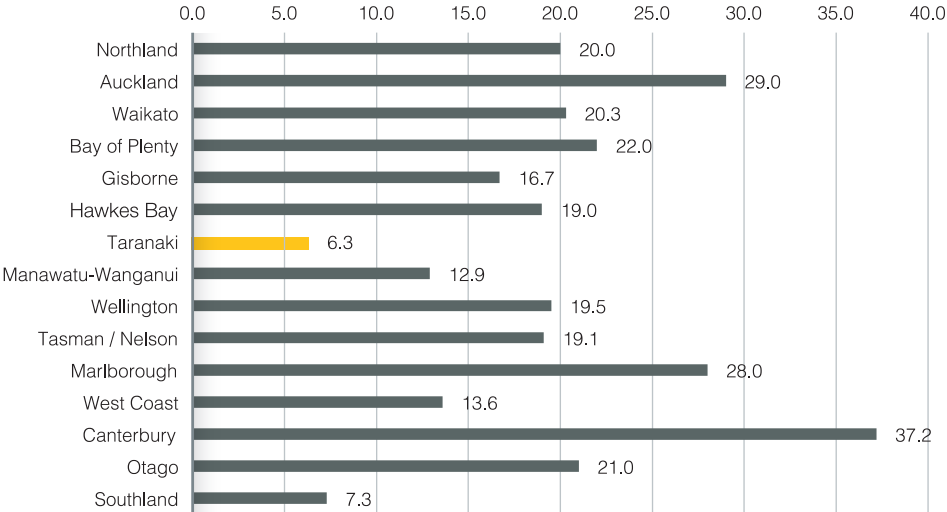
\$241.2 BILLION
NZ GDP



GDP VALUE \$ (BILLION)



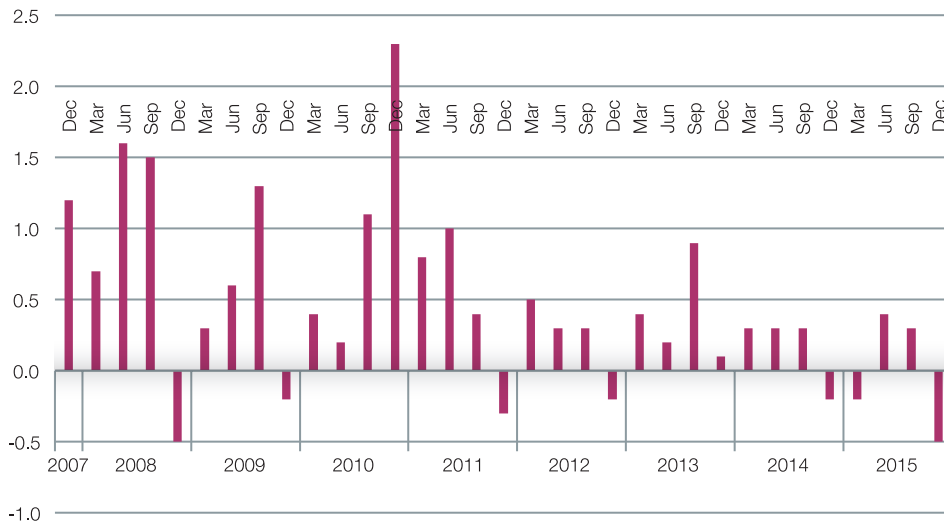
CHANGE IN GDP, 2010 - 2015 (%)



CONSUMER PRICE INDEX (CPI) – NEW ZEALAND



CPI QUARTERLY CHANGE



THE MAIN REASON FOR THE **REDUCTION** IN CPI FOR THE DECEMBER 2015 QUARTER WAS DUE TO THE **DECLINE** IN PETROL PRICES AND SEASONALLY LOWER VEGETABLE PRICES.

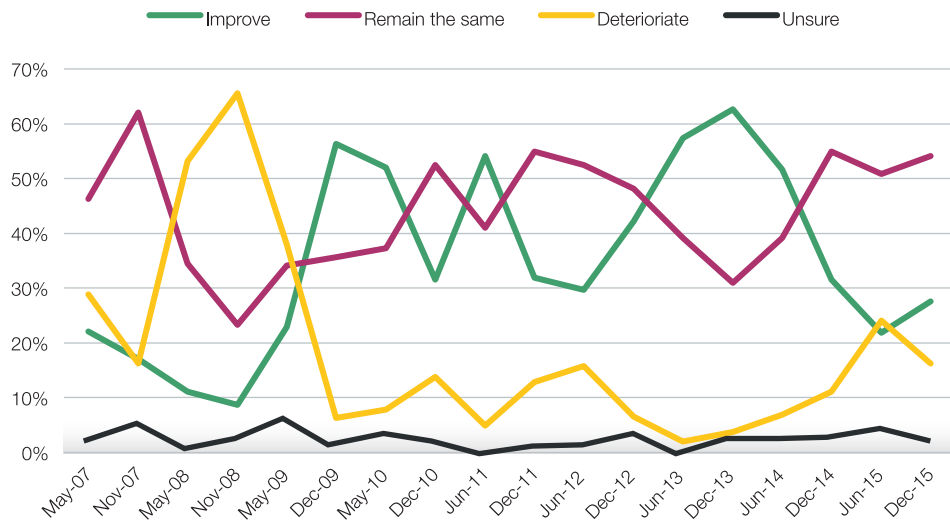
PRICE **INCREASES** OCCURRED IN INTERNATIONAL AIRFARES, NEWLY BUILT HOUSES AND RENTALS FOR HOUSING.

Taranaki Economic Outlook

Airport Movements

1,000 TARANAKI BUSINESSES WERE SURVEYED IN NOVEMBER 2015 REGARDING THE STATE OF THE NEW ZEALAND ECONOMY AND TRADING CONDITIONS FOR THE NEXT 12 MONTHS.

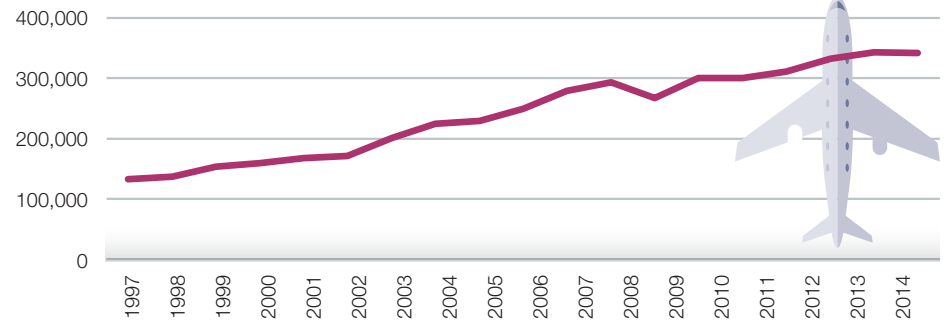
NEW ZEALAND ECONOMIC CONDITIONS – NEXT 12 MONTHS



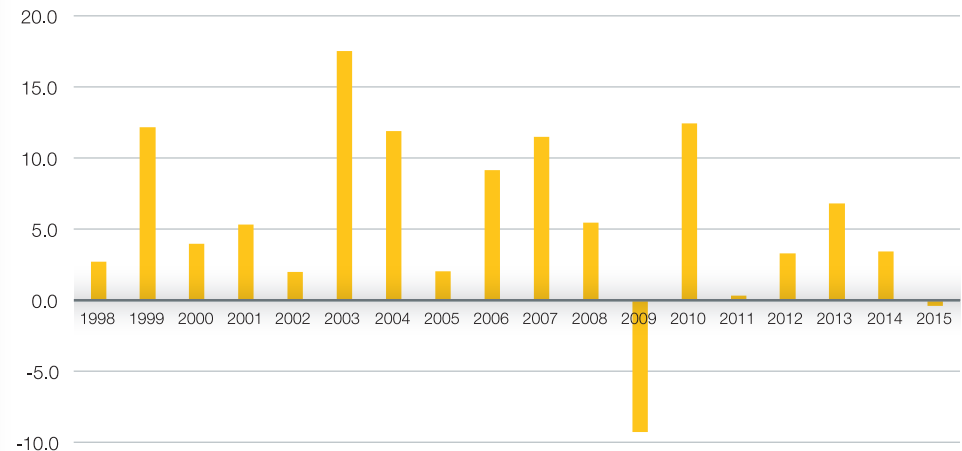
- **28% ANTICIPATED IMPROVEMENT**
- **54% ANTICIPATED THE STATUS QUO WILL PREVAIL**
- **16% PREDICTED DETERIORATION**
- **2% WERE UNSURE**

THE OUTCOME REFLECTED A POSSIBLE GLIMMER OF ANTICIPATED IMPROVEMENT IN THE NEXT 12 MONTHS AFTER TIGHTER TRADING AND EMPLOYMENT CONDITIONS EXPERIENCED IN 2015.

THERE WERE OVER 342,000 PASSENGER MOVEMENTS THROUGH THE NEW PLYMOUTH AIRPORT DURING 2015.



AIRPORT PASSENGER MOVEMENTS - % GROWTH ON PREVIOUS YEAR - YEAR ENDING DECEMBER



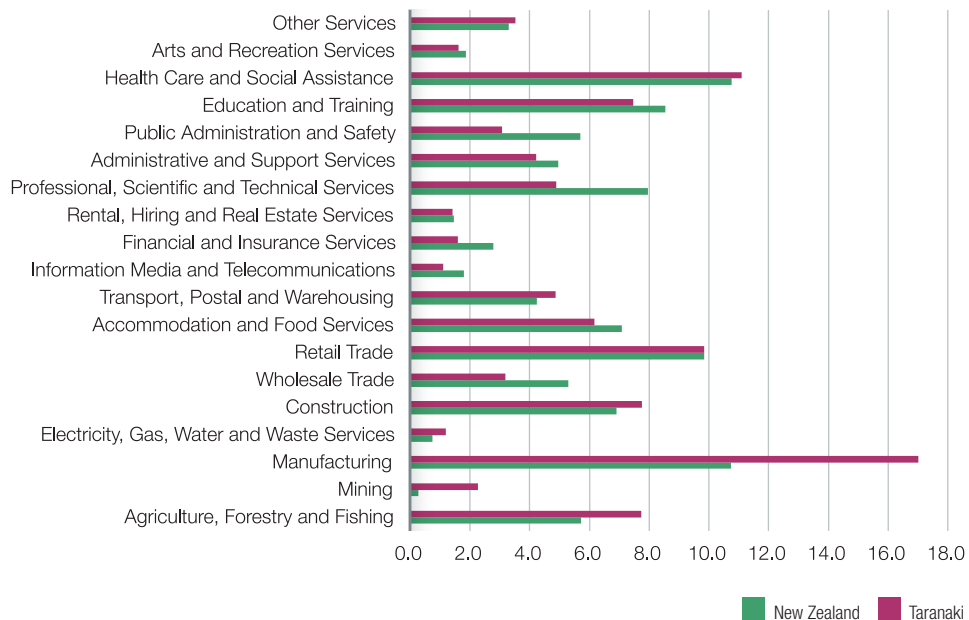
NUMBERS WERE DOWN SLIGHTLY ON THE PREVIOUS YEAR (-0.4%), WHICH IS UNDERSTANDABLE GIVEN THE TIGHTER ECONOMIC CLIMATE.

Business & Employment

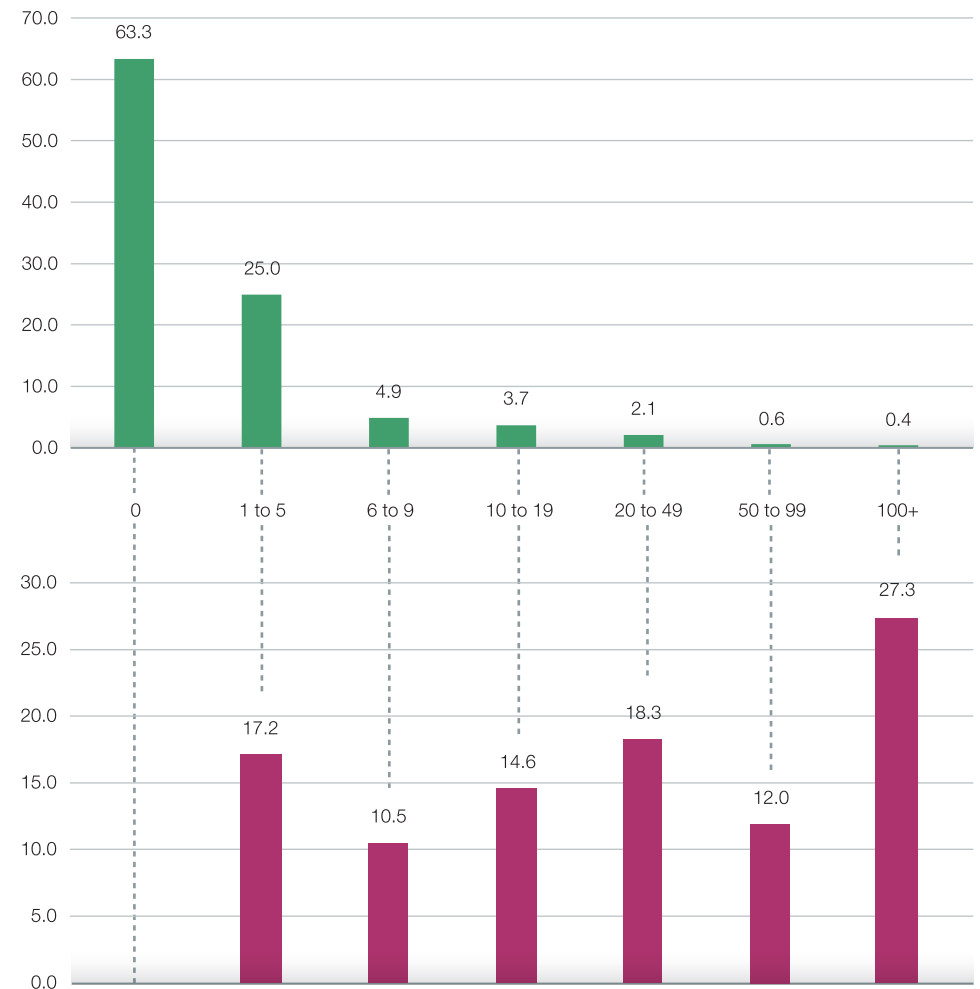
NUMBER OF BUSINESSES IN TARANAKI = 15,153
 EMPLOYEE COUNT IN TARANAKI = 50,960

RELATIVE TO THE NATIONAL AVERAGE,
TARANAKI HAS A MUCH HIGHER
 PERCENTAGE OF PEOPLE WORKING IN AGRICULTURE,
 MANUFACTURING AND THE OIL/GAS INDUSTRY.

TARANAKI V NZ EMPLOYMENT COMPOSITION 2015



% BUSINESSES IN TARANAKI BY SIZE (EMPLOYEES)

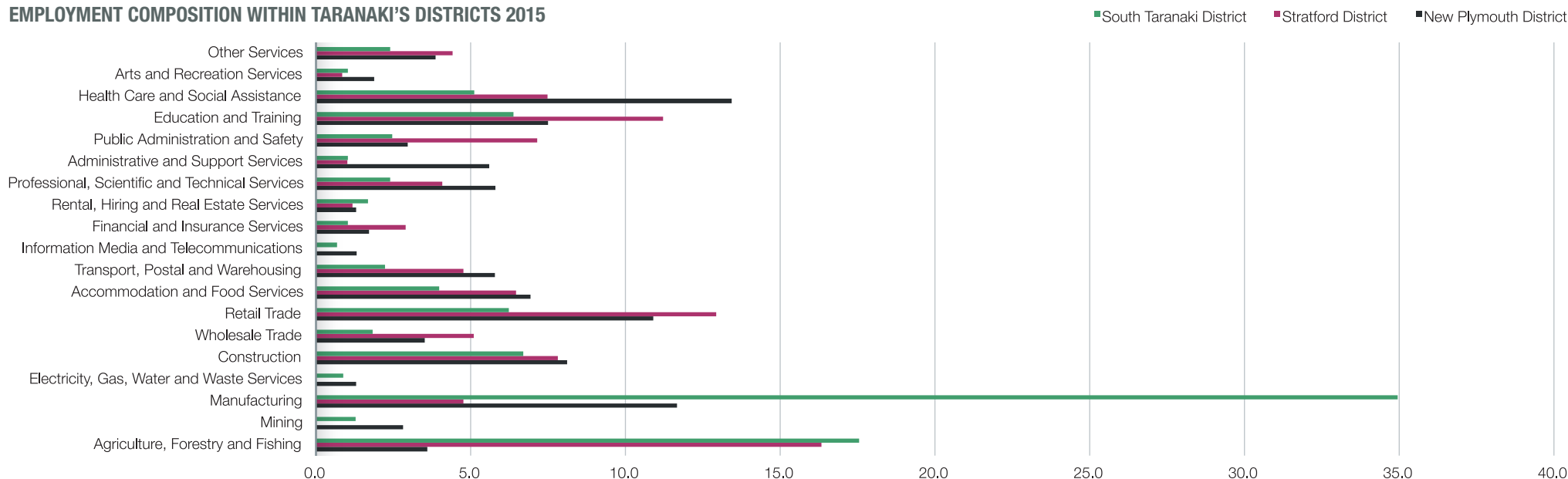


% OF TARANAKI EMPLOYMENT WITHIN BUSINESS BY SIZE

ALTHOUGH LARGE BUSINESSES (EMPLOYING 100+ PEOPLE) COMPRISE ONLY 0.4% OF TARANAKI'S BUSINESS BASE, THEY PROVIDE JOBS FOR 27.3% OF OUR REGIONAL EMPLOYEES.

WITHIN TARANAKI, THERE ARE DISTINCT DIFFERENCES IN EMPLOYMENT BETWEEN THE THREE DISTRICTS. THERE IS A MUCH HIGHER PROPORTION OF PEOPLE WHO WORK IN MANUFACTURING IN SOUTH TARANAKI THAN THERE ARE IN THE NEW PLYMOUTH AND STRATFORD DISTRICTS.

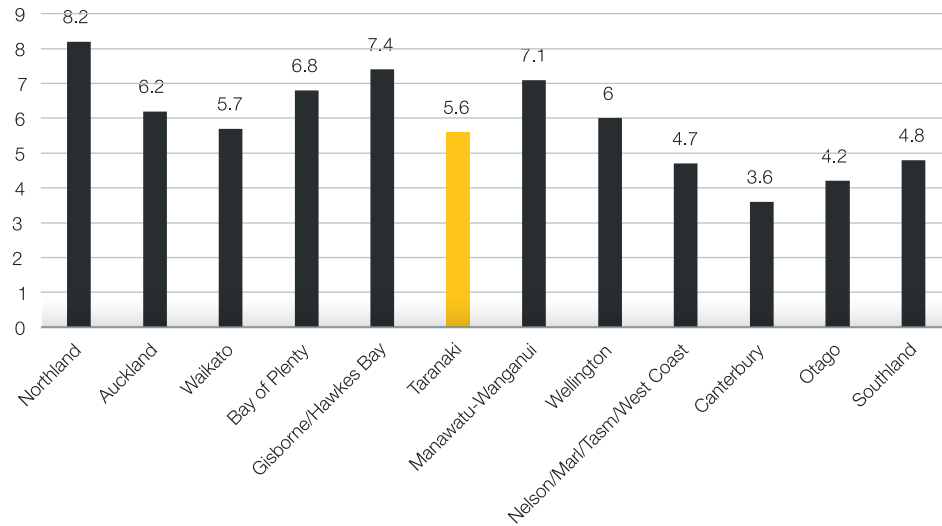
EMPLOYMENT COMPOSITION WITHIN TARANAKI'S DISTRICTS 2015



MORE PEOPLE IN NEW PLYMOUTH WORK WITHIN THE OIL AND GAS INDUSTRY THAN OTHER PARTS OF THE REGION; AND IN STRATFORD, THERE ARE PROPORTIONATELY HIGHER LEVELS OF PEOPLE WORKING IN AGRICULTURE AND RETAILING.

Labour force

UNEMPLOYMENT RATE - REGIONAL COMPARISONS - ANNUAL TO DECEMBER 2015

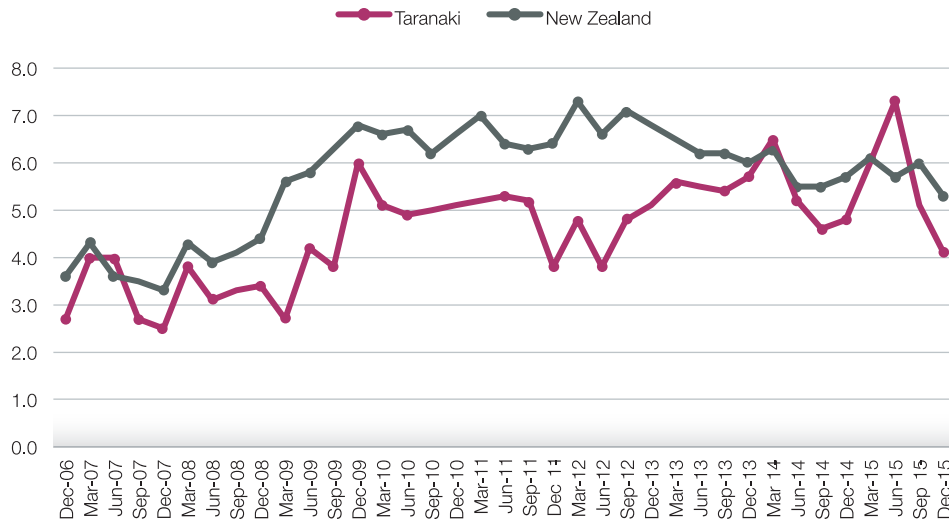


TARANAKI'S ANNUAL UNEMPLOYMENT RATE FOR THE LAST 12 MONTHS (AND DECEMBER QUARTER) IS LOWER THAN THE NATIONAL AVERAGE AND MANY REGIONAL COUNTERPARTS.

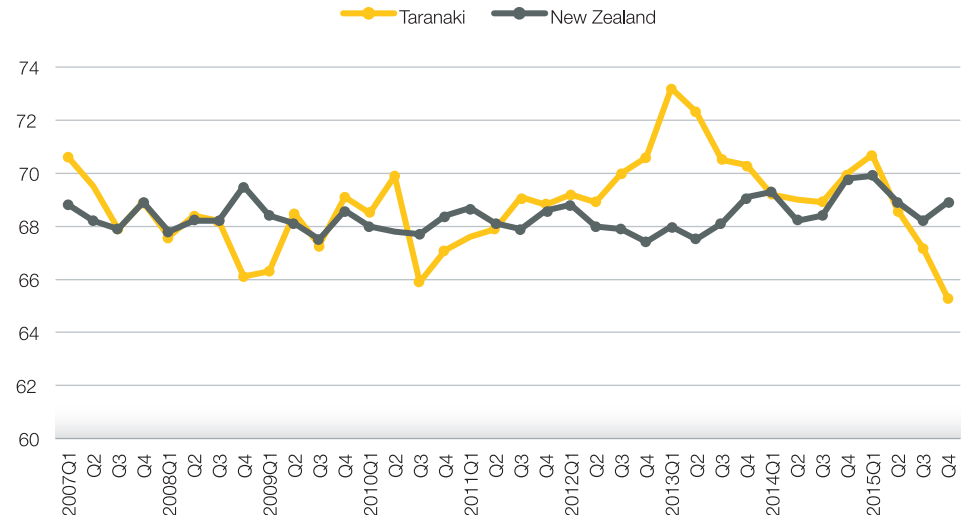


HOWEVER TARANAKI'S LABOUR FORCE PARTICIPATION RATE HAS ALSO DECLINED.

QUARTERLY UNEMPLOYMENT RATE



PARTICIPATION RATE



2016 Employment Forecasts

THE MINISTRY OF BUSINESS INNOVATION & EMPLOYMENT (MBIE) HAS RELEASED EMPLOYMENT FORECASTS FOR 2016-2019. THESE FORECASTS WILL INFORM THE MINISTRY'S RECOMMENDATIONS RELATING TO IMMIGRATION PRIORITIES AND TERTIARY EDUCATION AND INDUSTRY TRAINING OVER THE NEXT TWO-THREE YEARS.

THE REPORT INDICATES THAT NATIONALLY, BETWEEN 2016 AND 2019

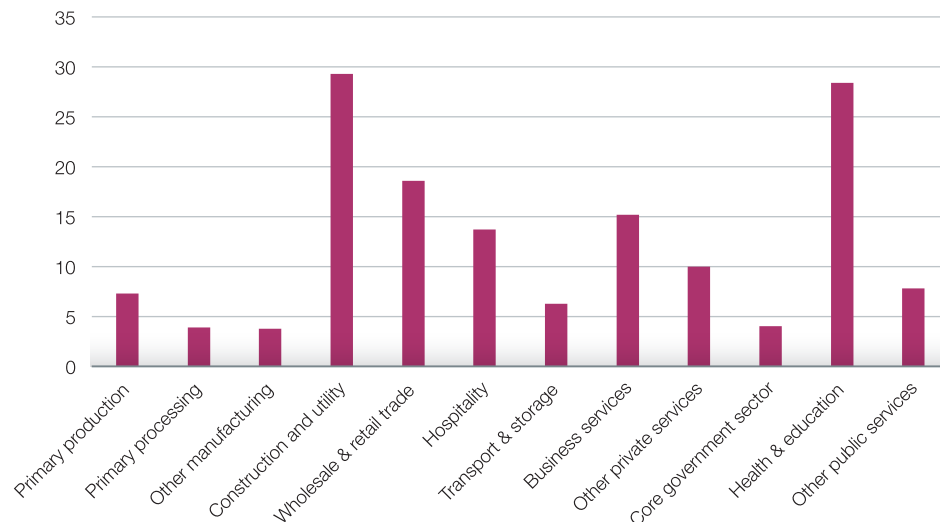
EMPLOYMENT IS FORECAST TO INCREASE BY 148,300

THIS ANALYSIS EXCLUDES JOB OPPORTUNITIES THAT WILL ARISE AS WORKERS RETIRE.

STRONG GROWTH IS EXPECTED

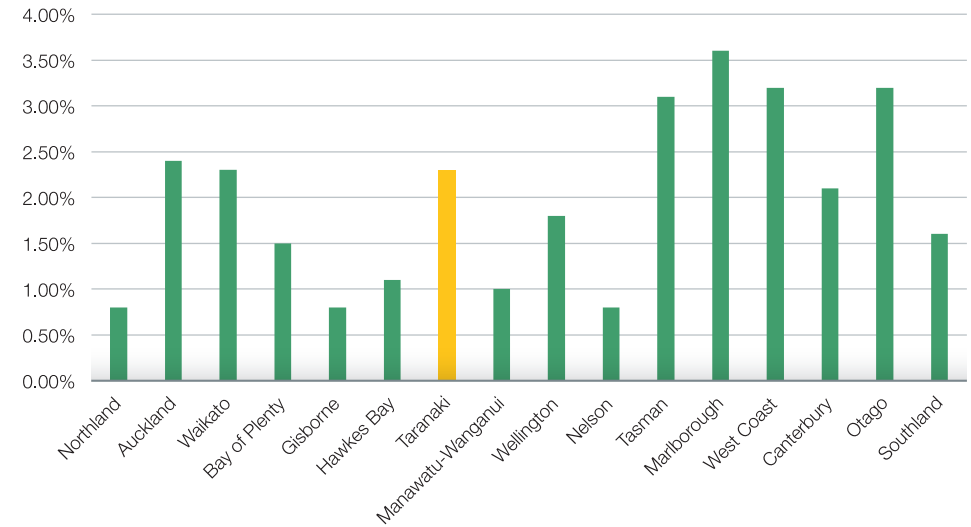
IN THE CONSTRUCTION AND UTILITY INDUSTRIES, ALONG WITH THE HOSPITALITY, WHOLESALE AND RETAIL TRADE AND BUSINESS SERVICES.

FORECAST NEW ZEALAND EMPLOYMENT GROWTH BY INDUSTRY - 2016 - 2019 (000'S)

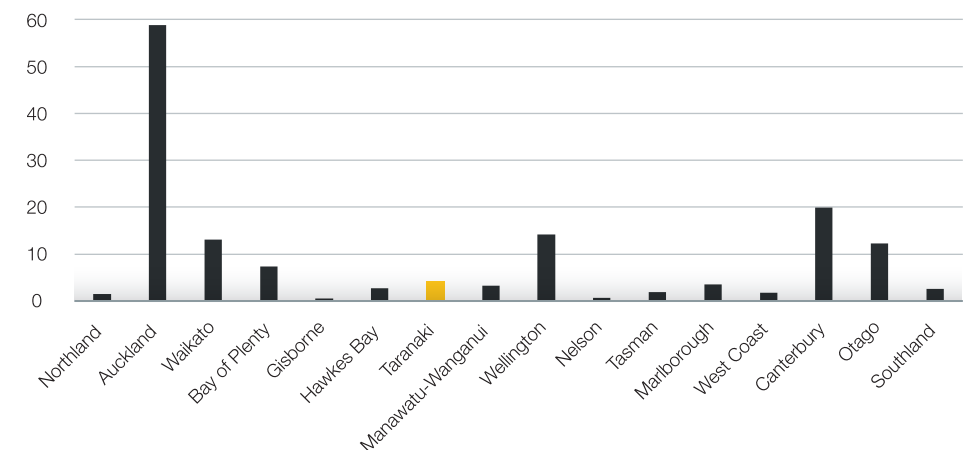


EMPLOYMENT GROWTH 2016-2019 IN TARANAKI, BASED ON THE MBIE ANALYSIS, IS ANTICIPATED TO BE 2.3%.

EMPLOYMENT GROWTH BY REGION 2016 - 2019 %



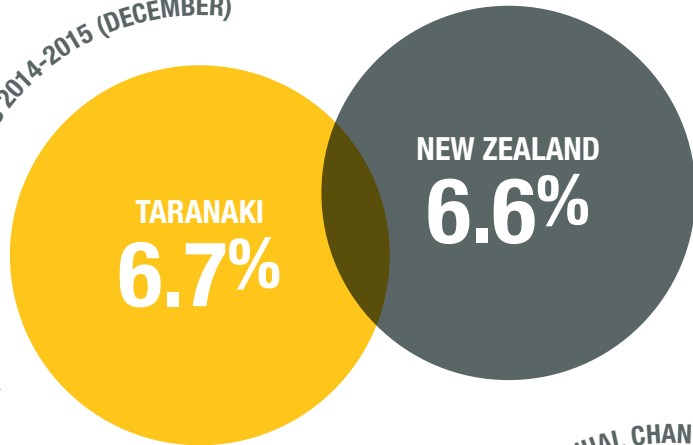
FORECAST NUMBERS IN EMPLOYMENT GROWTH BY REGION 2016-2019 (000'S)



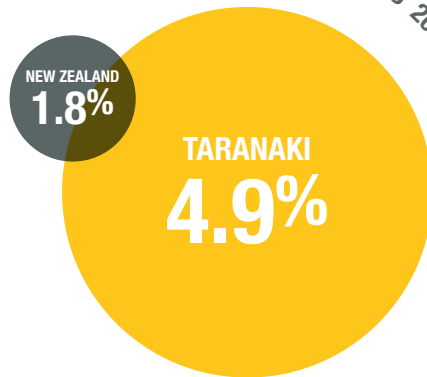
Natural Population Increase

THERE WERE **1,609 BIRTHS** IN TARANAKI DURING 2015 AND 1,010 DEATHS, RESULTING IN A NATURAL POPULATION INCREASE OF 599 PEOPLE. THIS INCREASE IN BIRTHS OCCURRED IN ALL THREE OF TARANAKI'S DISTRICTS.

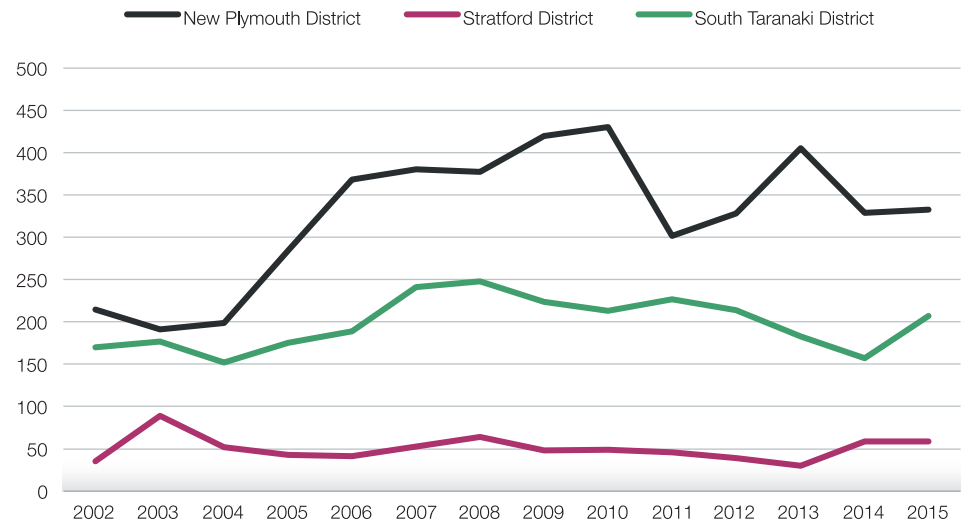
ANNUAL CHANGE IN BIRTHS 2014-2015 (DECEMBER)



ANNUAL CHANGE IN DEATHS 2014-2015 (DECEMBER)



NATURAL POPULATION INCREASE (BIRTHS - DEATHS) YEAR ENDING DECEMBER



THE NATURAL POPULATION **INCREASE** THAT OCCURRED IN TARANAKI DURING 2015 WAS DUE TO THE NUMBER OF BIRTHS EXCEEDING THE NUMBER OF DEATHS. FURTHERMORE TARANAKI'S RATE OF GROWTH IN BIRTHS WAS HIGHER THAN THE NATIONAL AVERAGE FOR THE YEAR ENDING 2015. HOWEVER, THE REGION ALSO RECORDED AN INCREASE IN DEATHS OVER THE PREVIOUS 12 MONTHS, WHICH WAS HIGHER THAN THE NATIONAL AVERAGE.

Māori Population Projections

MĀORI WILL PLAY AN INCREASINGLY IMPORTANT ROLE IN THE FUTURE OF TARANAKI, ESPECIALLY OUR WORKFORCE.

MĀORI IN TARANAKI

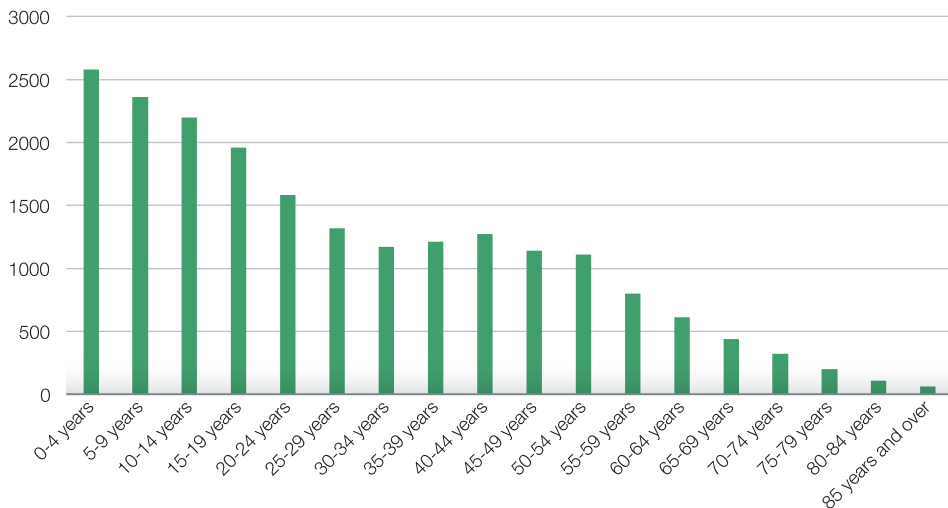
1 IN 3 MĀORI IN TARANAKI ARE CURRENTLY UNDER 15 YEARS OF AGE, ONE IN NINETEEN ARE AGED 65 YEARS AND OVER.

TARANAKI – TOTAL PEOPLE

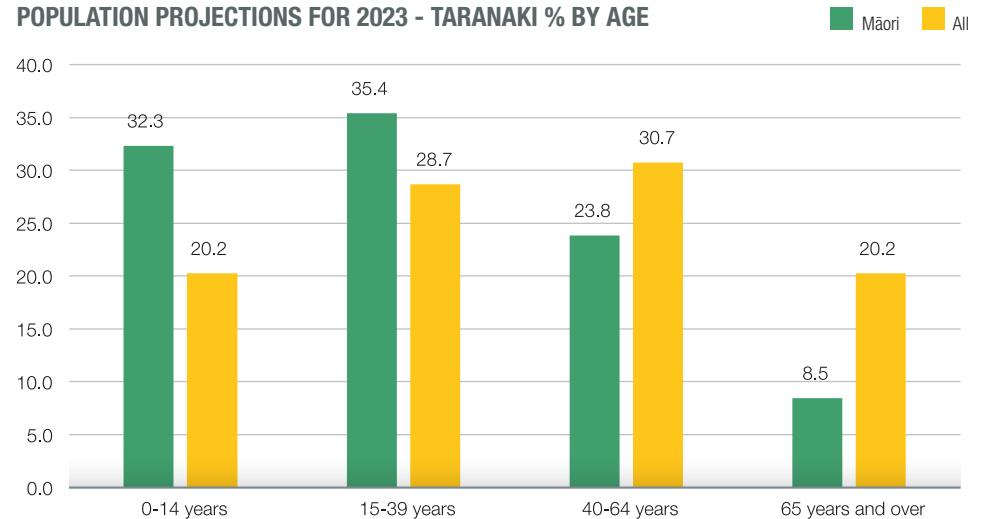
ONE IN FIVE PEOPLE IN TARANAKI ARE CURRENTLY AGED UNDER FIFTEEN YEARS, ONE IN SIX ARE AGED 65 YEARS AND OVER

MĀORI IN TARANAKI - 2013*

*2013 Census



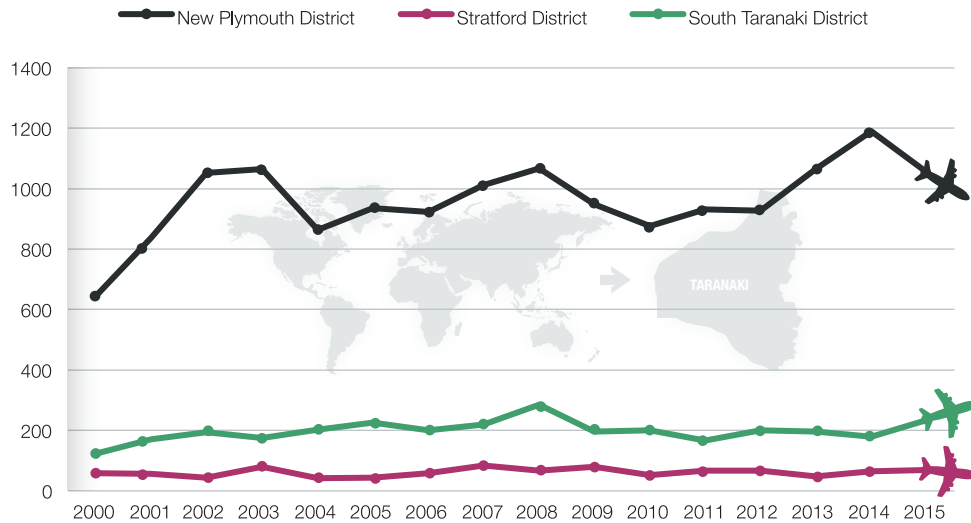
POPULATION PROJECTIONS FOR 2023 - TARANAKI % BY AGE



BY 2023, ALMOST 60% OF MĀORI IN TARANAKI ARE ANTICIPATED TO BE AGED 15-64 YEARS, THUS A CRITICAL COMPONENT OF THE REGION'S WORKFORCE. FURTHERMORE, ALMOST ANOTHER THIRD WILL BE UNDER 15 YEARS, HENCE ACCESS TO, AND PLANNING FOR EDUCATION AND OTHER OPPORTUNITIES WILL BE IMPORTANT.

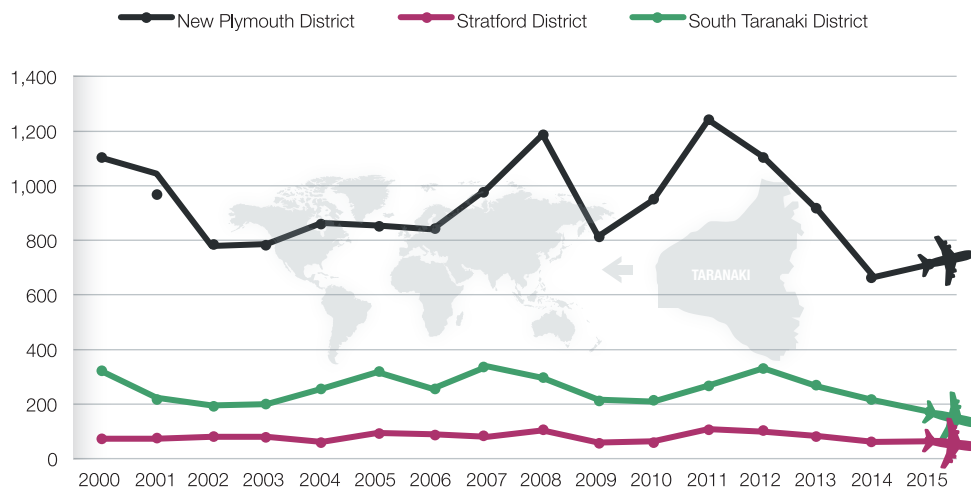
Migration

INTERNATIONAL LONG TERM ARRIVALS ANNUAL TO DECEMBER

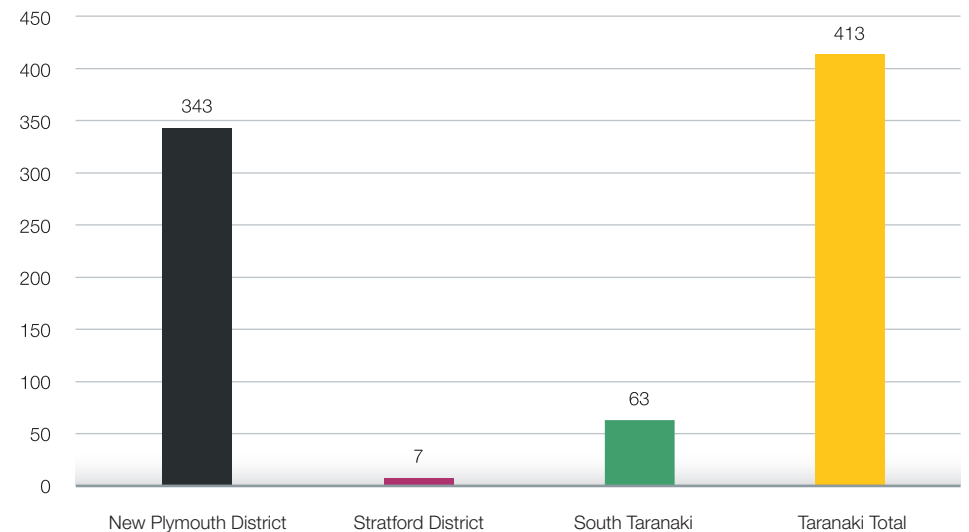


THERE WAS A NET GAIN OF 413 PEOPLE FOR TARANAKI IN 2015, DUE TO INTERNATIONAL ARRIVALS TO THE REGION EXCEEDING INTERNATIONAL DEPARTURES IN ALL THE DISTRICTS. OF NOTE, SOUTH TARANAKI TURNED A NET LOSS RECORDED IN 2014 INTO A NET GAIN OF 63 PEOPLE FOR 2015.

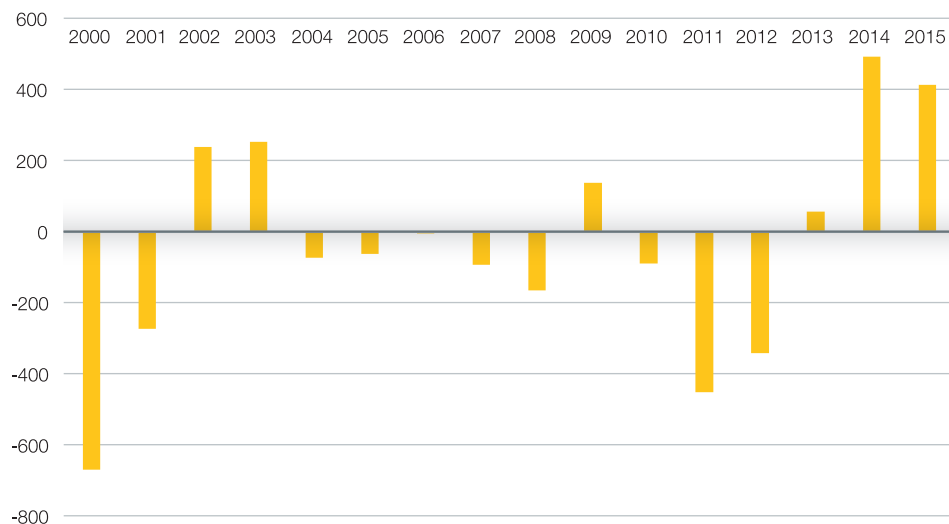
INTERNATIONAL LONG TERM DEPARTURES ANNUAL TO DECEMBER



NET CHANGE - INTERNATIONAL MIGRATION FOR 12 MONTHS TO DECEMBER 2015



NET MIGRATION TARANAKI 2000 - 2015 (YEAR ENDING DEC)

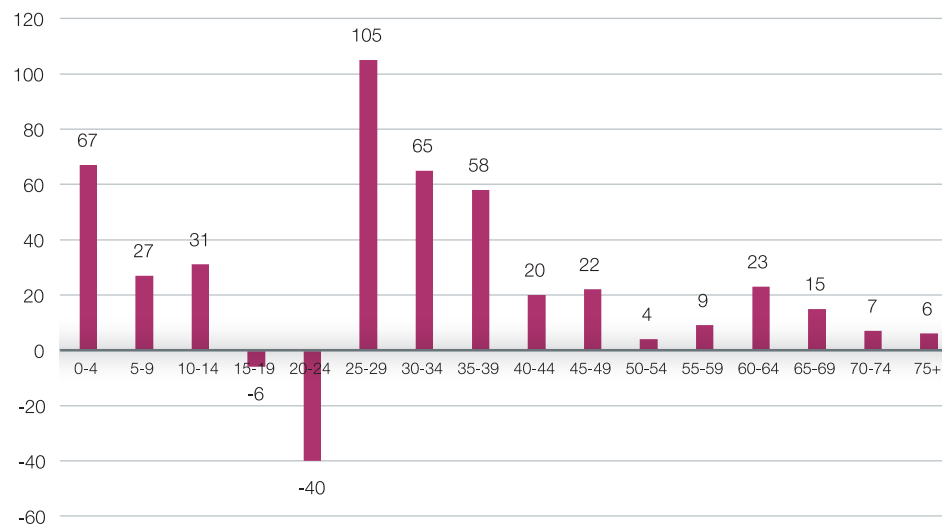


TARANAKI NET MIGRATION 20 - 24 YEAR OLDS FOR 2002 - 2015



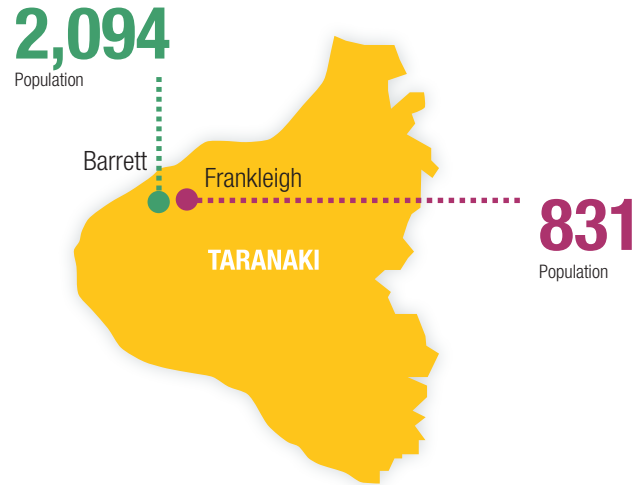
TARANAKI EXPERIENCED A NET GAIN IN MIGRATION IN ALL AGE BRACKETS WITH THE EXCEPTION OF THE 15-19 AND 20-24 AGE BRACKETS. THIS MAY BE DUE TO PEOPLE LEAVING THE REGION TO GAIN INTERNATIONAL WORK EXPERIENCE, STUDY, VISIT COUNTRIES OF INTEREST OR EXTEND LIFE SKILLS.

2015 TARANAKI NET MIGRATION BY AGE - YEAR ENDING DECEMBER



THE NET MIGRATION LOSS OF 20-24 YEAR OLD PEOPLE FROM THE TARANAKI REGION HAS DECLINED IN RECENT YEARS, TO THE EXTENT THAT IN 2015 IT WAS THE LOWEST FOR WELL OVER A DECADE.

About Two Places



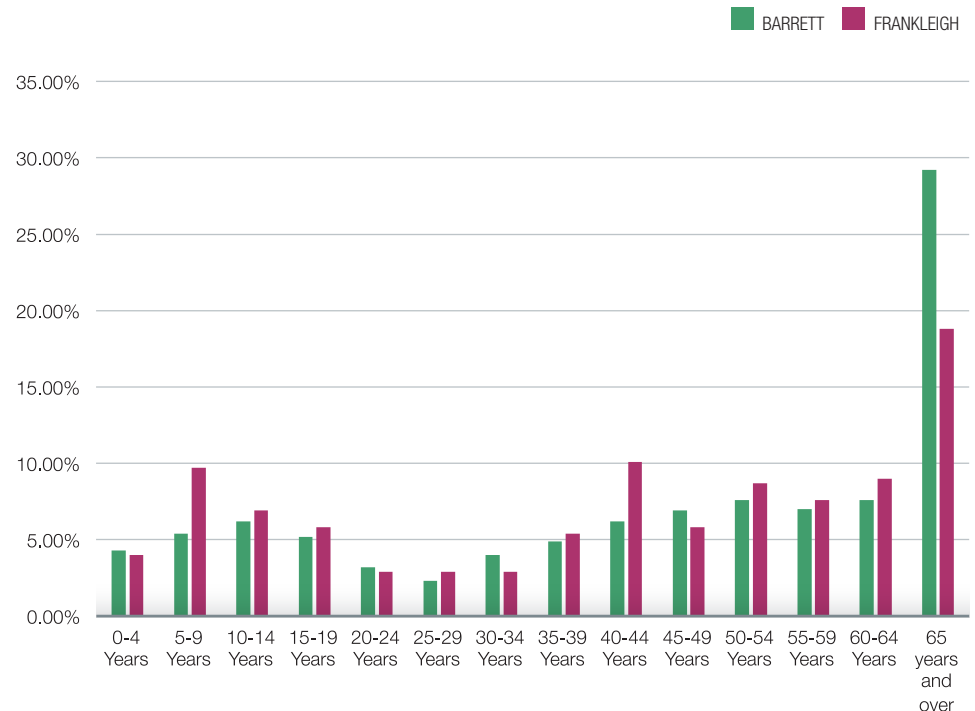
BARRETT AND **FRANKLEIGH** ARE TWO AREAS* WITHIN THE NEW PLYMOUTH CITY WHICH ARE LOCATED IN RELATIVELY CLOSE PROXIMITY, YET THEY HAVE DISTINCT DIFFERENCES IN THEIR DEMOGRAPHIC COMPOSITION. BARRETT IS PROVING AN **ATTRACTIVE LOCALITY** FOR AN OLDER GENERATION OF RESIDENTS. WHEREAS FRANKLEIGH HAS MORE HOUSEHOLDS WITH WORKING OR SELF-EMPLOYED PEOPLE, WITH FAMILIES.

*area units as defined by Statistics NZ

AGE PROPORTION OVER 65 YEARS



AGE COMPOSITION 2013

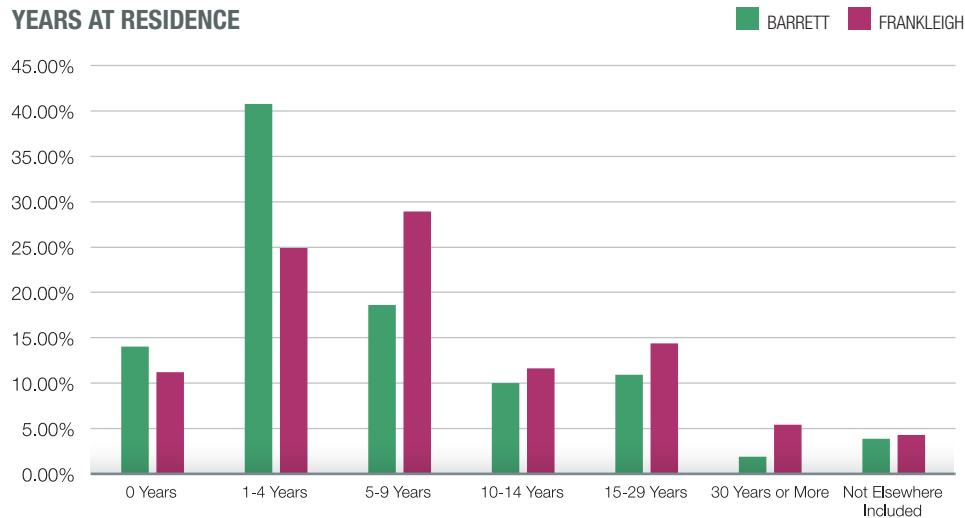


YEARS AT RESIDENCE

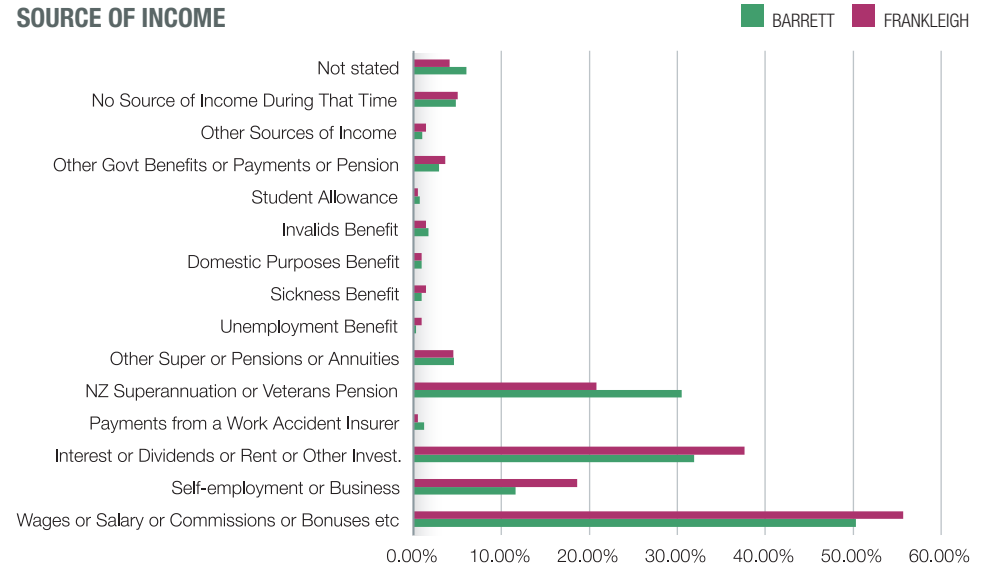
55% OF PEOPLE LIVING IN THE BARRETT AREA HAVE LIVED IN THEIR CURRENT RESIDENCE FOR LESS THAN 5 YEARS.

AS OPPOSED TO 36% IN FRANKLEIGH. SIGNIFICANT EXPANSION IN RETIREMENT HOUSING HAS OCCURRED WITHIN THE BARRETT BOUNDARIES IN RECENT YEARS, INFLUENCING THE DEMOGRAPHIC AND RELOCATION COMPOSITION.

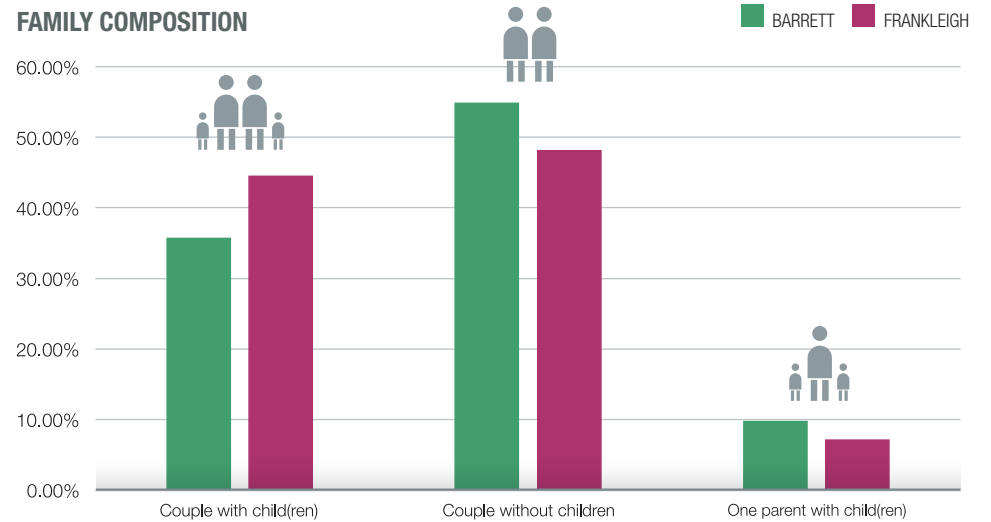
YEARS AT RESIDENCE



SOURCE OF INCOME



FAMILY COMPOSITION



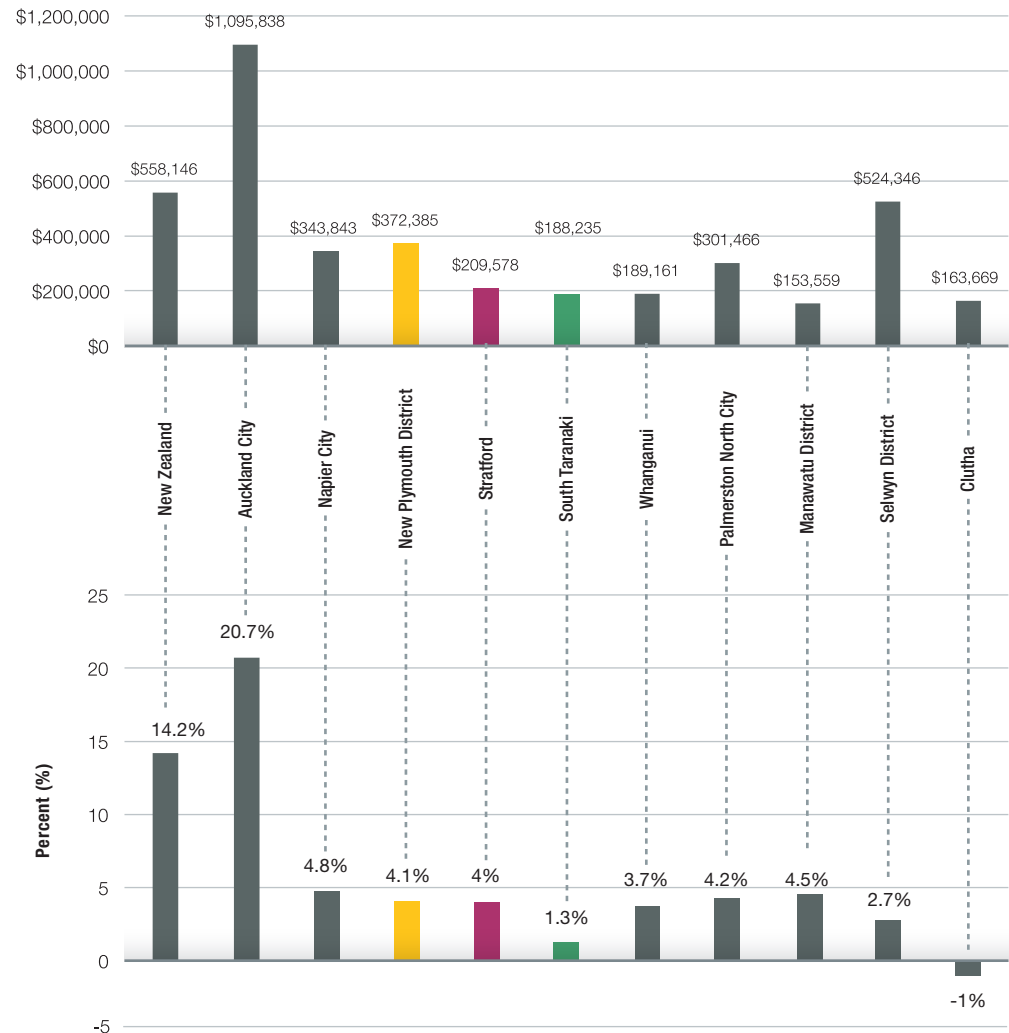
Average value of a house



HOUSE VALUATIONS HAVE CONTINUED TO INCREASE IN THE TARANAKI REGION, PARTICULARLY WITHIN THE NEW PLYMOUTH DISTRICT (UP 4.1% FROM A YEAR PRIOR).

The average house valuation in Stratford at \$209,578 is higher than the South Taranaki District (\$188,235) and Whanganui (\$189,161). Auckland City house valuations are now on average over \$1m with the December 2015 valuation up 21% from the same time 12 months ago.

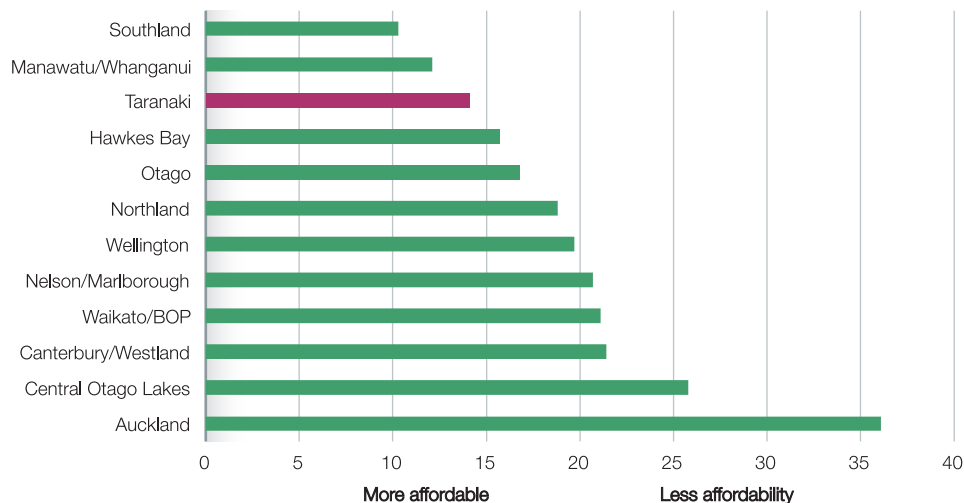
AVERAGE VALUE OF A HOUSE DECEMBER 2015



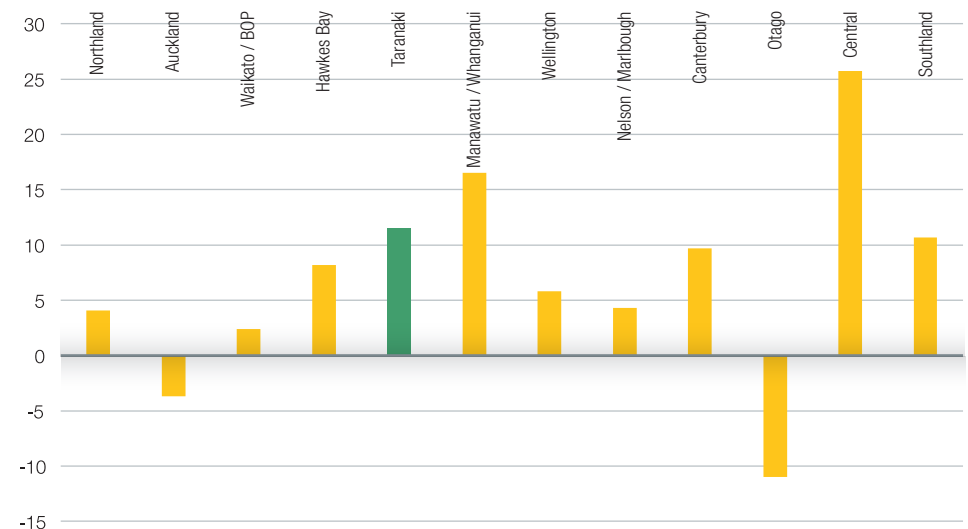
HOUSE VALUES PERCENTAGE CHANGE IN VALUE BETWEEN DECEMBER 2014 AND DECEMBER 2015

TARANAKI IS THE THIRD MOST ATTRACTIVE REGION IN THE COUNTRY IN TERMS OF HOME AFFORDABILITY.

HOME AFFORDABILITY REGIONAL RANKING (NOVEMBER 2015)



% CHANGE IN HOME AFFORDABILITY IN THE LAST 12 MONTHS



IN THE LAST 12 MONTHS TARANAKI'S HOME AFFORDABILITY HAS **IMPROVED BY 11.5%**. THIS WAS GREATER THAN THE NATIONAL TREND WHERE NEW ZEALAND'S AVERAGE HOME AFFORDABILITY INDEX IMPROVED BY 8.7%. ANNUAL IMPROVEMENTS WERE EXPERIENCED IN ALL REGIONS EXCEPT FOR AUCKLAND AND OTAGO. DESPITE INCREASING HOUSE VALUATIONS IN SOME REGIONS,

LOWER INTEREST RATES AND WAGE IMPROVEMENTS

WERE UNDERLYING REASONS FOR AFFORDABILITY IMPROVEMENTS. AUCKLAND REMAINS THE LEAST AFFORDABLE PLACE IN THE COUNTRY. IN THE SEPTEMBER 2015 QUARTER, TARANAKI'S HOME AFFORDABILITY DECLINED SLIGHTLY (0.8%) AS IT DID IN MANY REGIONS. THE SIGNALS ARE MIXED CONCERNING ANTICIPATED HOME AFFORDABILITY TRENDS FOR 2016.



NEW PLYMOUTH'S
AVERAGE WEEKLY RENTAL IS
\$350 PER WEEK
WHICH IS LESS THAN THE
NEW ZEALAND
AVERAGE OF
\$380 PER WEEK.

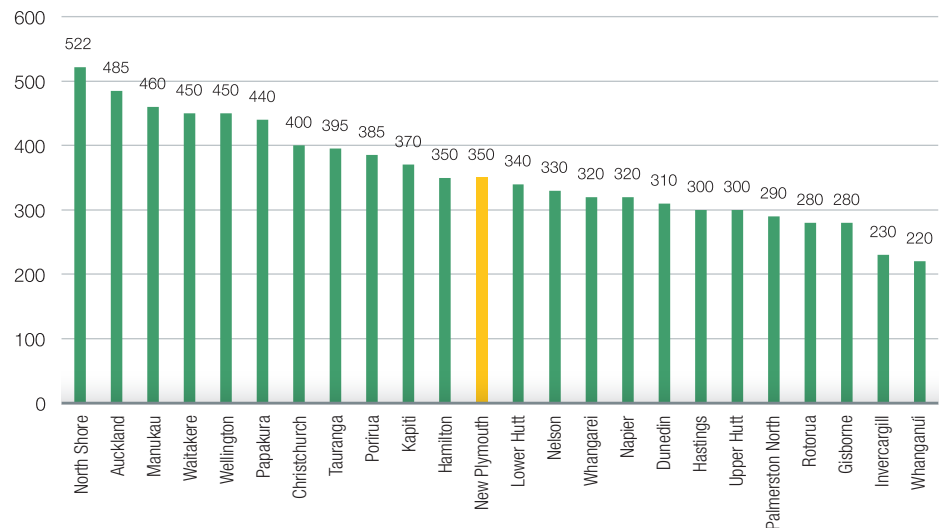
RENTALS HAVE INCREASED IN NEW PLYMOUTH IN THE PAST YEAR (13%) WHICH IS HIGHER THAN THE NATIONAL AVERAGE (4.1%).

SURVEY AUTHORS, MASSEY UNIVERSITY, HAVE POINTED OUT THE LARGEST PERCENTAGE INCREASES IN MARKET RENTS HAVE PREDOMINANTLY OCCURRED OUTSIDE AUCKLAND, SUGGESTING THIS MAY BE DUE TO AUCKLANDERS MOVING TO OTHER LOCALITIES IN THE COUNTRY WITH CONSEQUENTIAL IMPACTS TO RENTALS IN THOSE REGIONAL AREAS.

ANNUAL PERCENTAGE CHANGE IN WEEKLY RENT



MEDIAN WEEKLY RENTAL (\$) FEBRUARY 2016

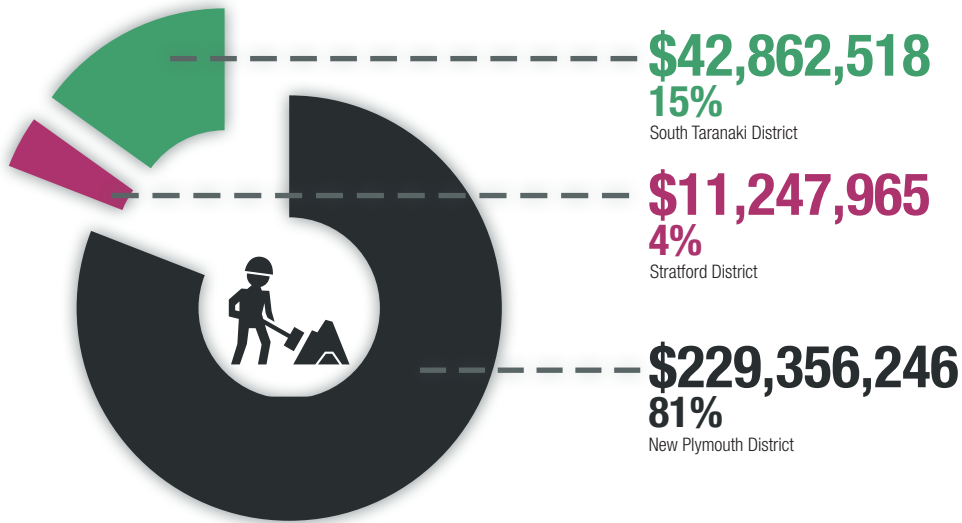


MEDIAN RENT FEBRUARY 2016



Construction Activity

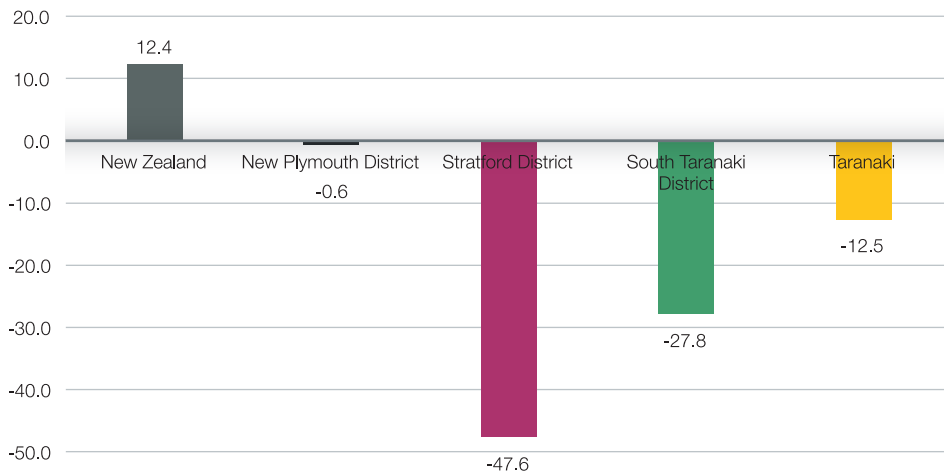
TARANAKI DISTRICTS: TOTAL VALUE OF BUILDING CONSENTS (NEW AND ALTERED) FOR THE 12 MONTHS ENDING DECEMBER 2015



IN TARANAKI THERE WERE \$283.5 MILLION OF BUILDING CONSENTS APPROVED FOR THE YEAR ENDING DECEMBER 2015.

The value of building consents decreased by 12.5% in Taranaki in 2015 relative to the 12 months ending 2014, predominantly due to declines in Stratford and South Taranaki. These declines are a reflection of a 'return to normal' level of consenting after several major non-routine commercial expansions created a higher fluctuation in 2014 within these districts.

PERCENTAGE CHANGE IN VALUE OF TOTAL BUILDING CONSENTS YEAR ENDING DECEMBER 2015 RELATIVE TO 2014



TARANAKI REGION - VALUE OF BUILDINGS CONSENTS (\$) YEAR ENDING DECEMBER



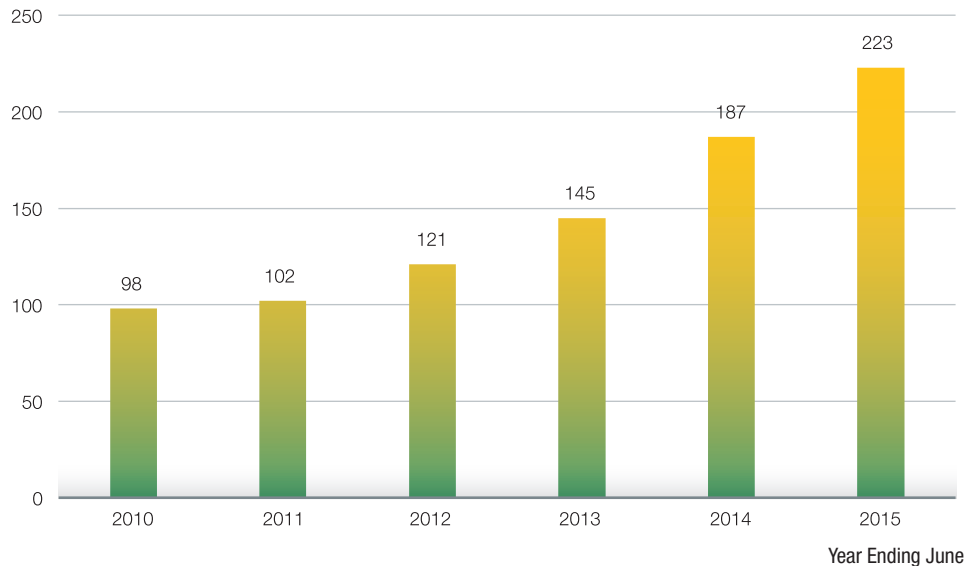
Primary Industry Special Focus: Honey



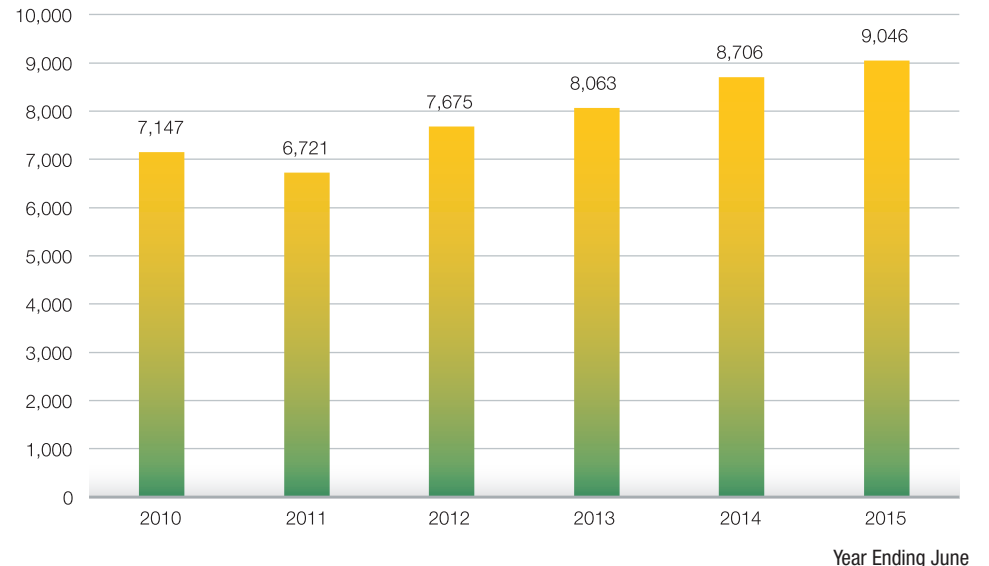
THE PRODUCTION AND EXPORT OF HONEY IS A GROWTH INDUSTRY FOR NEW ZEALAND, PRIMARILY DUE TO INCREASING INTERNATIONAL CONSUMER DEMAND AND THE PREMIUM PRICES PAID FOR MĀNUKA HONEY AND ITS ASSOCIATED HEALTH AND MEDICAL PRODUCTS.

EXPORTS OF HONEY (BY TONNAGE) ARE 27% HIGHER NOW RELATIVE TO FIVE YEARS AGO. HOWEVER THE VALUE OF EXPORTS (\$) HAVE GROWN EVEN MORE DURING THIS PERIOD - BY 128%.

NZ EXPORTS \$M - HONEY



NZ EXPORTS (TONNES) - HONEY





Source: MPI and Statistics NZ

ALTHOUGH STATISTICS ARE NOT AVAILABLE AT A TARANAKI LEVEL, THERE HAS BEEN **INCREASED UTILISATION** OF OUR RURAL LAND FOR THE PLACEMENT OF **HIVES FOR HONEY** AND ASSOCIATED PRODUCTS, AS WELL AS INCREASED **INVESTMENT.**

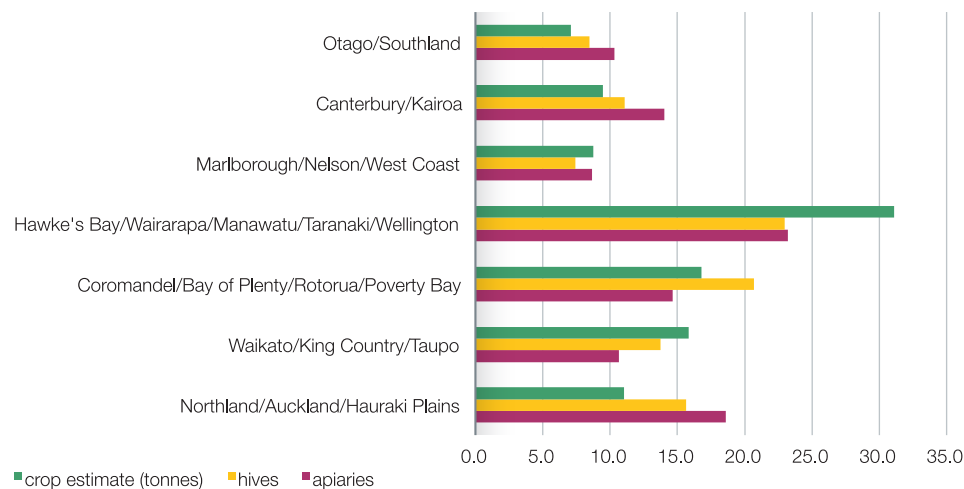
THE FOLLOWING INFORMATION HIGHLIGHTS TARANAKI'S LOCATION WITHIN THE CENTRAL/LOWER NORTH ISLAND ZONE WHICH ACCOUNTS FOR ALMOST ONE-THIRD OF NEW ZEALAND'S HONEY PRODUCTION AND CIRCA ONE QUARTER OF THE NATION'S REGISTERED APIARIES AND HIVES.

31%
Of New Zealand's Honey Production

23%
Of Hives

23%
Of Apiaries

% ANALYSIS BY DISTRICT HIVES, APIARIES PRODUCTION



Retail Sales

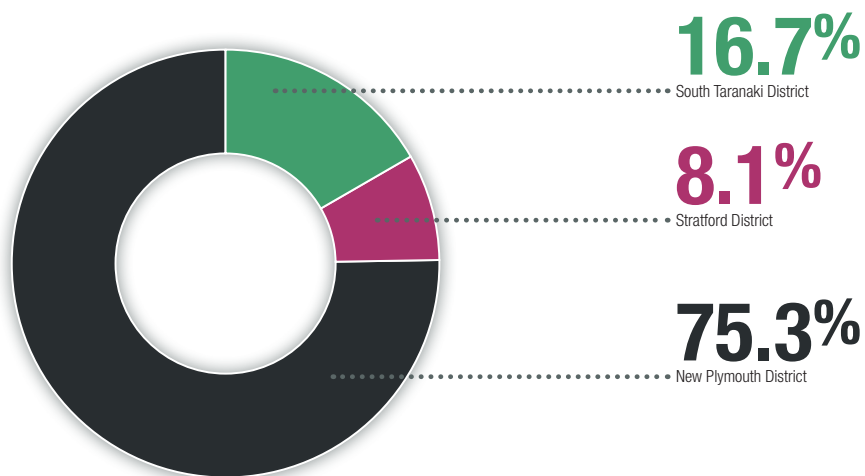
FOR THE HALF-YEAR ENDING DECEMBER 2015, \$582M WAS SPENT AT RETAIL MERCHANTS IN TARANAKI.

Spending within Taranaki is up slightly (0.1%) for the half-year, relative to the same period in 2014, although growth was less than the New Zealand average of 6.3%. Much of the increase in Taranaki was due to a boost in visitor spend during December.

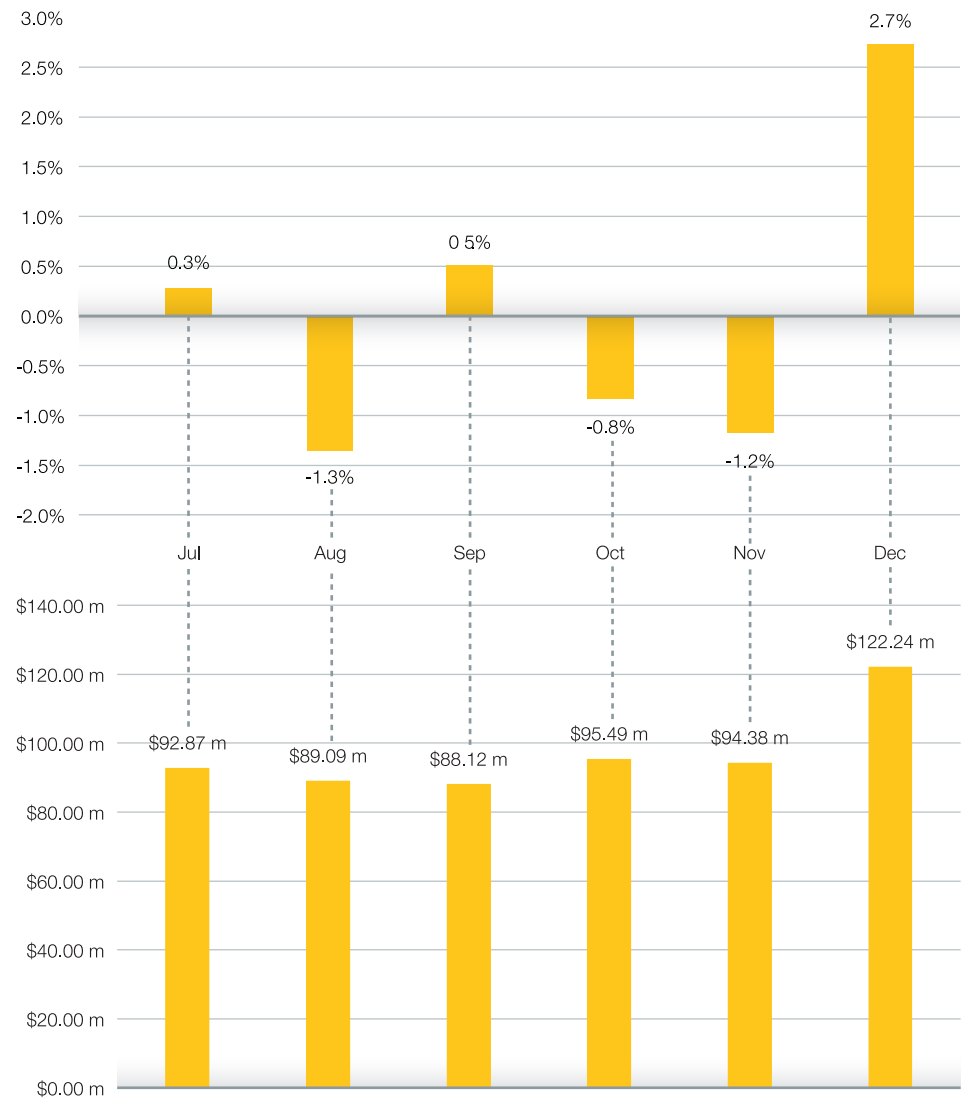
STRONGEST RETAIL GROWTH WAS RECORDED IN THE NEW PLYMOUTH DISTRICT WITH A 0.7% GAIN.

Although retail expenditure remained virtually unchanged in Taranaki, the number of retail transactions increased by 6.2% relative to the same period in 2014. However people spent less per transaction. New Plymouth District attracted the highest average transaction value within Taranaki at \$45.22 but also recorded the biggest decline in transaction value of the three Districts (- 7.2%).

% SHARE OF \$ SPEND BY DISTRICT

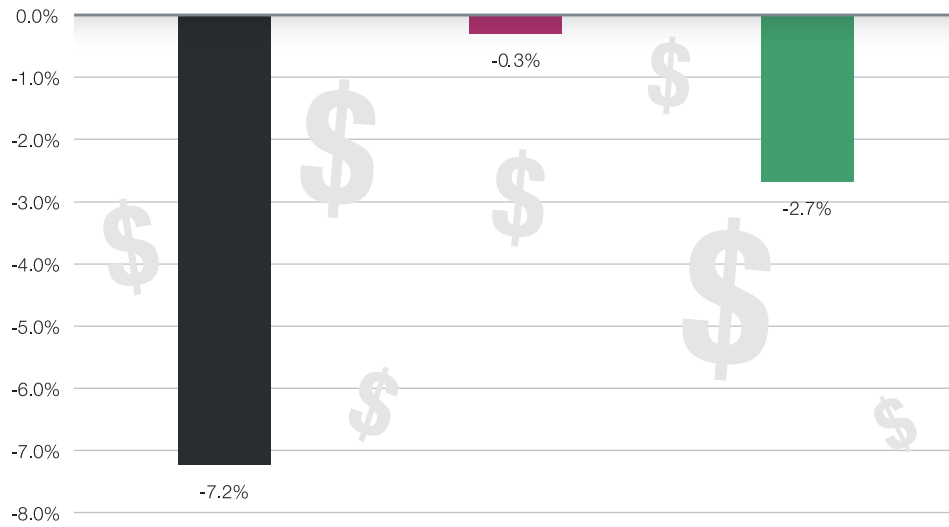
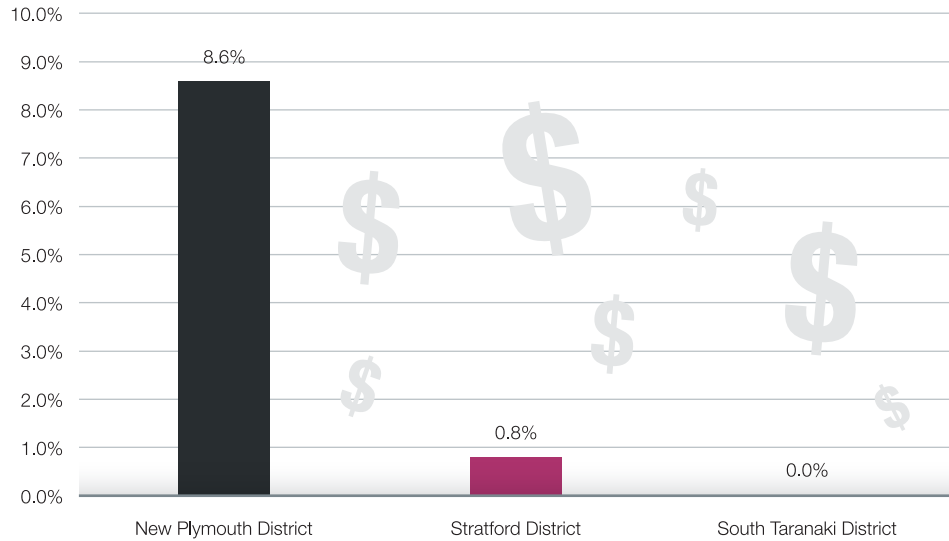


TARANAKI - CHANGE IN SPEND RELATIVE TO SAME TIME LAST YEAR (%)



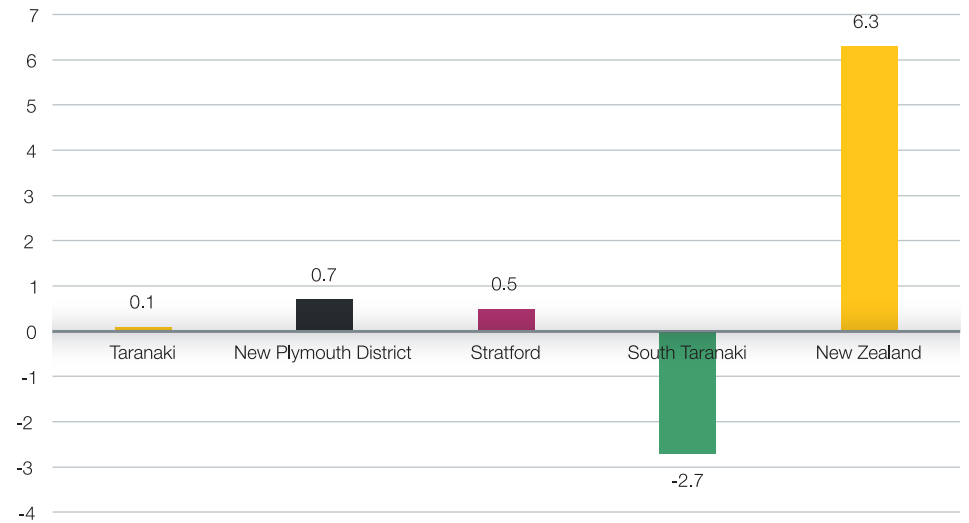
RETAIL SPEND IN TARANAKI JULY - DECEMBER 2015

PERCENTAGE CHANGE IN NUMBER OF TRANSACTIONS RELATIVE TO SAME 6 MONTH PERIOD LAST YEAR



% CHANGE IN TRANSACTION VALUE RELATIVE TO SAME 6 MONTH PERIOD IN PREVIOUS YEAR

PERCENTAGE CHANGE IN RETAIL SPEND RELATIVE TO SAME TIME LAST YEAR



AVERAGE TRANSACTION VALUE \$



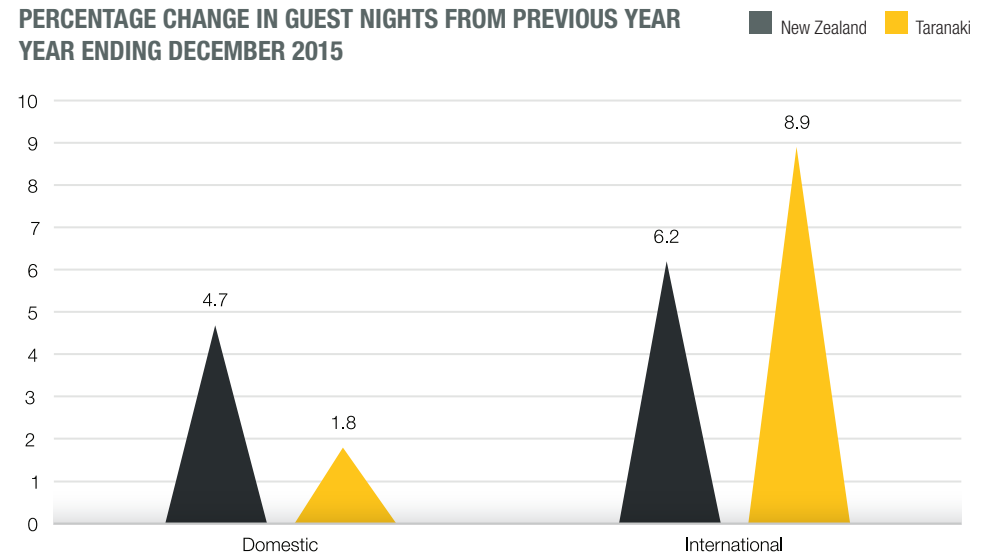
Visitor Industry



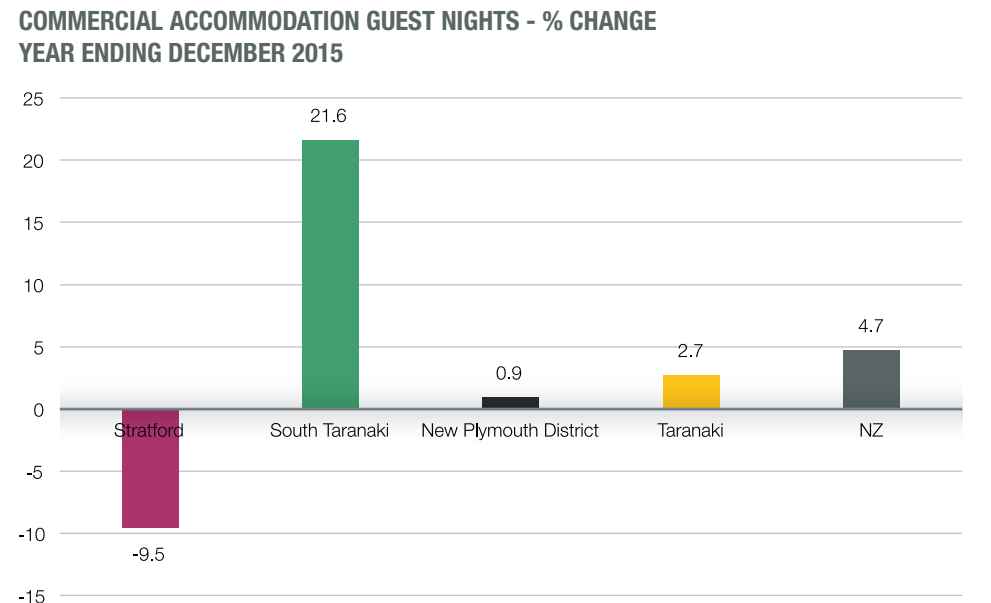
TARANAKI 2015 COMMERCIAL ACCOMMODATION RESULTS FOR THE YEAR ENDED DECEMBER COMPARED WITH 2014:

- Guest nights rose 2.7 percent to 567,947
- International guest nights increased 8.9 percent to 76,944
- Domestic guest nights rose 1.8 percent to 491,004
- The average length of stay increased from 2.04 nights to 2.07 nights
- The overall occupancy rate remained at 32.9 percent
- The occupancy rate, excluding holiday parks, was 42.3 percent

PERCENTAGE CHANGE IN GUEST NIGHTS FROM PREVIOUS YEAR YEAR ENDING DECEMBER 2015



COMMERCIAL ACCOMMODATION GUEST NIGHTS - % CHANGE YEAR ENDING DECEMBER 2015



Visitor Industry - District Performance

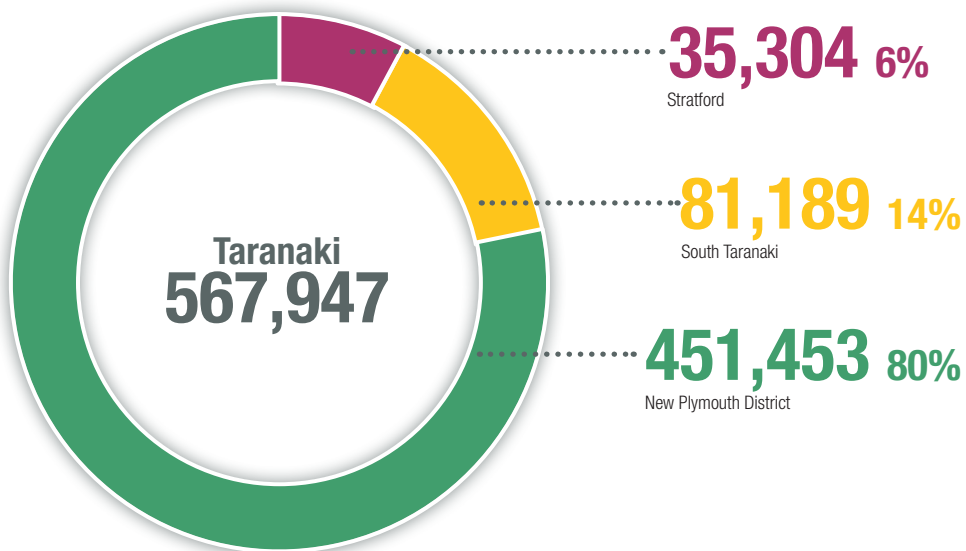
80% OF TARANAKI'S COMMERCIAL ACCOMMODATION GUEST NIGHTS FOR THE 12 MONTHS ENDING DECEMBER 2015 OCCURRED IN THE NEW PLYMOUTH DISTRICT; 14% IN SOUTH TARANAKI AND 6% IN STRATFORD.

The number of guest arrivals increased in the South Taranaki and New Plymouth Districts relative to the previous 12 months but declined in Stratford (2.5%).

Visitors stayed for a shorter period in the Stratford and New Plymouth Districts relative to the previous 12 months, although increased significantly in South Taranaki (20.7%).

The above results contributed to a net decline in overall guest nights in Stratford but contributed to an increase in New Plymouth (0.9%) and South Taranaki (21.6%).

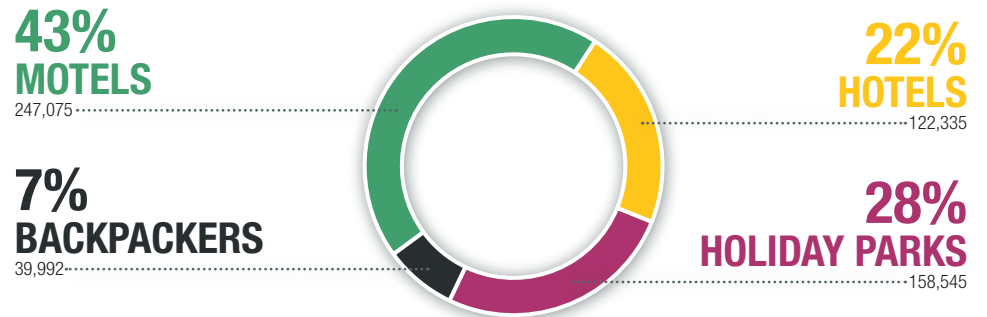
COMMERCIAL GUEST NIGHTS FOR YEAR ENDING DECEMBER 2015



Performance by Accommodation Type

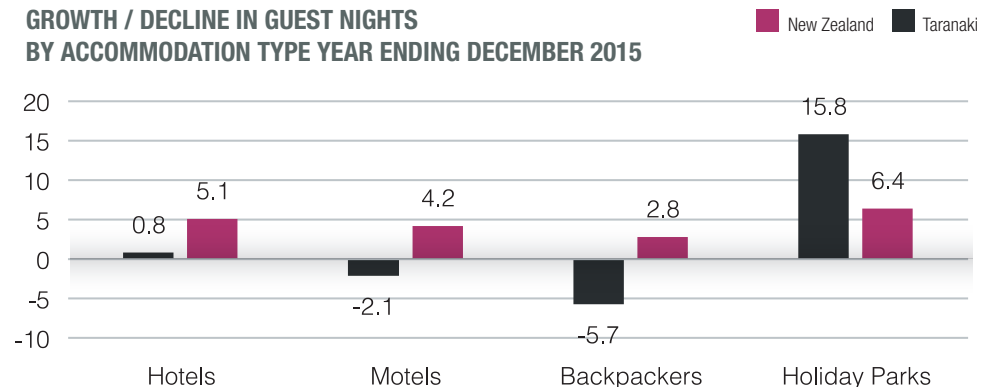
Motels and holiday parks attracted the highest number of commercial guest nights for the 12 month period for Taranaki.

COMMERCIAL GUEST NIGHTS BY ACCOMMODATION TYPE TARANAKI YEAR ENDING DECEMBER 2015



A DECLINE IN GUEST NIGHTS FOR TARANAKI WAS EXPERIENCED IN MOTELS AND BACKPACKERS. HOWEVER GROWTH WAS EXPERIENCED IN HOTELS AND ESPECIALLY HOLIDAY PARKS.

GROWTH / DECLINE IN GUEST NIGHTS BY ACCOMMODATION TYPE YEAR ENDING DECEMBER 2015

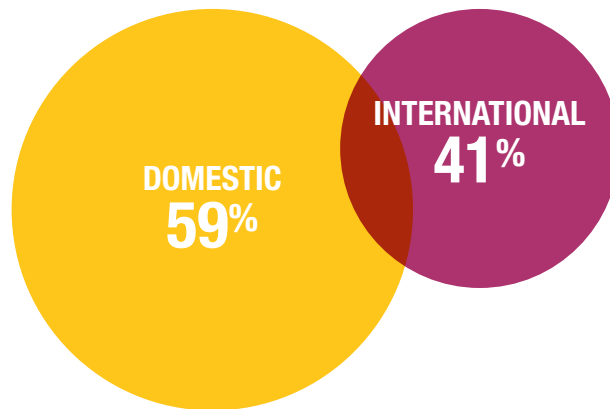


Visitor Industry - Domestic tourism is important to Taranaki

INTERNATIONAL VISITORS ACCOUNT FOR 14% OF TARANAKI'S GUEST NIGHTS IN COMMERCIAL ACCOMMODATION. AUSTRALIA IS OUR PRIME INTERNATIONAL MARKET.

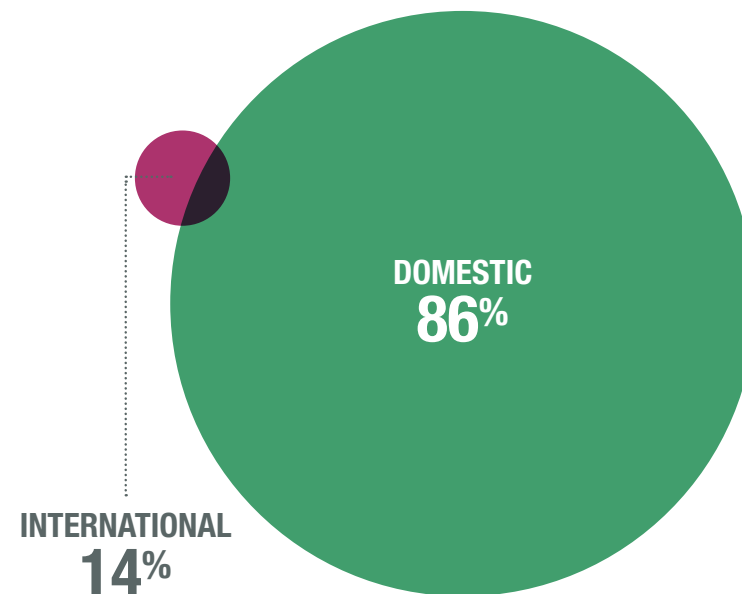
NEW ZEALAND

ORIGIN OF COMMERCIAL ACCOMMODATION GUEST NIGHTS
YEAR ENDING DECEMBER 2015



TARANAKI

ORIGIN OF COMMERCIAL ACCOMMODATION GUEST NIGHTS
YEAR ENDING DECEMBER 2015



THE MAJORITY OF OUR VISITORS COME FROM OTHER PARTS OF NEW ZEALAND (86%), WHICH IS HIGHER THAN THE NATIONAL AVERAGE (59%). WELLINGTON, AUCKLAND, WAIKATO, MANAWATU, WHANGANUI AND HAWKE'S BAY ARE OUR PRIME SOURCES OF VISITORS.

Visitor Industry - Visitors staying with Friends and Relatives (VFR)

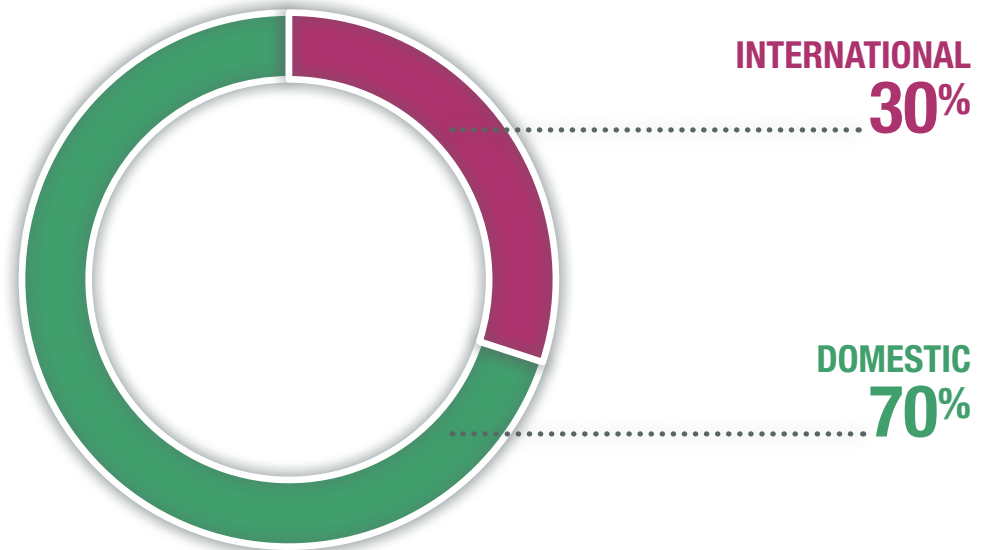
VENTURE TARANAKI COMMISSIONS AN INDEPENDENT MONTHLY PHONE SURVEY OF TARANAKI HOUSEHOLDS, TO MONITOR VISITORS TO THE REGION WHO STAY WITH FRIENDS AND RELATIVES. ALTHOUGH THEY DO NOT STAY AT COMMERCIAL ACCOMMODATION, 'VFR'S' STILL MAKE

AN IMPORTANT CONTRIBUTION TO OUR REGIONAL ECONOMY

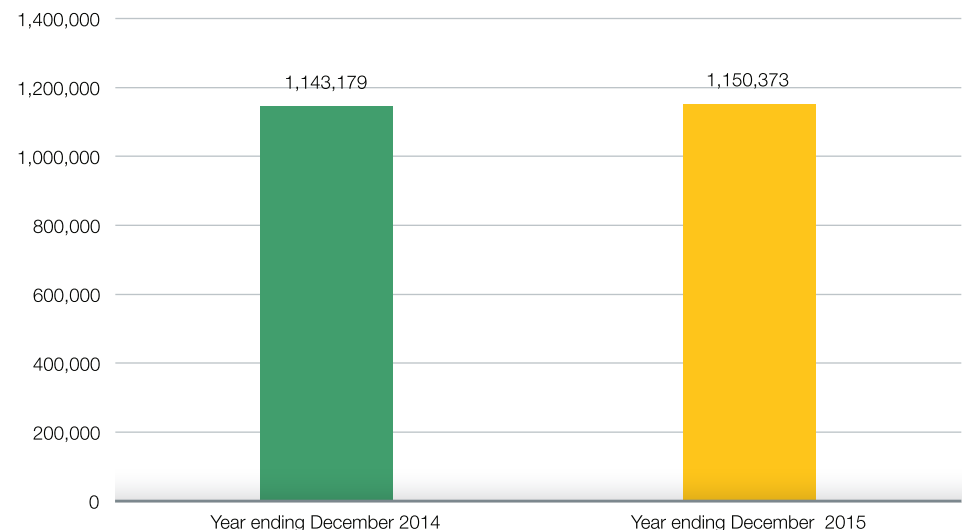
THROUGH THEIR OTHER FORMS OF EXPENDITURE. THE MAIN REASON THESE VISITORS COME IS TO HAVE A HOLIDAY AND SPEND TIME WITH FAMILY AND FRIENDS WHO LIVE IN THE REGION. DECEMBER, JANUARY AND APRIL ARE OUR PRIME VFR MONTHS.



TARANAKI - ORIGIN OF VFR GUEST NIGHTS - YEAR ENDING DECEMBER 2015



VISITORS STAYING WITH FRIENDS AND FAMILY IN TARANAKI - TOTAL GUEST NIGHTS



Technical Details

Consumer Price Index (CPI): Statistics NZ. The CPI measures the rate of price change of goods and services purchased by New Zealand households. Statistics NZ visits 3,000 shops around New Zealand to collect prices for the CPI and check product sizes and features.

Gross Domestic Product (GDP): Statistics NZ.

Economic Activity: ANZ Bank Regional Trends. Note: this information is not GDP data but a composition of specific indicators selected by the ANZ Bank e.g. retail sales, employment data, house sales, guest nights, car sales etc. The report tracks the overall summation of changes on a regional basis annually and quarterly.

Economic Outlook: Venture Taranaki. This reflects the results of VT's Six-monthly business survey of Taranaki businesses. The survey involved a cross-section of 1000 businesses. The survey is undertaken in June and November of each year.

Employee Count: Statistics NZ Business demography. Business demographic statistics give an annual snapshot (as at February); limited to economically significant individual, private-sector and public-sector enterprises that are engaged in the production of goods and services in New Zealand; generally includes all employing units and those enterprises with GST turnover greater than \$30,000 per year. Employee count is a head-count of all salary and wage earners for the February reference month. NB: this may not include self-employed or those within the business that are not classified as employees.

Unemployment rate and Participation Rate: Statistics NZ Household Labour Force survey.

Employment Outlook Taranaki: Venture Taranaki. Six-monthly business survey of Taranaki businesses.

Skill shortage monitor: Venture Taranaki. Six-monthly business survey of Taranaki businesses, undertaken May and November each year.

Business numbers: Statistics NZ Business demography, undertaken February each year.

Population count: Statistics NZ: Census.

Natural Population Increase: Statistics NZ: Births and Deaths.

Migration: Statistics NZ. Permanent Long-term departures and arrivals. Permanent and long-term arrivals include overseas migrants who arrive in New Zealand intending to stay for a period of 12 months or more (or permanently), plus New Zealand residents returning after an absence of 12 months or more. Permanent and long-term departures include New Zealand residents departing for an intended period of 12 months or more (or permanently), plus overseas visitors departing New Zealand after a stay of 12 months or more.

Average weekly earnings: Statistics NZ: Total usual weekly earnings from self-employment and wage and salary jobs (earnings from paid employment), divided by the number of people receiving earnings from a self-employment or wage and salary job (number of people in paid employment).

Average household weekly income: Statistics NZ: Weekly household income is the sum of weekly income of all people in the household from all sources. Average weekly household income is total weekly household income, divided by the number of households.

House values and average value of a house: Source: QV.co.nz: QV.co.nz is powered by PropertyIQ, a joint venture between CoreLogic and Quotable Value. Note: these are house valuations, not house sales.

House Sales: Real Estate Institute of NZ. Note: These are house sales, and the data only includes those sales undertaken by members of the REINZ. Does not include, for example, private sales.

Home Affordability: Massey University Home Affordability Report.

Rental Market: Massey University Rental market report.

Building Consents: Statistics NZ.

Agriculture: Statistics NZ. Annual Agriculture Production Survey.

Farm Capital Improvements/Farm building consents: Statistics NZ.

Farm Sales: Real Estate Institute of NZ. Note: Only includes sales undertaken by members of the REINZ. Does not include private or other means of selling farms.

Retail Statistics: Market View customized research for Venture Taranaki utilizing EFTPOS sales and BNZ credit cards.

Commercial accommodation statistics: Statistics NZ.

Visitors staying with friends/relatives: Venture Taranaki commissioned survey data, undertaken by consultants, APR.

Exports/Imports: Statistics NZ data. Note: this data may not include coastal trade and the methodology utilized by Statistics NZ may not reflect the totality of trade activity which occurs across each NZ Port as part of the overall port transportation process.

Total Port Taranaki data and activity: Provided by Port Taranaki. This data includes coastal trade and the summation of all exports and imports crossing the port.

New Plymouth Airport passenger movements: Provided by New Plymouth District Council.

Employment Forecasts 2016-2019: *Ministry of Business, Innovation & Employment (MBIE).

About Venture Taranaki

As Taranaki's Regional Development Agency, we're committed to helping Taranaki grow.

That's why we're interested in helping to make your business a success.

If you need advice and assistance or access to information and knowledge to support your business aspiration, we offer a single point of contact to provide the help you require.

If you are:

- Thinking of starting up a business
- Considering relocating or investing in Taranaki
- Trying to grow your business, or if your business is going through changes

We have a range of products and services to meet your business needs, and best of all, most of them are free!

Information is available on-line at www.business.taranaki.info or call us:

Venture Taranaki

9 Robe Street
PO Box 670
New Plymouth

Telephone (06) 759 5150

Email: info@taranaki.info

Facebook: TaranakiNZ

Twitter: @Taranaki_NZ

An initiative of  Te Kaunihera-ā-Rohe o Ngāmotu
NEW PLYMOUTH DISTRICT COUNCIL
newplymouthnz.com

Disclaimer:

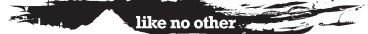
Venture Taranaki's services and opinions are of a general nature and should be used as a guide only. They are not a substitute for commercial judgment or independent professional advice which should be obtained prior to any business matter. While every effort has been made to ensure that the information, opinions and forecasts provided are accurate and reliable, Venture Taranaki shall not be liable for any adverse consequences of decisions made in reliance of any report provided in this publication.

Taranaki's Regional Development Agency

9 Robe Street | PO Box 670 | New Plymouth
P. (06) 759 5150 | F. (06) 759 5154
E. info@taranaki.info

www.taranaki.info

TARANAKI



An initiative of



Te Kaunihera-ā-Rohe o Ngāmotu
NEW PLYMOUTH DISTRICT COUNCIL
newplymouthnz.com