

The NZ Regional Economic Scoreboard ranks the economic performance of New Zealand's 16 Regional Council areas. The fastest growing regions gain the highest ratings, and a good performance by the national economy raises the ratings of all regions. Ratings are updated every 3 months, and are calculated based on the latest annual growth in 7 measures: employment, construction, retail trade, house prices, car registrations, house sales, population.

Taking the regions' temperatures

	Share of NZ economy		Employment		Retail trade		House prices		Construction		Population		New car sales		Rating Mar-04
	Mar-04	%	Mar-04	annual growth	Mar-04	annual growth	Mar-04	annual growth	Mar-04	annual growth	Jun-03	annual growth	Mar-04	annual growth	
Northland	3%		58	-1%	277	-11%	205	22%	38	57%	147	0.8%	460	13%	☆☆☆
Auckland	39%		595	4%	3130	8%	320	14%	409	45%	1291	3.2%	9078	9%	☆☆☆☆
Waikato	9%		169	-3%	772	-6%			97	36%	378	1.2%	1700	18%	☆☆☆
Bay of Plenty	6%		110	7%	686	25%	200	16%	69	19%	254	1.6%	1178	16%	☆☆☆☆
Gisborne	1%		91	1%	87	6%			2	-58%	45	0.0%	145	22%	☆☆
Hawkes Bay	3%				353	15%	195	30%	35	55%	149	0.3%	590	13%	☆☆☆
Taranaki	2%		156	-4%	206	-17%	150	22%	11	2%	106	0.2%	370	24%	☆☆☆
Manawatu-Wanganui	4%				515	21%	128	16%	31	14%	227	0.1%	854	19%	☆☆☆
Wellington	9%		242	1%	1062	3%	261	16%	71	-1%	452	1.4%	2038	16%	☆☆☆
Tasman					141	60%					45	2.8%			☆☆☆☆
Nelson	3%		87	5%	119	-26%	275	31%	29	1%	45	2.3%	536	20%	☆☆☆☆
Marlborough					113	28%					42	1.5%			☆☆☆☆
West Coast	1%				68	-5%			4	-21%	31	-0.3%	116	22%	☆☆☆
Canterbury	14%		302	8%	1177	0%	198	25%	136	72%	513	1.8%	3092	26%	☆☆☆☆☆
Otago	5%		150	7%	595	31%	180	57%	46	35%	193	1.2%	810	11%	☆☆☆☆
Southland	2%				213	-19%	120	27%	18	90%	94	0.4%	416	28%	☆☆☆☆
New Zealand	100%		1959	3%	9514	6%	241	20%	996	37%	4010	1.8%	21383	15%	☆☆☆

☆☆☆☆☆ The place to be ☆☆☆☆ Be there or be square ☆☆☆ Fair to middling ☆☆ Needs an energy injection ☆ Take pity

The National State of Play

Employment ☆☆☆☆

The labour market is entering into unfamiliar territory, with the seasonally adjusted unemployment rate dropping to 4.3% for the March quarter.

Wages ☆☆☆☆

Despite reports of severe shortages of both skilled and unskilled labour, there is little indication that wage inflation is on the verge of take-off.

House sales/prices ☆☆☆☆

The real estate market appeared to cool over January/February, but bounced back in March, throwing thoughts of a slowdown into doubt.

Retail ☆☆☆☆

A giant March month helped push growth in total retail sales volumes over the March quarter to 2.6%.

Car sales ☆☆☆

High consumer confidence stemming from housing wealth has continued to drive demand for cars.

Confidence ☆☆

Nearly half of all businesses expect general business conditions to worsen over the next 12 months.

Construction ☆☆☆☆

The value of non-residential building consents granted in the March quarter rose strongly, reflecting the stronger than expected domestic economy.

Council corner

The seabed and foreshore debate/debacle has taken the spotlight off local government, for the time being.

☆☆☆☆☆ Steaming ☆☆☆ Healthy ☆ Sad

Northland ☆☆☆

The unemployment rate in Northland in the March quarter fell below the national average for the first time in 11 years. This was despite a small drop in employment and relatively soft retail sales figures.

In March, four Northland district councils gained a legal opinion from Dr Royden Somerville QC which states the Resource Management Act gives a "firm foundation" for district councils to apply a precautionary approach to GMO release. Presumably the threat of "super-plants" spreading throughout the region is too great a risk.

Auckland ☆☆☆☆

The nation's biggest regional economy - accounting for more than a third of national output and employment - was boosted by strong growth in construction activity and a booming population.

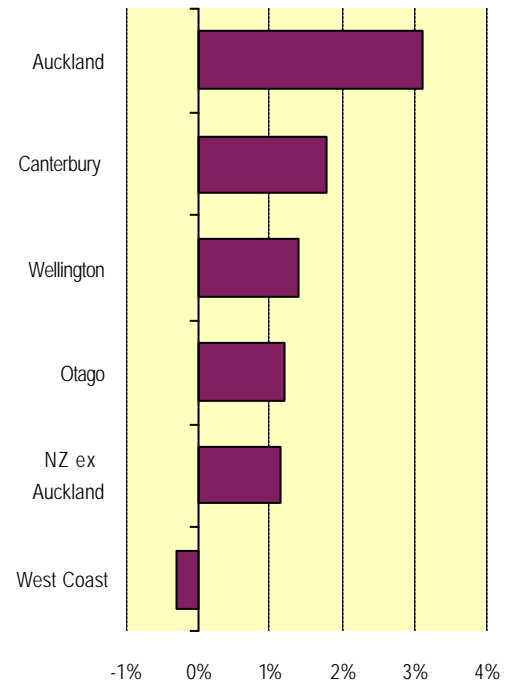
The Auckland region is less exposed to currency fluctuations than the economy as a whole, thanks to a large domestically oriented economic base.

New Zealand's economic powerhouse threatens to grind to a halt if its traffic woes are not addressed. Mayor John Banks' crusade for an eastern highway has taken a step forward with a new cheaper (\$2.5bn) proposal. Perhaps they could mortgage Kaikoura Island...

☆☆☆ The outcome of a New Zealand Government review of Whenuapai Airbase (expected in June) may help settle a bitter dispute between Waitakere City, Rodney District and North Shore City (and their partner Infratil) in one corner, and Manukau City Council (and Auckland International Airport) in the other.

Population growth by region

% change between June 2002 and June 2003



Waikato ☆☆☆

Waikato District's economy was deserving of its three stars over the March quarter. Soft employment growth was offset by strong non-residential building consent growth, which should see employment in the construction sector remain at high levels over 2004.

The storming success of the Waikato Chiefs will have topped up the council's coffers. Money from sporting successes such as these will help pay for the construction of the impressive Waikato Stadium.

Bay of Plenty ☆☆☆☆

Employment in the Bay of Plenty raced ahead over the March quarter - in line with soaring retail sales growth and buoyant property activity.

A crackdown on illegal pickers has caused dozens to flee the western Bay of Plenty, putting pressure on kiwifruit growers in the area. The Bay of Plenty has more than 2000 growers, who last year brought \$209m into the area.

A prison housing 650 inmates is planned for the Bay of Plenty. Given the Bay of Plenty currently has 700 inmates "housed" elsewhere in New Zealand, it will bring a welcome "homecoming" for some locals. At a cost of \$250m and 650 inmates, it will be the country's fourth largest prison after Waikeria, Christchurch and Rimutaka.

Gisborne ☆☆

The Gisborne economy was again soft in the March quarter. The Government's future direction should help stimulate economies such as Gisborne's, however.

The March quarter was no exception: non-residential consents were lower for the year ended March 2004 than for the previous year, and population growth slowed to a standstill.

Hawkes Bay ☆☆☆

Lower than average employment growth was the only thing holding the Hawkes Bay region back over the March quarter. Housing and construction activity, retail trade, and car registrations all grew healthily.

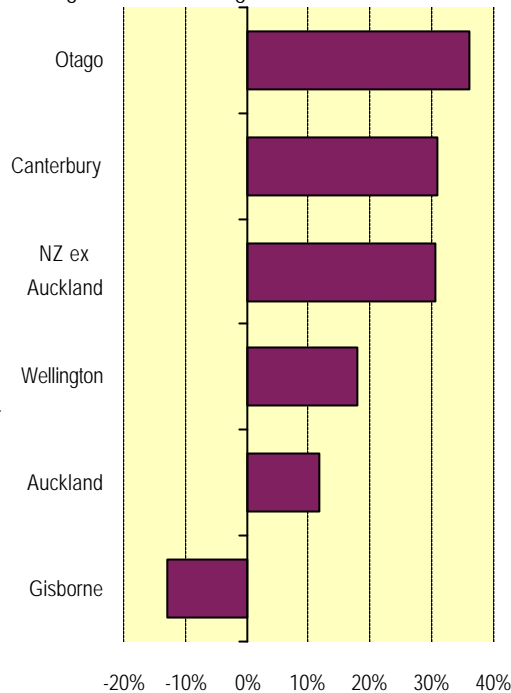
Some residents may have got a little carried away with a particularly potent crop of marijuana stretching Hawke's Bay Hospital's psychiatric unit, with unexpected numbers of young men admitted after smoking the drug.

Taranaki ☆☆☆

Taranaki won the regional council category of the Local Government Forum's Hot Councils 2004 awards. Apparently, "Taranaki did not come top of any of the main categories, (rating, spending, RMA administration and local democracy) but its solid performance across all of them put it ahead of all other regional councils."

Non-residential consent growth by region

Average annual % change, total consents



Manawatu ☆☆☆

Slack employment growth in Manawatu-Wanganui and Taranaki held the regions back over the March quarter. Unemployment rates slightly above the national average mean there is plenty of room for employment to grow further.

Meridian Energy's Te Apati wind farm project will adorn the north side of the Manawatu Gorge with large turbines, and will mean delays of up to 40 minutes as trucks pass through the area 3-4 times per day until September.

Wanganui ☆☆☆

The Government's recovery package following February's floods is helping farmers in the area get back on their feet, although there have been calls to ensure future land developments are sustainable and environmentally friendly.

Wellington ☆☆☆

The capital's economy grew across all sectors, but growth in the region appears to be slowing as both the labour and property markets are squeezed by a shortage of skilled workers and the availability of land in the city.

The Hikoi that paraded through the CBD (despite travelling the vast majority of its pilgrimage by bus) appeared to have little effect on the Government. Prime Minister Helen Clark barely even acknowledged its existence. Perhaps she was busy scouring MFAT reports for signs of Don Brash faux-pas...

Tasman ☆☆☆☆

It was a bumper March quarter for the Tasman region, with healthy employment growth and soaring retail sales.

Nelson ☆☆☆☆

The property market in Nelson appears to be losing some steam, but the economy is otherwise relatively healthy.

Nelson-based airline Origin Pacific has asked 345 creditors to vote on a rescue plan to stave off receivership or liquidation. While job losses are not expected to be as severe as was first thought, some redundancies have been signalled.

Marlborough ☆☆☆☆

Retailers have enjoyed the fruits of solid domestic demand over the year to March 2004. A bumper grape harvest will also have boosted spending in the area.

The unemployment rate in the Nelson-Marlborough-West Coast region fell from 3.6% in the December 2003 quarter to 2.7% in the March 2004 quarter.

West Coast ☆☆☆

The West Coast has suffered over the last 18 months, as resource issues and factory closures dog the region. Despite this, car sales picked up.

Solid Energy has signed a deal to export \$120m worth of coal to India over the next 5 years. Coal from the Stockton opencast mine, just north of Westport is particularly good quality in that it ignites quickly and is low in ash by-products.

Canterbury ☆☆☆☆☆

Unemployment has fallen and the labour market is extremely tight in Canterbury, driven by consistent employment growth. As the director of one recruitment firm said recently "if you have a reasonable work history and a pulse then I could have you working in a heartbeat."

Christchurch prison officials were alarmed by a disturbing trend in their facilities recently. They contacted the suppliers of a key input into the prison system to discuss a spike in their use of the product. The culprit, you ask? The humble corn flake...

Otago ☆☆☆☆

The Otago economy continues to go from strength to strength, as soaring property prices in Central Otago buoy domestic demand and non-residential construction activity runs at high levels.

Southland ☆☆☆☆

The jobless rate in Southland plummeted from 4.3% in the December quarter to 2.9% in the March quarter, earning the region four stars.

Invercargill City Council is currently addressing residential property development in the city, as the property boom spreads to the deep south.