



**annual economic profile**

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# **Hawke's Bay**



## Executive Summary

### Economy

- GDP in Hawke's Bay measured \$6,240m in 2010, down -1% from a year earlier.
- Hawke's Bay's economic growth of -1% between 2009 and 2010 ranked it number 12 among the 16 regions for rate of growth.

Figure 1. GDP growth (year to March 2010)

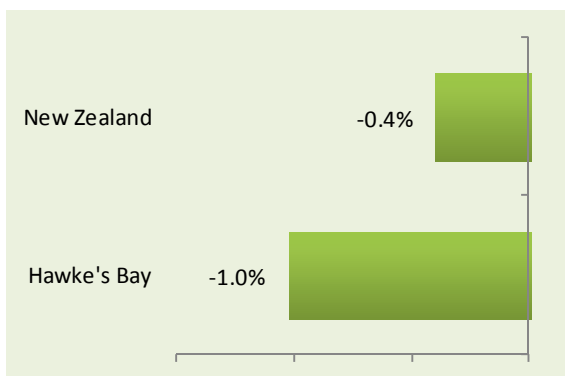
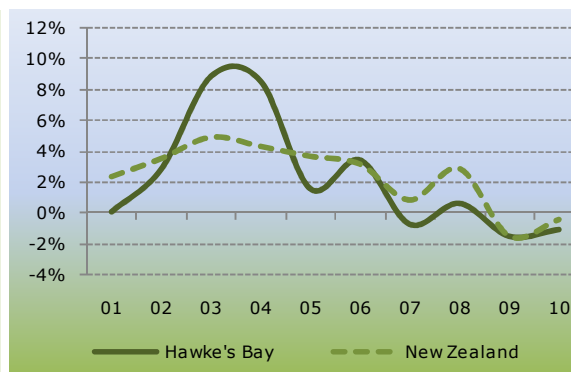
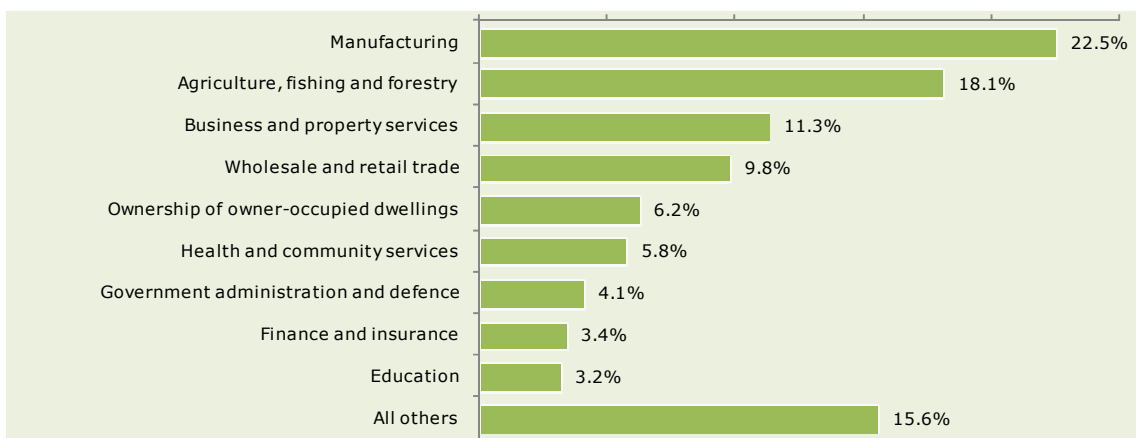


Figure 2. Annual average GDP growth (2000-2010)



- Manufacturing was the largest industry in Hawke's Bay in 2010 accounting for 22.5% of total GDP.
- The second largest industry was agriculture, fishing and forestry (18.1%). This industry is the most over represented in Hawke's Bay, i.e. it makes 3 times the contribution at a regional level than it does at the national level (6.3%).
- The industries in which Hawke's Bay has the largest comparative advantages are forestry and logging, food, beverage and tobacco manufacturing, and agriculture.
- Hawke's Bay had the seventh most diverse economy among New Zealand's 16 regions, as measured by the tress index.

Figure 3. Industry contribution to total GDP in Hawke's Bay (2010)



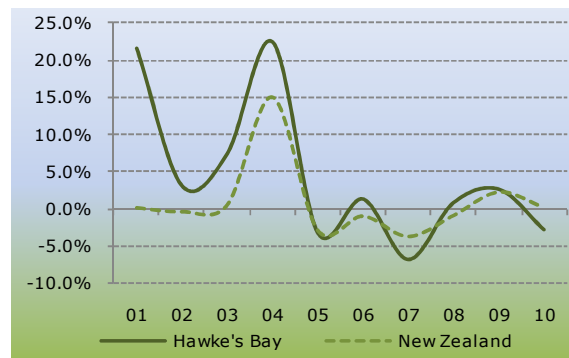
## Performance of key water using sectors

- The first four industry sectors detailed below hold approximately 85% (by weekly volume) of Hawke's Bay water take consents<sup>1</sup>. The performance of the tourism sector has also been included because of its significant linkages to the regional economy and its sensitivity to the quality of the region's water.
- In 2010 these key sectors made a direct contribution of about 26% (GDP) to the region's economy. These sectors output within Hawke's Bay engenders flow-on demand for goods and services in supporting sectors thereby significantly increasing the overall value added impact to the regional economy<sup>2</sup>.

### Fruit & Vegetable Growing & Processing

- Hawke's Bay's fruit & vegetable growing & processing sector contributed 9% to the region's economy in 2010, up from 7.5% ten years ago.
- Output in the sector declined by 2.9% in 2010 compared with growth of 0.2% in the sector in the national economy.
- The sector employed 4,911 persons in Hawke's Bay in 2010 which was down from 4,999 in 2009.

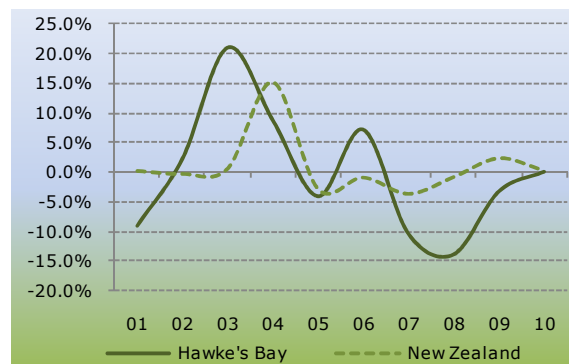
Figure 4. Fruit & Vegetable Growing & Processing output growth



### Meat & Wool Production & Processing

- Hawke's Bay's meat & wool production & processing sector contributed 10.7% to the region's economy in 2010, down from 14.2% ten years ago.
- Output in the sector grew by 0.1% in 2010 compared with growth of 0.2% in the sector in the national economy.
- The sector employed 5,403 persons in Hawke's Bay in 2010 which was down from 5,415 in 2009.

Figure 5. Meat & Wool Production & Processing output growth



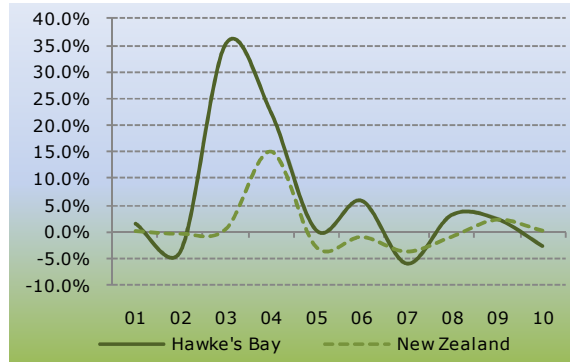
<sup>1</sup> Based on resource consent data (excl hydro and frost takes) provided by the Hawke's Bay Regional Council.

<sup>2</sup> Based on data derived from an Input Output model of the regional economy and provided by Hawke's Bay Regional Council.

**Grape Growing & Wine Manufacturing**

- Hawke's Bay's grape growing & wine manufacturing sector contributed 1.9% to the region's economy in 2010, up from 1.4% ten years ago.
- Output in the sector declined by 2.6% in 2010 compared with growth of 0.2% in the sector in the national economy.
- The sector employed 887 persons in Hawke's Bay in 2010 which was down from 979 in 2009.

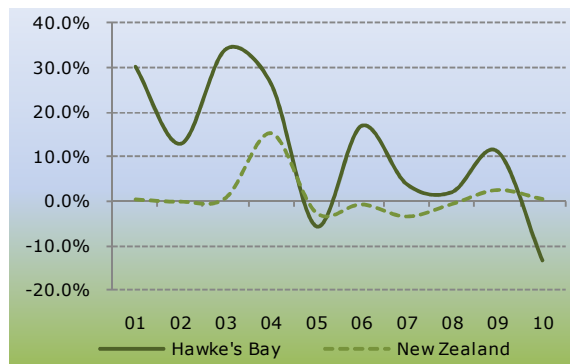
Figure 6. Grape Growing & Wine Manufacturing output growth



**Dairy cattle farming and milk production**

- Hawke's Bay's dairy cattle farming and milk production sector contributed 0.5% to the region's economy in 2010, up from 0.2% ten years ago.
- Output in the sector declined by 13.2% in 2010 compared with growth of 0.2% in the sector in the national economy.
- The sector employed 355 persons in Hawke's Bay in 2010 which was down from 394 in 2009.

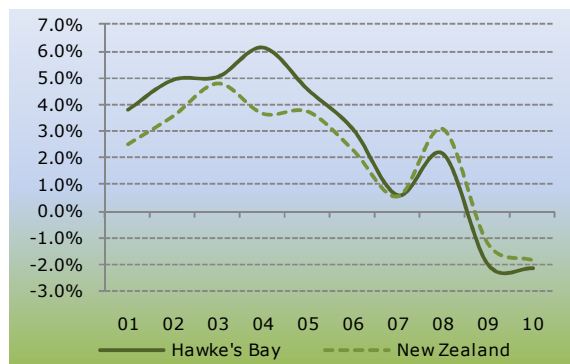
Figure 7. Dairy cattle farming and milk production output growth



**Tourism**

- Hawke's Bay's tourism sector contributed 4% to the region's economy in 2010, up from 3.9% ten years ago.
- Output in the sector declined by 2.1% in 2010 compared with a decline of 1.9% in the sector in the national economy.
- The sector employed 4,781 persons in Hawke's Bay in 2010 which was down from 4,881 in 2009.

Figure 8. Tourism output growth



**Employment**

- Total employment in Hawke's Bay was 75,567 in 2010, down -2.3% from a year earlier.
- The region's growth of -2.3% ranked it 13 among the 16 regions for rate of employment growth.

Figure 9. Employment growth (year to March 2010)

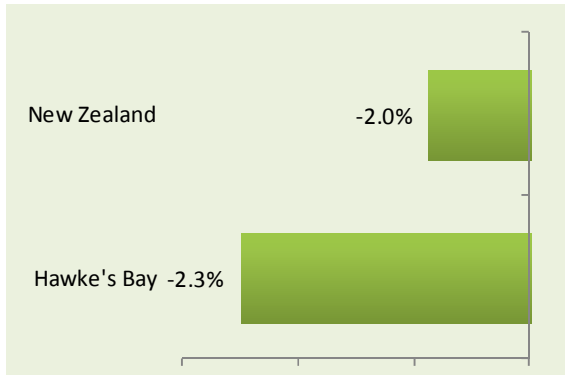
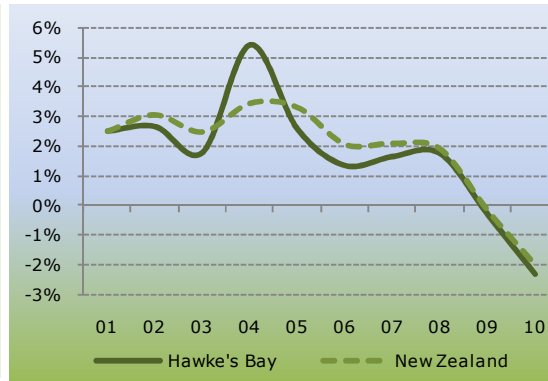
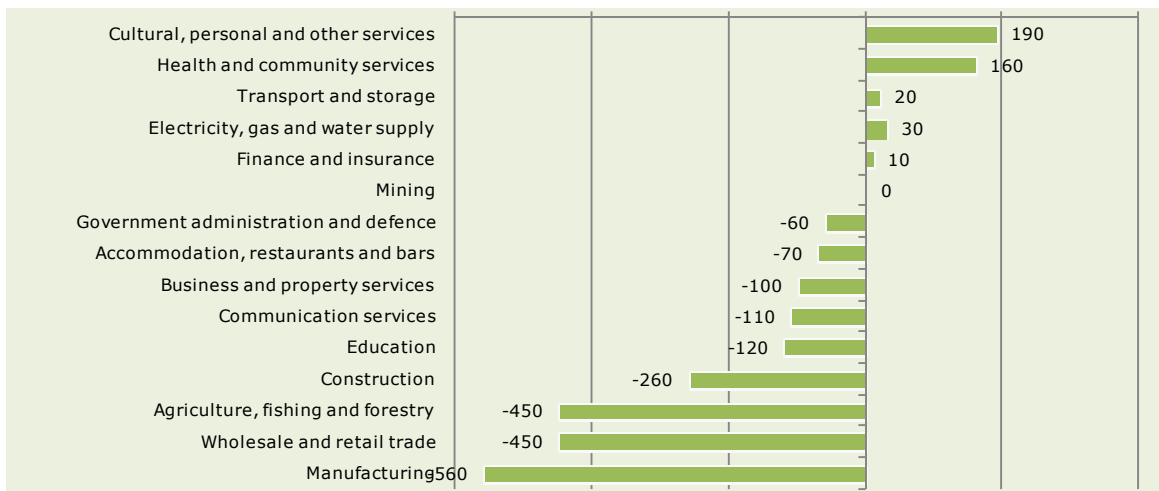


Figure 10. Annual average employment growth (2000-2010)



- Among broad industries wholesale and retail trade was the largest employer in Hawke's Bay region in 2010 accounting for 16.3% of total employment, followed by agriculture, fishing and forestry (14.2%) and manufacturing (13.2%).
- Apple & Pear Growing was the largest employer among the 480 detailed industries in Hawke's Bay in 2010, employing 2,413 persons and accounting for 3.2% of total employment in the region.
- Cultural, personal and other services made the largest contribution to employment growth in Hawke's Bay between 2009 and 2010 with the industry adding 190 jobs. The largest detractor from growth over the year was manufacturing in which employment declined by 560.

Figure 11. Jobs created by broad industry in Hawke's Bay (2009 -2010)



Population

- Hawke's Bay's population reached 154,800 in 2010, up 0.9% from a year earlier.
- Hawke's Bay's growth of 0.9% between 2009 and 2010 ranked it number 11 among the 16 regions of New Zealand for rate of growth.

Figure 12. Population growth (year to June 2010)

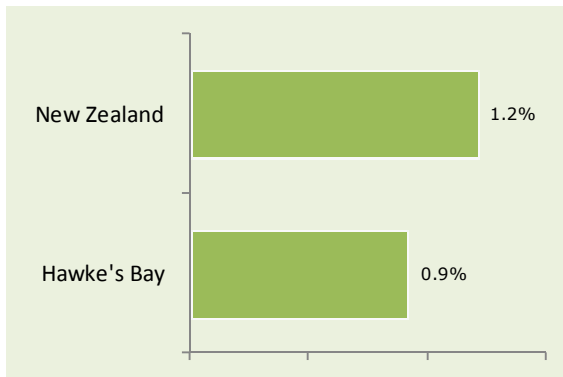


Figure 13. Annual population growth (June years)

