



ANNUAL ECONOMIC PROFILE

Wellington Region



Economics put simply

TABLE OF CONTENTS

ECONOMY	2
The New Zealand economy in 2021	2
How fast has Wellington Region's economy grown?	3
What is the industrial structure of Wellington Region's economy?	4
Which broad industries made the largest contribution to economic growth?	8
Which detailed industries made the largest contribution to economic growth?	9
In which industries does Wellington Region have a comparative advantage?	11
EMPLOYMENT	13
How fast has employment grown in Wellington Region?	13
What is the industrial structure of employment in Wellington Region?	15
Which are the largest employing industries in Wellington Region?	16
Which industries have created the most jobs?	18
What proportion of the workforce is self-employed in Wellington Region?	20
PRODUCTIVITY	21
What are the most productive industries in Wellington Region?	23
BUSINESS GROWTH	24
How fast did the number of business units grow in Wellington Region?	24
POPULATION GROWTH	26
How fast has Wellington Region's population grown?	26
What is the source of Wellington Region's population growth?	28
What is the age structure of Wellington Region's population?	29
STANDARD OF LIVING	30
What are the mean earnings in Wellington Region?	30
How do house prices in Wellington Region compare?	32
How affordable is housing in Wellington Region?	33
WORKFORCE AND SKILLS	34
How do skill levels in Wellington Region compare with New Zealand?	34
What is the occupational structure of employment in Wellington Region?	35
Employment in knowledge intensive industries in Wellington Region	37
What are the top knowledge intensive industries in Wellington Region?	38
Which qualifications are in demand in Wellington Region?	39
TOURISM	41
Tourism GDP	41
Tourism Employment	42
TECHNICAL NOTES	43

ECONOMY

The New Zealand economy in 2021

The New Zealand economy contracted 1.2% in the March 2021 year, following revised 2.2%pa growth in the year 2020 year. The March 2021 year captures the initial turmoil of COVID-19 in New Zealand, including the vast majority of the Level 4 lockdown in April 2020. The period also includes the August 2020 Auckland outbreak and resulting Level 3 restrictions, as well as further Auckland restrictions in February and March 2021.

The 1.2% fall in economic activity in the 2021 year was slightly less of an economic blow than the 1.3% fall experienced in 2009 as the Global Financial Crisis (GFC) hit. New Zealand's economic response to COVID-19 has been different, with substantial fiscal spending support and incredibly accommodative monetary policy with record-low interest rates.

A need to expand the public sector to support New Zealand through COVID-19 has seen the public administration and safety industry as the largest positive contributor to growth in 2021. Expanded work with MIQ, administering the Wage Subsidy, and more work across government has contributed to this growth. Retail trade also helped limit the economic blow, with higher spending on groceries and more spending on goods in New Zealand as households direct their holiday funds into other areas. Unsurprisingly for a health crisis, the health care and social assistance sector also helped bolster activity.

However, 11 out of 19 headline sectors experienced a contraction in activity. The collapse of international tourism hit the transport sector particularly hard, with a 20% collapse in activity. Administrative and support services also fell, as travel agency work plummeted.

The fall in economic activity in many sectors of the economy was largely due to the restrictions on activity at higher Alert Levels. For example, the contraction in construction output was due to the inability to build at higher Alert Levels, with workers having to stay home.

Employment activity held up better, with a limited 0.1% increase in the number of filled jobs across New Zealand. The Wage Subsidy enabled businesses to keep more workers employed than otherwise. Some sectors have seen considerable increases in their workforce, and others have seen large drops, as resources are reallocated across New Zealand.

The economy showed stronger signs towards the end of the 2021 year, with expectations for better activity to be reported for the 2022 year.

How fast has Wellington Region's economy grown?

This section measures economic performance in Wellington Region during the year to March 2021 and previous years. All GDP estimates are measured in constant 2021 prices.

- GDP in Wellington Region measured \$43,623m in the year to March 2021, down -0.5% from a year earlier. New Zealand's GDP decreased by -1.2% over the same period.
- Economic growth in Wellington Region averaged 2.1%pa over the last 10 years compared with an average of 2.6%pa in the national economy.
- Growth in Wellington Region reached a high of 3.9% in 2007 and a low of -0.5% in 2021.
- Wellington Region accounted for 13.4% of national GDP in 2021.

Figure 1: GDP growth, year to Mar 2021

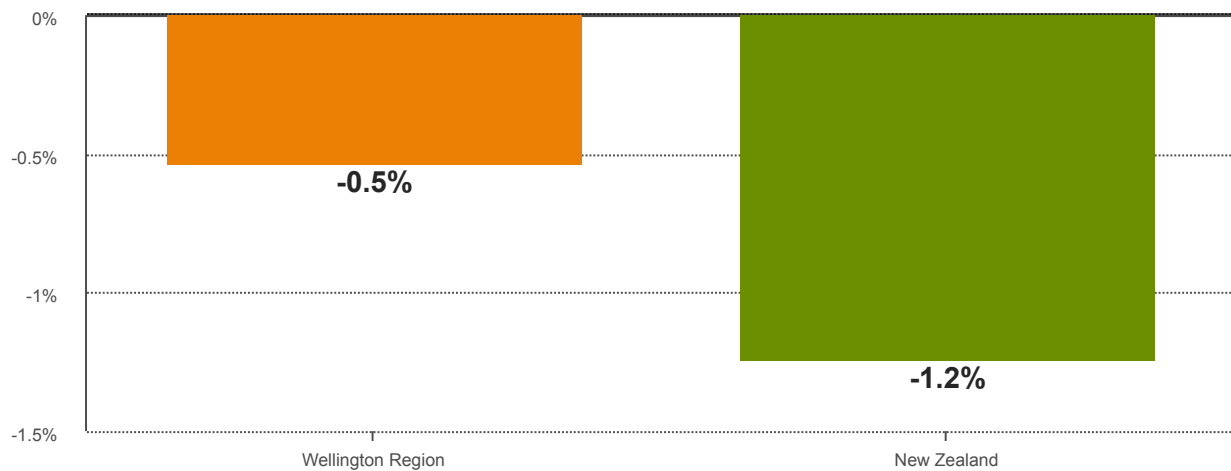


Figure 2: Annual average GDP growth, 2001-2021

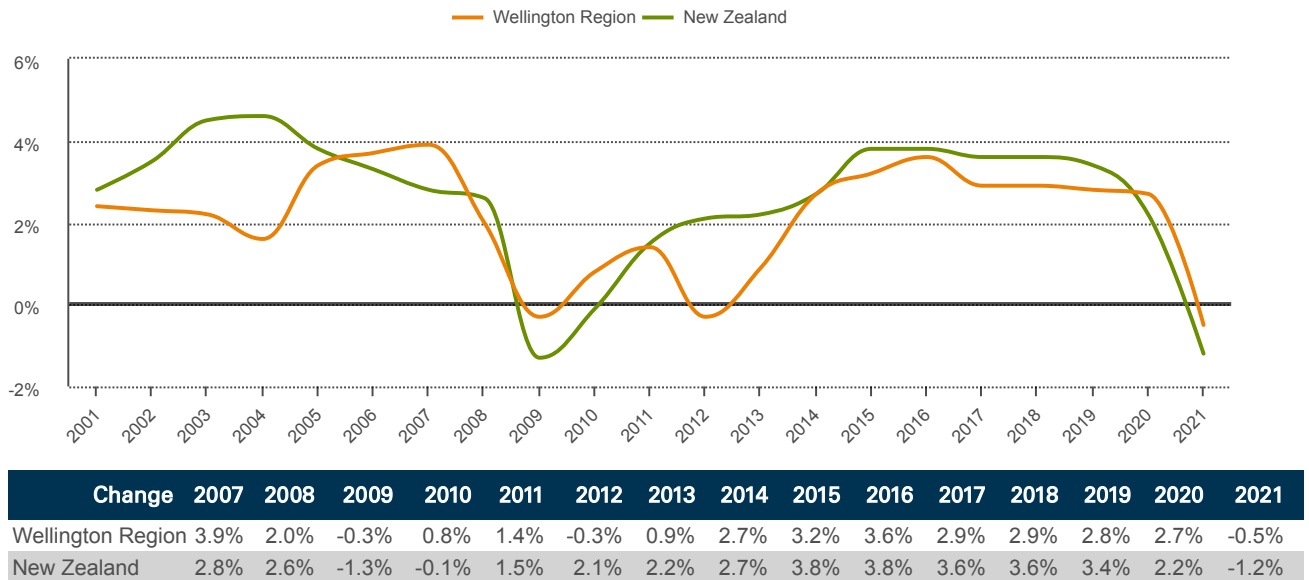
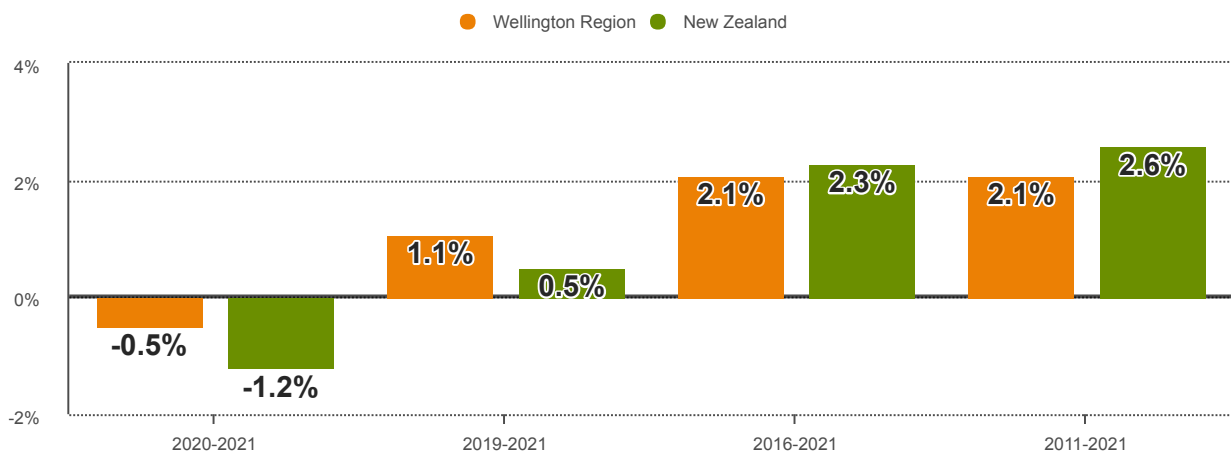


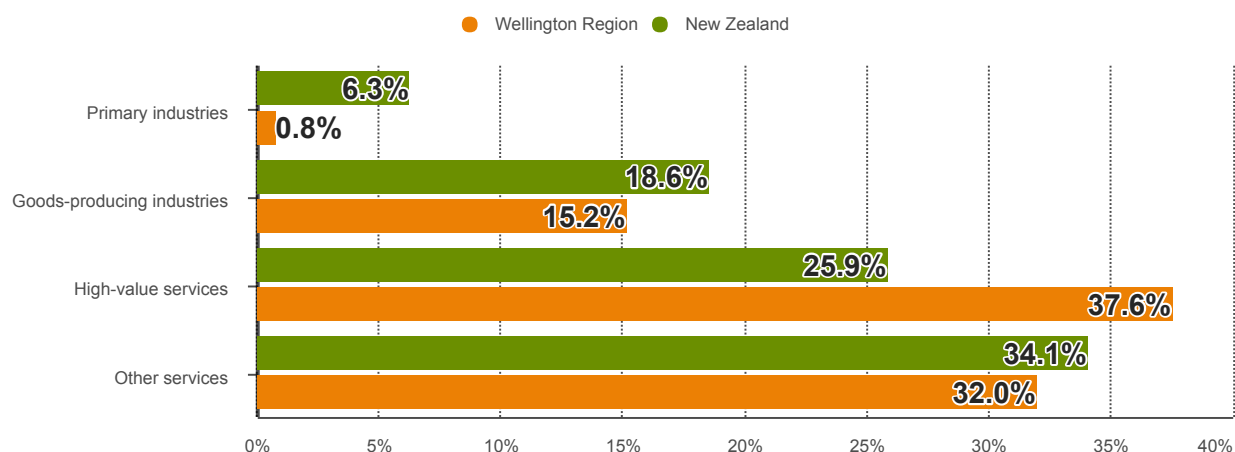
Figure 3: GDP growth over the last 1, 2, 5 & 10 years



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

This section describes the structure of the economy in terms of the broad sectors of primary industries, goods-producing industries, high-values services and other services. Primary industries make direct use of natural resources. They extract or harvest products from the earth. Goods-producing industries produce manufactured and other processed goods. High-value services include the higher value-adding, knowledge-based service industries. More detail of the sectors is given in the technical appendix.

Figure 4: Share of total GDP, 2021



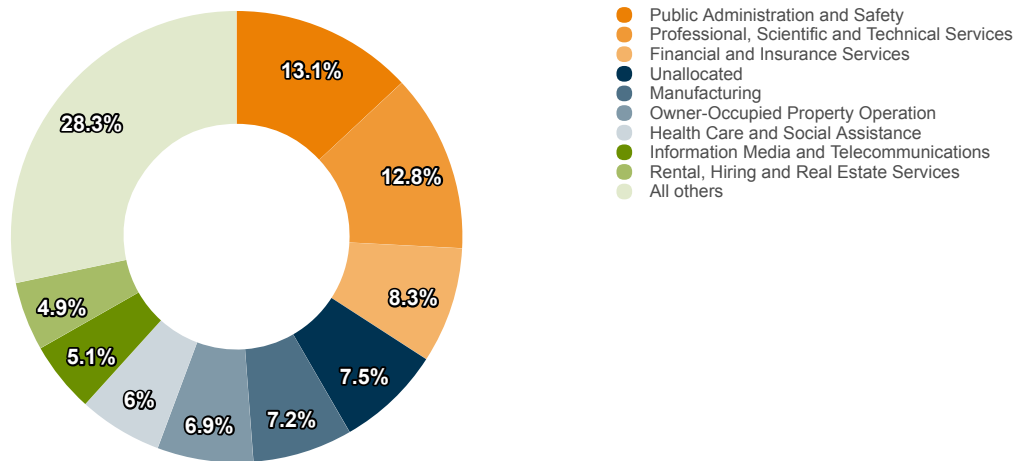
- Primary industries accounted for the smallest proportion in Wellington Region: 0.8% compared with 6.3% in the national economy.
- Goods-producing industries accounted for 15.2% compared with 18.6% in the national economy.
- Other services accounted for 32.0% compared with 34.1% in the national economy.
- High-value services accounted for the largest proportion of GDP (37.6%) in Wellington Region, which is higher than in the national economy (25.9%).

Table 1: GDP by ANZSIC 1-digit industry, 2021

Industry	Wellington Region		New Zealand	
	Level	Share of total	Level	Share of total
Public Administration and Safety	\$5,697m	13.1%	\$15,570m	4.8%
Professional, Scientific and Technical Services	\$5,566m	12.8%	\$28,779m	8.8%
Financial and Insurance Services	\$3,625m	8.3%	\$18,745m	5.7%
Manufacturing	\$3,126m	7.2%	\$30,248m	9.3%
Health Care and Social Assistance	\$2,620m	6.0%	\$20,217m	6.2%
Information Media and Telecommunications	\$2,212m	5.1%	\$12,158m	3.7%
Rental, Hiring and Real Estate Services	\$2,156m	4.9%	\$21,591m	6.6%
Construction	\$1,975m	4.5%	\$21,578m	6.6%
Retail Trade	\$1,550m	3.6%	\$17,105m	5.2%
Electricity, Gas, Water and Waste Services	\$1,513m	3.5%	\$8,804m	2.7%
Education and Training	\$1,436m	3.3%	\$11,730m	3.6%
Wholesale Trade	\$1,270m	2.9%	\$16,581m	5.1%
Transport, Postal and Warehousing	\$1,242m	2.8%	\$11,507m	3.5%
Other Services	\$875m	2.0%	\$5,615m	1.7%
Arts and Recreation Services	\$756m	1.7%	\$3,984m	1.2%
Accommodation and Food Services	\$696m	1.6%	\$6,405m	2.0%
Administrative and Support Services	\$672m	1.5%	\$5,577m	1.7%
Agriculture, Forestry and Fishing	\$317m	0.7%	\$17,030m	5.2%
Mining	\$35.0m	0.1%	\$3,378m	1.0%
Owner-Occupied Property Operation	\$2,997m	6.9%	\$25,112m	7.7%
Unallocated	\$3,285m	7.5%	\$24,586m	7.5%
Total	\$43,623m	100%	\$326,300m	100%

- Among broad industries Public Administration and Safety was the largest in Wellington Region in 2021 accounting for 13.1% of total.
- The second largest was Professional, Scientific and Technical Services (12.8%) followed by Financial and Insurance Services (8.3%)

Figure 5: Share of total GDP, 2021



The table 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.

- Among detailed industries Professional, Scientific & Tech Services was the largest in Wellington Region in 2021 accounting for 12.8% of total.
- The second largest was Central Gov Admin, Defence & Safety (12.4%) followed by Finance (6.1%)

Table 2: GDP by 54 industries, 2021

Industry	Wellington Region		New Zealand	
	Level	Share of total	Level	Share of total
Professional, Scientific & Tech Services	\$5,566m	12.8%	\$28,779m	8.8%
Central Gov Admin, Defence & Safety	\$5,423m	12.4%	\$13,720m	4.2%
Finance	\$2,679m	6.1%	\$12,476m	3.8%
Health Care & Social Assistance	\$2,620m	6.0%	\$20,217m	6.2%
Property Operators & Real Estate Services	\$1,887m	4.3%	\$18,164m	5.6%
Telecomms, Internet & Library Services	\$1,493m	3.4%	\$8,801m	2.7%
Education & Training	\$1,436m	3.3%	\$11,730m	3.6%
Wholesale Trade	\$1,270m	2.9%	\$16,581m	5.1%
Electricity & Gas Supply	\$1,256m	2.9%	\$7,272m	2.2%
Construction Services	\$1,101m	2.5%	\$11,036m	3.4%
Other Services	\$875m	2.0%	\$5,615m	1.7%
Other Store & Non Store Retailing	\$869m	2.0%	\$9,631m	3.0%
Arts & Recreation Services	\$756m	1.7%	\$3,984m	1.2%
Information Media Services	\$719m	1.6%	\$3,356m	1.0%
Petroleum & Coal Product Manufacturing	\$702m	1.6%	\$1,421m	0.4%
Accommodation & Food Services	\$696m	1.6%	\$6,405m	2.0%
Administrative & Support Services	\$672m	1.5%	\$5,577m	1.7%
Auxiliary Finance & Insurance Services	\$607m	1.4%	\$3,415m	1.0%
Postal, Courier & Warehousing Services	\$530m	1.2%	\$5,882m	1.8%
Supermarket & Specialised Food Retailing	\$504m	1.2%	\$5,098m	1.6%
Road Transport	\$494m	1.1%	\$4,621m	1.4%
Building Construction	\$460m	1.1%	\$4,727m	1.4%
Heavy & Civil Engineering Construction	\$413m	0.9%	\$5,815m	1.8%
Beverage & Tobacco Product Manu	\$390m	0.9%	\$2,640m	0.8%
Fruit, Cereal & Other Food Product Manu	\$388m	0.9%	\$2,604m	0.8%
Insurance & Superannuation Funds	\$339m	0.8%	\$2,855m	0.9%
Local Government Administration	\$273m	0.6%	\$1,849m	0.6%
Rental & Hiring Services	\$269m	0.6%	\$3,427m	1.1%
Water, Sewerage & Waste Services	\$257m	0.6%	\$1,532m	0.5%
Polymer Product & Rubber Product Manu	\$240m	0.6%	\$1,562m	0.5%
Rail, Water, Air & Other Transport	\$218m	0.5%	\$1,004m	0.3%
Meat & Meat Product Manufacturing	\$205m	0.5%	\$2,365m	0.7%
Machinery & Other Equipment Manu	\$203m	0.5%	\$4,270m	1.3%
Wood Product Manufacturing	\$192m	0.4%	\$1,762m	0.5%
Motor Vehicle, Parts & Fuel Retailing	\$178m	0.4%	\$2,376m	0.7%
Basic Chemical & Chemical Product Manu	\$166m	0.4%	\$1,818m	0.6%
Non-Metallic Mineral Product Manu	\$157m	0.4%	\$1,386m	0.4%
Fabricated Metal Product Manufacturing	\$135m	0.3%	\$2,555m	0.8%
Sheep, Beef Cattle & Grain Farming	\$99.2m	0.2%	\$3,315m	1.0%
Printing	\$81.4m	0.2%	\$661m	0.2%
Dairy Cattle Farming	\$77.1m	0.2%	\$6,461m	2.0%
Furniture & Other Manufacturing	\$71.8m	0.2%	\$950m	0.3%
Transport Equipment Manufacturing	\$65.9m	0.2%	\$1,571m	0.5%
Agric Support Services & Hunting	\$50.5m	0.1%	\$2,616m	0.8%
Pulp & Paper Product Manufacturing	\$50.4m	0.1%	\$952m	0.3%
Textile, Leather, Clothing, Footwear Manu	\$40.5m	0.1%	\$703m	0.2%
Mining	\$35.0m	0.1%	\$3,378m	1.0%
Forestry & Logging	\$32.4m	0.1%	\$2,039m	0.6%
Horticulture & Fruit Growing	\$24.3m	0.1%	\$1,638m	0.5%
Poultry, Deer & Other Livestock Farming	\$24.2m	0.1%	\$462m	0.1%
Primary Metal & Metal Product Manu	\$19.0m	0.0%	\$727m	0.2%
Dairy Product Manufacturing	\$10.9m	0.0%	\$1,800m	0.6%
Fishing & Aquaculture	\$9.16m	0.0%	\$500m	0.2%
Seafood Processing	\$7.31m	0.0%	\$501m	0.2%
Owner-Occupied Property Operation	\$2,997m	6.9%	\$25,112m	7.7%
Unallocated	\$3,285m	7.5%	\$24,586m	7.5%
Total	\$43,623m	100%	\$326,300m	100%

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 Region's economy taking into account their relative sizes.

- Public Administration and Safety made the largest contribution to overall growth in Wellington Region between 2020 and 2021. The industry grew by 8.1% over the year and contributed 0.97 percentage points to the district's total growth of -0.5%.
- The next largest contributor was health care and social assistance (0.32 percentage points) followed by professional, scientific and technical services (0.17 percentage points).
- The largest detractor from growth over the year was Transport, Postal and Warehousing which declined by 19.2% and contributed -0.67 percentage points to the total growth of -0.5%. Manufacturing (-0.29 percentage points) was the next largest detractor.

Table 3: ANZSIC 1-digit industries ranked by % point contribution to GDP growth, 2020-2021

Industry	2020	2021	% point contribution to growth	Annual Growth
Public Administration and Safety	5,271	5,697	0.97%	8.1%
Health Care and Social Assistance	2,480	2,620	0.32%	5.6%
Professional, Scientific and Technical Services	5,489	5,566	0.17%	1.4%
Retail Trade	1,490	1,550	0.14%	4.0%
Rental, Hiring and Real Estate Services	2,112	2,156	0.10%	2.1%
Agriculture, Forestry and Fishing	312	317	0.01%	1.6%
Wholesale Trade	1,273	1,270	-0.01%	-0.2%
Information Media and Telecommunications	2,218	2,212	-0.01%	-0.3%
Mining	42	35	-0.02%	-16.8%
Other Services	886	875	-0.02%	-1.2%
Accommodation and Food Services	734	696	-0.09%	-5.2%
Education and Training	1,477	1,436	-0.09%	-2.7%
Construction	2,033	1,975	-0.13%	-2.8%
Arts and Recreation Services	843	756	-0.20%	-10.3%
Financial and Insurance Services	3,725	3,625	-0.23%	-2.7%
Administrative and Support Services	782	672	-0.25%	-14.1%
Electricity, Gas, Water and Waste Services	1,640	1,513	-0.29%	-7.8%
Manufacturing	3,254	3,126	-0.29%	-3.9%
Transport, Postal and Warehousing	1,537	1,242	-0.67%	-19.2%
Owner-Occupied Property Operation	2,878.1	2,997.4	0.27%	4.1%
Unallocated	3,381.3	3,285.3	-0.22%	-2.8%
Total	43,857	43,623	-0.5%	-0.5%

Which detailed industries made the largest contribution to economic growth?

The following table shows a ranking of the detailed industries by their contribution to economic growth over the past year.

- Central Gov Admin, Defence & Safety made the largest contribution to overall growth in Wellington Region between 2020 and 2021. The industry grew by 8.1% over the year and contributed 0.92 percentage points to the district's total growth of -0.5%.
- The next largest contributor was health care & social assistance (0.32 percentage points) followed by professional, scientific & tech services (0.17 percentage points).
- The largest detractor from growth over the year was Rail, Water, Air & Other Transport which declined by 48.0% and contributed -0.46 percentage points to the total growth of -0.5%. Petroleum & Coal Product Manufacturing (-0.34 percentage points) was the next largest detractor.

Table 4: 54 industries ranked by percentage point contribution to growth, 2020-2021

Industry	2020	2021	% point contribution to growth	Annual Growth
Central Gov Admin, Defence & Safety	5,019	5,423	0.92%	8.1%
Health Care & Social Assistance	2,480	2,620	0.32%	5.6%
Professional, Scientific & Tech Services	5,489	5,566	0.17%	1.4%
Property Operators & Real Estate Services	1,822	1,887	0.15%	3.6%
Other Store & Non Store Retailing	834	869	0.08%	4.2%
Beverage & Tobacco Product Manu	362	390	0.06%	7.8%
Supermarket & Specialised Food Retailing	479	504	0.06%	5.2%
Local Government Administration	252	273	0.05%	8.3%
Meat & Meat Product Manufacturing	191	205	0.03%	7.6%
Fruit, Cereal & Other Food Product Manu	377	388	0.02%	2.8%
Machinery & Other Equipment Manu	194	203	0.02%	4.8%
Information Media Services	711	719	0.02%	1.2%
Auxiliary Finance & Insurance Services	600	607	0.02%	1.2%
Non-Metallic Mineral Product Manu	150	157	0.02%	4.5%
Wood Product Manufacturing	188	192	0.01%	2.2%
Furniture & Other Manufacturing	68	72	0.01%	6.1%
Dairy Cattle Farming	74	77	0.01%	4.5%
Agric Support Services & Hunting	48	51	0.01%	6.2%
Horticulture & Fruit Growing	23	24	0.00%	4.0%
Motor Vehicle, Parts & Fuel Retailing	177	178	0.00%	0.3%
Fishing & Aquaculture	9	9	0.00%	-2.7%
Transport Equipment Manufacturing	66	66	0.00%	-0.5%
Forestry & Logging	33	32	0.00%	-1.3%
Sheep, Beef Cattle & Grain Farming	100	99	0.00%	-0.5%
Poultry, Deer & Other Livestock Farming	25	24	0.00%	-3.7%
Seafood Processing	9	7	0.00%	-14.7%
Textile, Leather, Clothing, Footwear Manu	43	41	0.00%	-5.0%
Building Construction	463	460	-0.01%	-0.5%
Wholesale Trade	1,273	1,270	-0.01%	-0.2%
Primary Metal & Metal Product Manu	23	19	-0.01%	-17.6%
Polymer Product & Rubber Product Manu	245	240	-0.01%	-2.0%
Dairy Product Manufacturing	16	11	-0.01%	-31.8%
Fabricated Metal Product Manufacturing	141	135	-0.01%	-4.3%
Pulp & Paper Product Manufacturing	57	50	-0.01%	-11.3%
Mining	42	35	-0.02%	-16.8%
Other Services	886	875	-0.02%	-1.2%
Water, Sewerage & Waste Services	270	257	-0.03%	-4.8%
Construction Services	1,115	1,101	-0.03%	-1.2%
Printing	95	81	-0.03%	-14.3%
Telecomms, Internet & Library Services	1,507	1,493	-0.03%	-0.9%
Basic Chemical & Chemical Product Manu	181	166	-0.03%	-7.9%
Rental & Hiring Services	290	269	-0.05%	-7.1%
Road Transport	527	494	-0.08%	-6.3%
Accommodation & Food Services	734	696	-0.09%	-5.2%
Education & Training	1,477	1,436	-0.09%	-2.7%
Finance	2,721	2,679	-0.10%	-1.5%
Heavy & Civil Engineering Construction	455	413	-0.10%	-9.2%
Postal, Courier & Warehousing Services	591	530	-0.14%	-10.3%
Insurance & Superannuation Funds	404	339	-0.15%	-16.0%
Arts & Recreation Services	843	756	-0.20%	-10.3%
Administrative & Support Services	782	672	-0.25%	-14.1%
Electricity & Gas Supply	1,370	1,256	-0.26%	-8.3%
Petroleum & Coal Product Manufacturing	849	702	-0.34%	-17.3%
Rail, Water, Air & Other Transport	419	218	-0.46%	-48.0%
Owner-Occupied Property Operation	2,878.1	2,997.4	0.27%	4.1%
Unallocated	3,381.3	3,285.3	-0.22%	-2.8%
Total	43,857	43,623	-0.5%	-0.5%

In which industries does Wellington Region 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.

The following table shows a ranking of 54 industries by their location quotients.

- The industries in which Wellington Region has the largest comparative advantages are Petroleum & Coal Product Manufacturing (location quotient = 3.7), Central Gov Admin, Defence & Safety (3.0), and Rail, Water, Air & Other Transport (1.6).

Table 5: Location Quotient, 2021

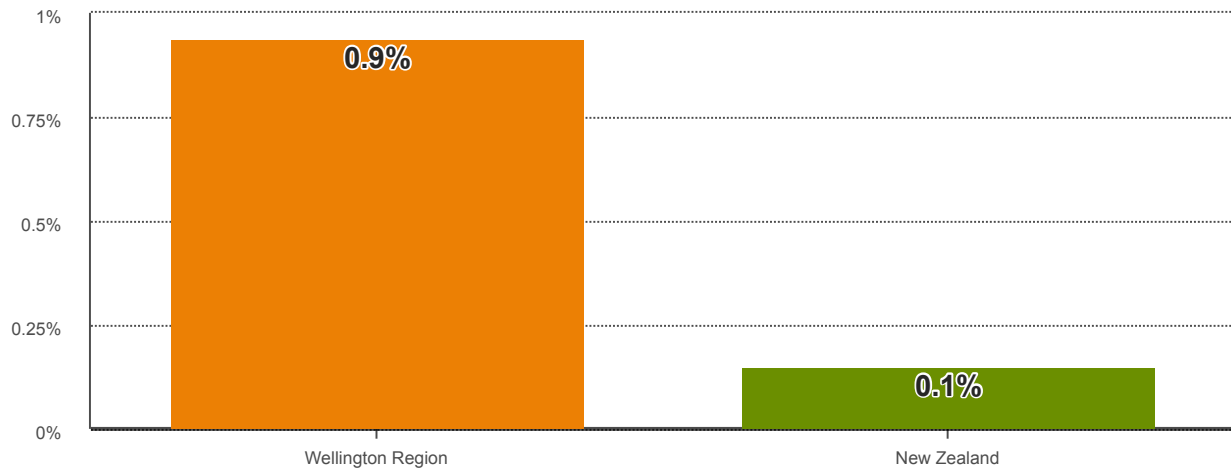
Industry	Wellington Region		New Zealand
	Location Quotient	Share of total GDP	Share of total GDP
Petroleum & Coal Product Manufacturing	3.7	1.6%	0.4%
Central Gov Admin, Defence & Safety	3.0	12.4%	4.2%
Rail, Water, Air & Other Transport	1.6	0.5%	0.3%
Finance	1.6	6.1%	3.8%
Information Media Services	1.6	1.6%	1.0%
Professional, Scientific & Tech Services	1.4	12.8%	8.8%
Arts & Recreation Services	1.4	1.7%	1.2%
Auxiliary Finance & Insurance Services	1.3	1.4%	1.0%
Electricity & Gas Supply	1.3	2.9%	2.2%
Telecomms, Internet & Library Services	1.3	3.4%	2.7%
Water, Sewerage & Waste Services	1.3	0.6%	0.5%
Other Services	1.2	2.0%	1.7%
Polymer Product & Rubber Product Manu	1.2	0.6%	0.5%
Fruit, Cereal & Other Food Product Manu	1.1	0.9%	0.8%
Local Government Administration	1.1	0.6%	0.6%
Beverage & Tobacco Product Manu	1.1	0.9%	0.8%
Health Care & Social Assistance	1.0	6.0%	6.2%
Printing	0.9	0.2%	0.2%
Education & Training	0.9	3.3%	3.6%
Administrative & Support Services	0.9	1.5%	1.7%
Insurance & Superannuation Funds	0.9	0.8%	0.9%
Non-Metallic Mineral Product Manu	0.8	0.4%	0.4%
Wood Product Manufacturing	0.8	0.4%	0.5%
Accommodation & Food Services	0.8	1.6%	2.0%
Road Transport	0.8	1.1%	1.4%
Property Operators & Real Estate Services	0.8	4.3%	5.6%
Construction Services	0.7	2.5%	3.4%
Supermarket & Specialised Food Retailing	0.7	1.2%	1.6%
Building Construction	0.7	1.1%	1.4%
Basic Chemical & Chemical Product Manu	0.7	0.4%	0.6%
Other Store & Non Store Retailing	0.7	2.0%	3.0%
Postal, Courier & Warehousing Services	0.7	1.2%	1.8%
Meat & Meat Product Manufacturing	0.6	0.5%	0.7%
Rental & Hiring Services	0.6	0.6%	1.1%
Wholesale Trade	0.6	2.9%	5.1%
Furniture & Other Manufacturing	0.6	0.2%	0.3%
Motor Vehicle, Parts & Fuel Retailing	0.6	0.4%	0.7%
Heavy & Civil Engineering Construction	0.5	0.9%	1.8%
Textile, Leather, Clothing, Footwear Manu	0.4	0.1%	0.2%
Pulp & Paper Product Manufacturing	0.4	0.1%	0.3%
Fabricated Metal Product Manufacturing	0.4	0.3%	0.8%
Poultry, Deer & Other Livestock Farming	0.4	0.1%	0.1%
Machinery & Other Equipment Manu	0.4	0.5%	1.3%
Transport Equipment Manufacturing	0.3	0.2%	0.5%
Sheep, Beef Cattle & Grain Farming	0.2	0.2%	1.0%
Primary Metal & Metal Product Manu	0.2	0.0%	0.2%
Agric Support Services & Hunting	0.1	0.1%	0.8%
Fishing & Aquaculture	0.1	0.0%	0.2%
Forestry & Logging	0.1	0.1%	0.6%
Horticulture & Fruit Growing	0.1	0.1%	0.5%
Seafood Processing	0.1	0.0%	0.2%
Dairy Cattle Farming	0.1	0.2%	2.0%
Mining	0.1	0.1%	1.0%
Dairy Product Manufacturing	0.0	0.0%	0.6%

EMPLOYMENT

How fast has employment grown in Wellington Region?

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

Figure 6: Employment growth, year to Mar 2021



- Total employment in Wellington Region averaged 303,919 in the year to March 2021, up 0.9% from a year earlier. Employment in New Zealand increased by 0.1% over the same period.
- Employment growth in Wellington Region averaged 1.5%pa over the last 10 years compared with 1.9%pa in the national economy.
- Employment growth in Wellington Region reached a high of 3.2% in 2005 and a low of -1.5% in 2010.

Figure 7: Annual average employment growth, 2001-2021

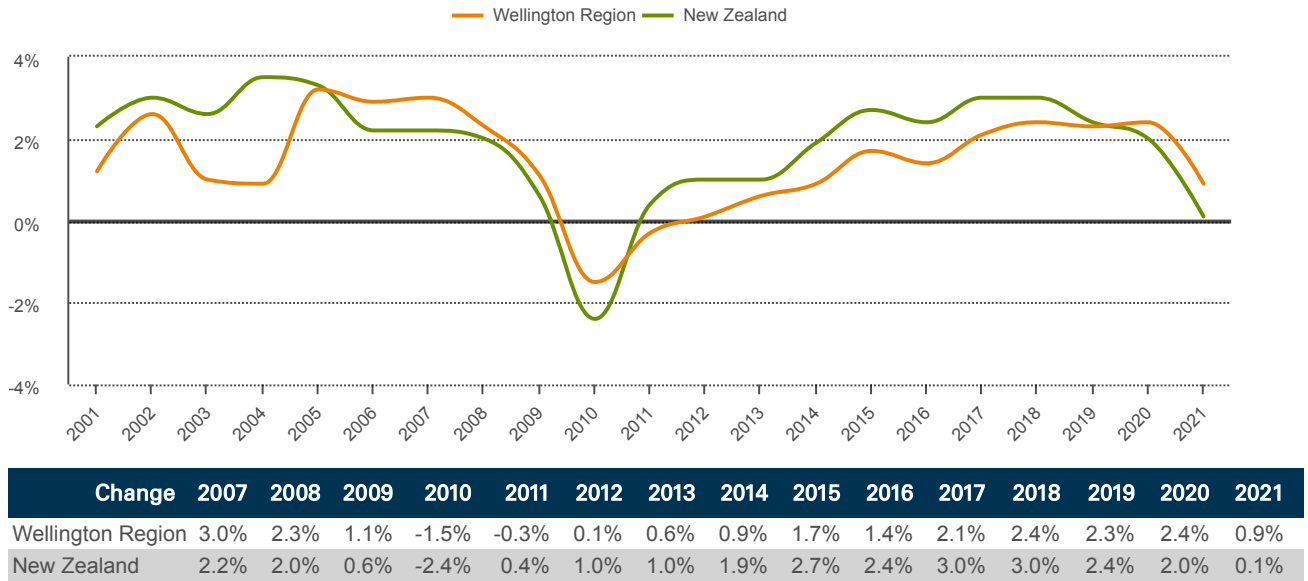
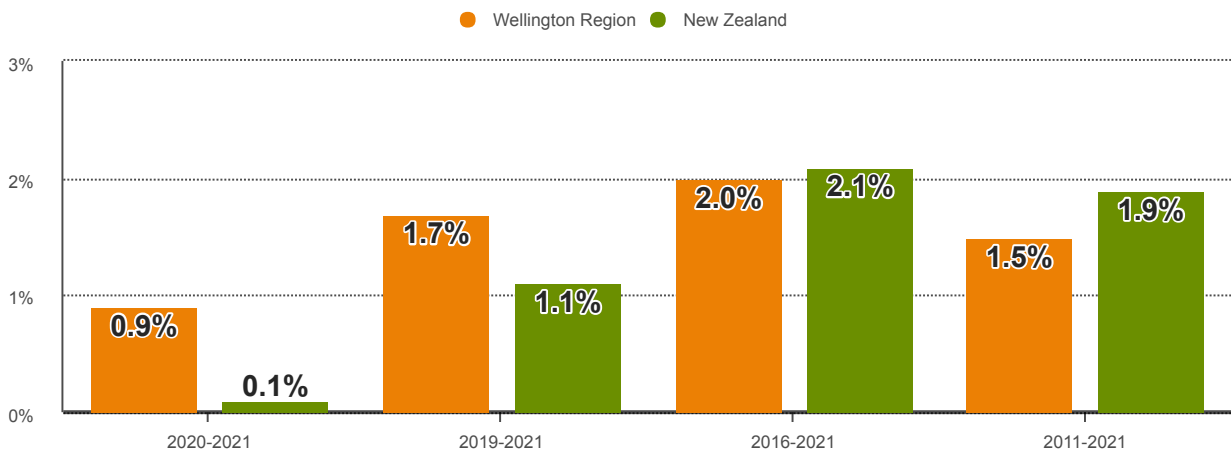


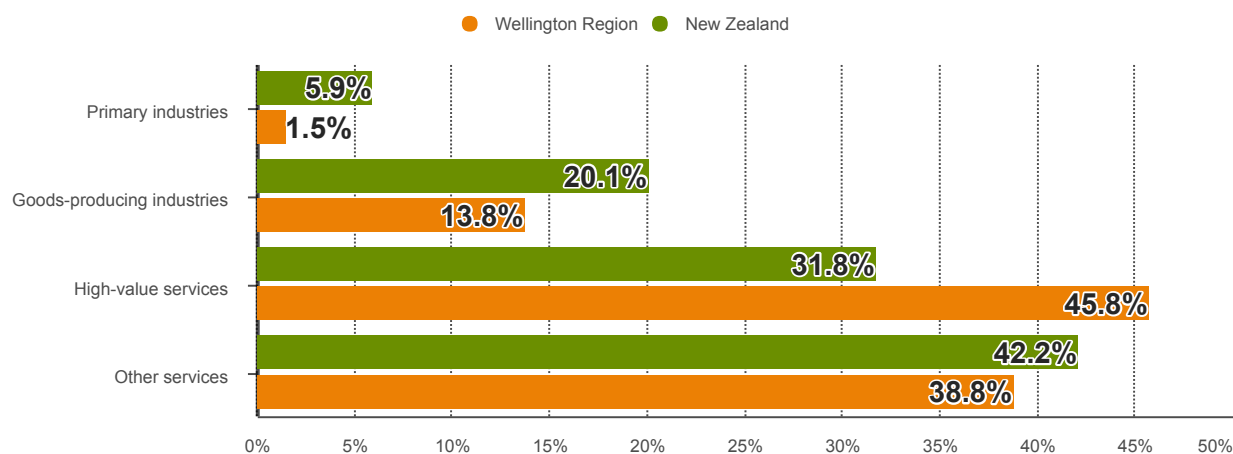
Figure 8: Employment growth over the last 1, 2, 5 & 10 years



What is the industrial structure of employment in Wellington Region?

This section describes the structure of the labour market in terms of the broad sectors of primary industries, goods-producing industries, high-values services and other services. Primary industries make direct use of natural resources. They extract or harvest products from the earth. Goods-producing industries produce manufactured and other processed goods. High-value services include the higher value-adding, knowledge-based service industries. More detail of the sectors is given in the technical appendix.

Figure 9: Employment by broad sector, 2021



- Primary industries accounted for 1.5% in Wellington Region compared with 5.9% in New Zealand.
- Goods-producing industries accounted for 13.8% in Wellington Region compared with 20.1% in New Zealand.
- Other services accounted for 38.8% in Wellington Region compared with 42.2% in New Zealand.
- High-value services industries accounted for the largest proportion of employment (45.8%) in Wellington Region, which is higher than in New Zealand (31.8%).

Which are the largest employing industries in Wellington Region?

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

Table 6: ANZSIC 1-digit industries ranked by size of employment, 2021

Industry	Wellington Region		New Zealand	
	Level	Share of total	Level	Share of total
Professional, Scientific and Technical Services	42,496	14.0%	252,284	9.7%
Public Administration and Safety	40,538	13.3%	139,448	5.3%
Health Care and Social Assistance	30,024	9.9%	262,664	10.1%
Construction	25,398	8.4%	264,339	10.1%
Education and Training	25,030	8.2%	199,597	7.6%
Retail Trade	22,714	7.5%	230,256	8.8%
Accommodation and Food Services	19,149	6.3%	165,223	6.3%
Administrative and Support Services	15,012	4.9%	130,569	5.0%
Manufacturing	14,288	4.7%	242,053	9.3%
Financial and Insurance Services	12,675	4.2%	70,182	2.7%
Other Services	11,955	3.9%	101,262	3.9%
Transport, Postal and Warehousing	9,246	3.0%	103,968	4.0%
Wholesale Trade	8,637	2.8%	124,512	4.8%
Information Media and Telecommunications	7,191	2.4%	41,212	1.6%
Arts and Recreation Services	7,054	2.3%	47,872	1.8%
Rental, Hiring and Real Estate Services	5,469	1.8%	63,943	2.4%
Agriculture, Forestry and Fishing	4,302	1.4%	148,313	5.7%
Electricity, Gas, Water and Waste Services	2,368	0.8%	19,188	0.7%
Mining	374	0.1%	5,818	0.2%
Total	303,919	100%	2,612,700	100%

- Among broad industries Professional, Scientific and Technical Services was the largest in Wellington Region in 2021 accounting for 14.0% of total.
- The second largest was Public Administration and Safety (13.3%) followed by Health Care and Social Assistance (9.9%)

The table 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 Region.

- Central Government Administration was the largest 7-digit industry in Wellington Region in 2021 employing 21,805 persons and accounting for 7.2% of total employment in the district. By contrast this industry accounted for 1.8% of total employment in New Zealand.
- The second largest employing industries were computer systems design and related services (11,928) followed by cafes and restaurants (8,741).

Table 7: 50 largest employing ANZSIC 7-digit industries, 2021

Rank	Industry	Wellington Region		New Zealand
		Jobs	% of total	% of total
1	Central Government Administration	21,805	7.2%	1.8%
2	Computer Systems Design and Related Services	11,928	3.9%	1.8%
3	Cafes and Restaurants	8,741	2.9%	2.9%
4	Hospitals (except Psychiatric Hospitals)	8,298	2.7%	3.0%
5	Management Advice and Other Consulting Services	7,454	2.5%	1.7%
6	Banking	6,911	2.3%	1.0%
7	Supermarket and Grocery Stores	6,837	2.2%	2.4%
8	Primary Education	6,092	2.0%	2.2%
9	Higher Education	5,564	1.8%	1.4%
10	House Construction	5,315	1.7%	2.1%
11	Corporate Head Office Management Services	4,949	1.6%	1.0%
12	Other Allied Health Services	4,929	1.6%	1.4%
13	Employment Placement and Recruitment Services	4,863	1.6%	0.7%
14	Aged Care Residential Services	4,041	1.3%	1.4%
15	Takeaway Food Services	3,801	1.3%	1.2%
16	Secondary Education	3,642	1.2%	1.4%
17	Police Services	3,608	1.2%	0.6%
18	Engineering Design and Engineering Consulting Services	3,569	1.2%	1.2%
19	Regulatory Services	3,327	1.1%	0.3%
20	Accounting Services	3,174	1.0%	1.0%
21	Other Social Assistance Services	3,171	1.0%	0.9%
22	Buildings Cleaning Services	3,142	1.0%	1.1%
23	Preschool Education	3,066	1.0%	1.1%
24	Defence	3,025	1.0%	0.5%
25	Legal Services	2,998	1.0%	0.8%
26	Accommodation	2,772	0.9%	1.1%
27	Local Government Administration	2,722	0.9%	0.9%
28	Labour Supply Services	2,609	0.9%	1.2%
29	Electrical Services	2,437	0.8%	0.9%
30	Other Auxiliary Finance and Investment Services	2,342	0.8%	0.4%
31	Real Estate Services	2,302	0.8%	0.9%
32	Hairdressing and Beauty Services	2,135	0.7%	0.7%
33	Pubs, Taverns and Bars	2,117	0.7%	0.6%
34	Other Interest Group Services n.e.c.	2,093	0.7%	0.5%
35	Hardware and Building Supplies Retailing	2,000	0.7%	0.8%
36	Adult, Community and Other Education n.e.c.	1,979	0.7%	0.5%
37	Painting and Decorating Services	1,935	0.6%	0.6%
38	Road Freight Transport	1,905	0.6%	1.3%
39	General Practice Medical Services	1,871	0.6%	0.6%
40	Plumbing Services	1,842	0.6%	0.6%
41	Other Heavy and Civil Engineering Construction	1,810	0.6%	0.8%
42	Scientific Research Services	1,800	0.6%	0.3%
43	Postproduction Services and Other Motion Picture and Video Activities	1,778	0.6%	0.1%
44	Other Residential Care Services	1,770	0.6%	0.6%
45	Justice	1,763	0.6%	0.2%
46	Child Care Services	1,743	0.6%	0.6%
47	Clothing Retailing	1,705	0.6%	0.6%
48	Department Stores	1,690	0.6%	0.6%
49	Investigation and Security Services	1,682	0.6%	0.5%
50	Non-Residential Building Construction	1,535	0.5%	0.5%
	All other industries total	109,332	36.0%	48.5%
	Total	303,919	100%	100%

Which industries have created the most jobs?

The section investigates which industries have created and lost the most number of jobs in Wellington Region. 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 8: ANZSIC 1-digit industries ranked by number of jobs created, 2020-2021

Industry	2020	2021	Change	Annual Growth
Public Administration and Safety	37,075	40,538	3,463	9.3%
Health Care and Social Assistance	28,723	30,024	1,301	4.5%
Construction	24,462	25,398	936	3.8%
Professional, Scientific and Technical Services	42,139	42,496	357	0.8%
Other Services	11,786	11,955	169	1.4%
Rental, Hiring and Real Estate Services	5,366	5,469	103	1.9%
Electricity, Gas, Water and Waste Services	2,316	2,368	52	2.3%
Agriculture, Forestry and Fishing	4,327	4,302	-25	-0.6%
Financial and Insurance Services	12,757	12,675	-82	-0.6%
Manufacturing	14,384	14,288	-96	-0.7%
Mining	473	374	-99	-20.9%
Arts and Recreation Services	7,154	7,054	-101	-1.4%
Wholesale Trade	8,813	8,637	-175	-2.0%
Education and Training	25,220	25,030	-189	-0.8%
Information Media and Telecommunications	7,453	7,191	-262	-3.5%
Transport, Postal and Warehousing	9,516	9,246	-271	-2.8%
Retail Trade	23,044	22,714	-329	-1.4%
Administrative and Support Services	15,711	15,012	-699	-4.4%
Accommodation and Food Services	20,383	19,149	-1,234	-6.1%
Total	301,101	303,919	2,818	0.9%

- Public Administration and Safety made the largest contribution to employment growth in Wellington Region between 2020 and 2021 with the industry adding 3,463 jobs.
- The next largest contributor was Health Care and Social Assistance (1,301 jobs) followed by Construction (936 jobs).
- The largest detractor from growth over the year was Accommodation and Food Services in which employment declined by 1,234.

The table on the next page shows the 20 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 15 shows the 20 detailed industries that made the lowest contribution to job creation over the same period.

- Central Government Administration was the largest creator of jobs in Wellington Region between 2020 and 2021, generating an additional 2,429 positions.
- This was followed by Allied Health Services, which added 511 jobs over the same period.
- Accommodation was the largest detractor of jobs in Wellington Region between 2020 and 2021, losing 680 positions.
- This was followed by Employment Services, which lost 599 jobs over the same period.

Table 9: The 20 ANZSIC 4-digit industries that created the most jobs, 2020-2021

Rank	Industry	Jobs		Change 2020 - 2021	% of total 2021
		2020	2021		
1	Central Government Administration	19,376	21,805	2,429	7.2%
2	Allied Health Services	6,269	6,780	511	2.2%
3	Public Order and Safety Services	7,129	7,622	493	2.5%
4	Regulatory Services	2,905	3,327	423	1.1%
5	Residential Building Construction	5,514	5,910	396	1.9%
6	Hospitals	8,149	8,497	348	2.8%
7	Architectural, Engineering and Technical Services	6,867	7,160	293	2.4%
8	Building Completion Services	3,930	4,178	249	1.4%
9	Building Installation Services	5,915	6,145	230	2.0%
10	Building Cleaning, Pest Control and Gardening Services	3,951	4,165	214	1.4%
11	Other Social Assistance Services	2,980	3,171	191	1.0%
12	Justice	1,601	1,763	162	0.6%
13	Property Operators	1,936	2,088	151	0.7%
14	Water Passenger Transport	672	806	134	0.3%
15	Other Construction Services	2,188	2,308	120	0.8%
16	Auxiliary Finance and Investment Services	2,547	2,657	110	0.9%
17	Legal and Accounting Services	6,065	6,171	106	2.0%
18	Residential Care Services	5,709	5,811	102	1.9%
19	Pharmaceutical and Other Store-Based Retailing	2,795	2,891	96	1.0%
20	Educational Support Services	1,339	1,430	91	0.5%
	All other industries	203,264	199,235	-4,029	65.6%
	Total	301,101	303,919	2,818	100%

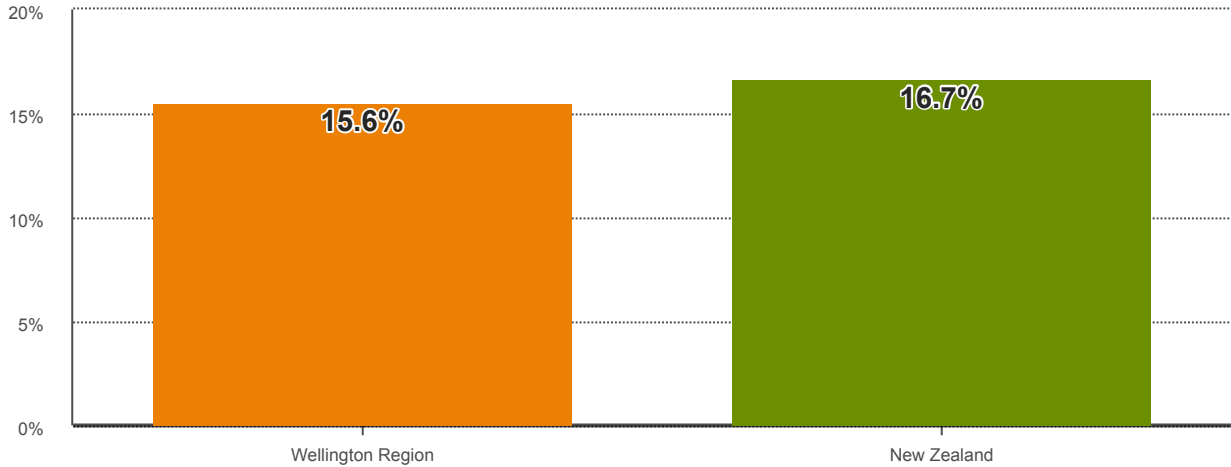
Table 10: The 20 ANZSIC 4-digit industries that lost the most jobs, 2020-2021

Rank	Industry	Jobs		Change 2020 - 2021	% of total 2021
		2020	2021		
1	Accommodation	3,453	2,772	-680	0.9%
2	Employment Services	8,071	7,472	-599	2.5%
3	Cafes, Restaurants and Takeaway Food Services	14,317	13,849	-468	4.6%
4	Life Insurance	634	414	-220	0.1%
5	Air and Space Transport	889	715	-174	0.2%
6	Other Administrative Services	3,001	2,835	-166	0.9%
7	Management and Other Consulting Services	12,563	12,402	-160	4.1%
8	Clothing, Footwear and Personal Accessories Retailing	2,530	2,370	-160	0.8%
9	Department Stores	1,843	1,690	-153	0.6%
10	Travel Agency Services	665	524	-141	0.2%
11	Adult, Community and Other Education	2,870	2,735	-135	0.9%
12	Heavy and Civil Engineering Construction	2,947	2,816	-132	0.9%
13	Printing	1,174	1,045	-129	0.3%
14	Tertiary Education	7,098	6,991	-106	2.3%
15	Oil and Gas Extraction	308	203	-105	0.1%
16	Defence	3,130	3,025	-105	1.0%
17	Postal and Courier Pick-up and Delivery Services	1,250	1,148	-102	0.4%
18	Preschool Education	3,168	3,066	-102	1.0%
19	Libraries and Archives	996	902	-93	0.3%
20	Fuel Retailing	574	494	-80	0.2%
	All other industries	229,622	236,450	6,828	77.8%
	Total	301,101	303,919	2,818	100%

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

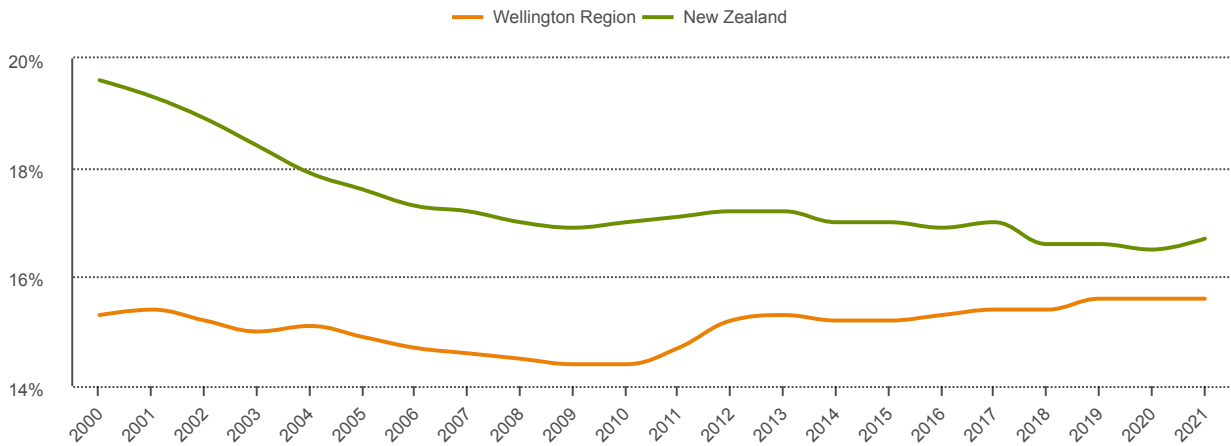
Self-employment makes up a sizeable proportion of total employment in New Zealand although it declined through the economic boom years and stabilised since the recession. This section contrasts self-employment in Wellington Region with the national economy.

Figure 10: Self employment rate, 2021



- Self-employed workers accounted for 15.6% of the workforce in Wellington Region in 2021, which was a lower rate than in the national economy (16.7%)
- A total of 47,513 workers were self-employed in Wellington Region in 2021.

Figure 11: Self employment rate, 2000-2021



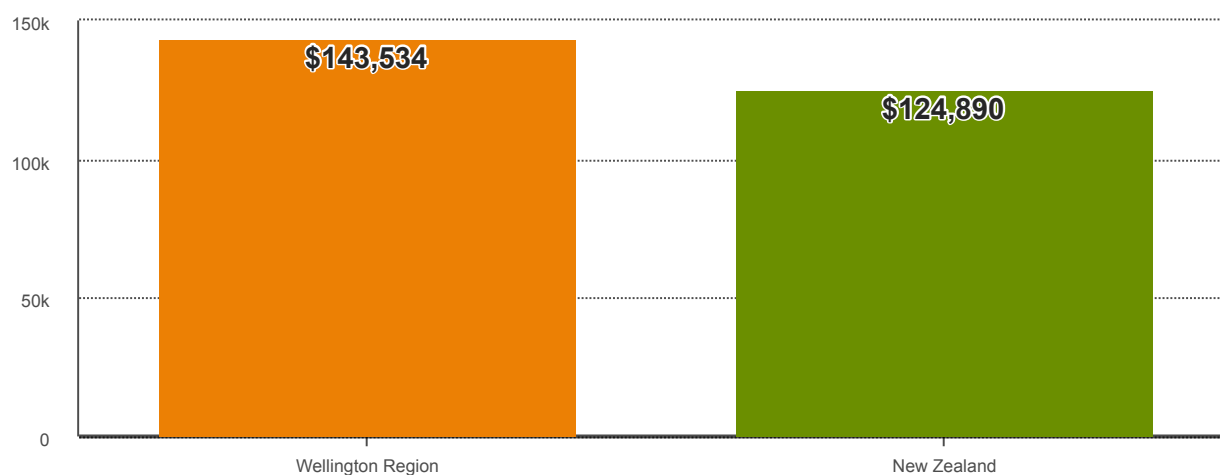
Level	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Wellington Region	14.6%	14.5%	14.4%	14.4%	14.7%	15.2%	15.3%	15.2%	15.2%	15.3%	15.4%	15.4%	15.6%	15.6%	15.6%
New Zealand	17.2%	17.0%	16.9%	17.0%	17.1%	17.2%	17.2%	17.0%	17.0%	16.9%	17.0%	16.6%	16.6%	16.5%	16.7%

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.

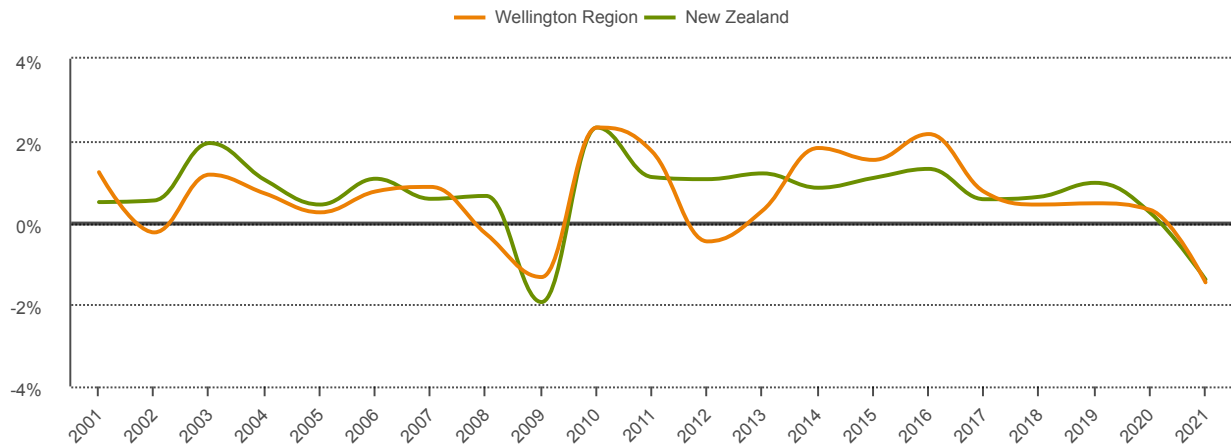
This section describes Wellington Region's productivity level during the year to March 2021 and previous years. Productivity is measured by GDP per employee (in constant 2021 prices).

Figure 12: Productivity, 2021



- GDP per employee in Wellington Region measured \$143,534 in the year to March 2021, which was 14.9% higher than in New Zealand.
- Productivity in Wellington Region decreased by 1.5% from a year earlier compared with an decrease of 1.4% in New Zealand).
- Productivity growth in Wellington Region averaged 0.6%pa over the last ten years compared with an average of 0.7%pa in New Zealand.

Figure 13: Productivity growth, 2001-2021



	Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Wellington Region		0.9%	-0.3%	-1.3%	2.3%	1.7%	-0.5%	0.3%	1.8%	1.5%	2.2%	0.7%	0.4%	0.5%	0.3%	-1.5%
New Zealand		0.6%	0.7%	-1.9%	2.3%	1.1%	1.1%	1.2%	0.9%	1.1%	1.3%	0.6%	0.6%	1.0%	0.2%	-1.4%

What are the most productive industries in Wellington Region?

This section ranks industries according to their level of GDP per employee in Wellington Region. 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 11 below ranks broad industries by GDP per employee in Wellington Region 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 11: ANZSIC 1-digit industries ranked by productivity, 2021

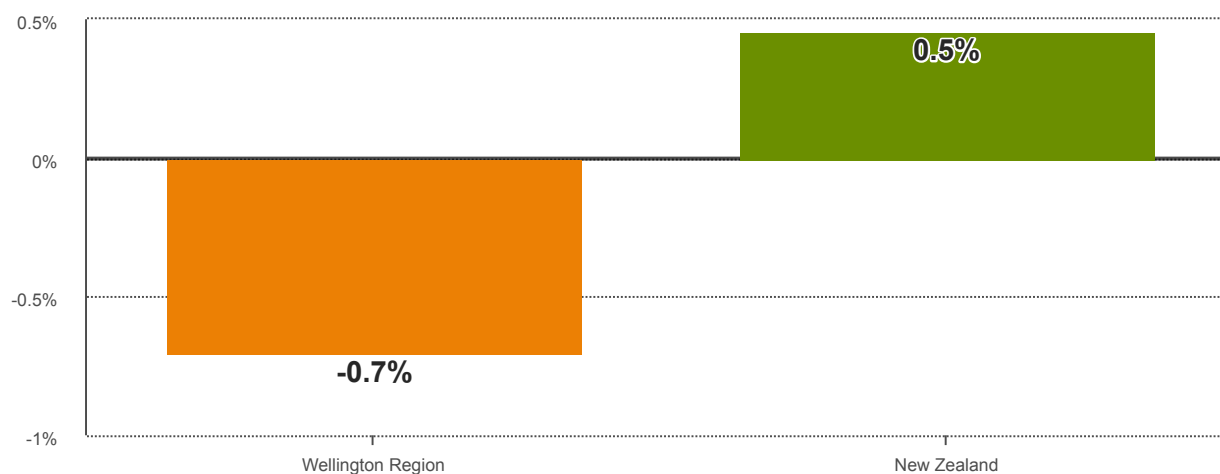
Industry	Productivity		Capital intensity
	Wellington Region	New Zealand	New Zealand
Electricity, Gas, Water and Waste Services	638,975	458,851	0.77
Rental, Hiring and Real Estate Services	394,245	337,663	0.82
Information Media and Telecommunications	307,665	295,003	0.58
Financial and Insurance Services	286,026	267,096	0.56
Manufacturing	218,826	124,965	0.43
Wholesale Trade	147,058	133,172	0.41
Public Administration and Safety	140,528	111,653	0.20
Transport, Postal and Warehousing	134,358	110,675	0.42
Professional, Scientific and Technical Services	130,971	114,072	0.23
Arts and Recreation Services	107,131	83,219	0.36
Mining	93,470	580,531	0.76
Health Care and Social Assistance	87,264	76,971	0.12
Construction	77,772	81,631	0.26
Agriculture, Forestry and Fishing	73,659	114,827	0.60
Other Services	73,197	55,446	0.19
Retail Trade	68,240	74,285	0.32
Education and Training	57,388	58,771	0.26
Administrative and Support Services	44,753	42,716	0.20
Accommodation and Food Services	36,334	38,765	0.25
Total	143,534	124,890	

BUSINESS GROWTH

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

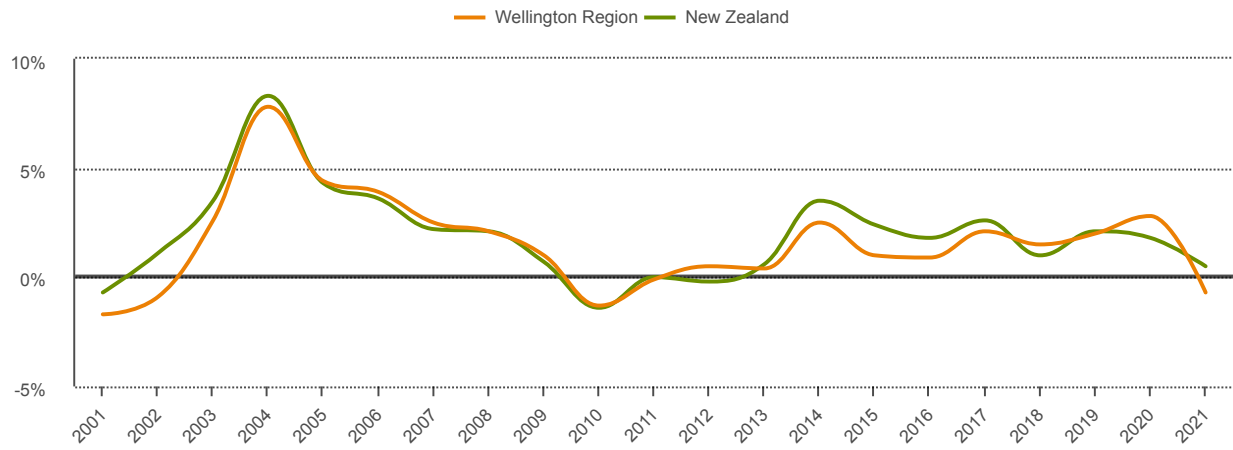
Growth in the number of business units is an indicator of entrepreneurial activity. It indicates an environment in which entrepreneurs are prepared to take risks to start new ventures. This section contrasts Wellington Region's recent performance in business unit growth with other regions in the country.

Figure 14: Business unit growth, year to Mar 2021



- A total of 59,220 business units were recorded in Wellington Region in 2021, down 0.7% from a year earlier.
- The number of business units in New Zealand increased by 0.5% over the same period.
- Growth in the number of business units in Wellington Region averaged 1.3%pa over the past 10 years compared with 1.6%pa in the national economy.
- Business unit growth in Wellington Region varied from a high of 7.8% in 2004 to a low of -1.7% in 2001.

Figure 15: Annual average business unit growth, 2001-2021



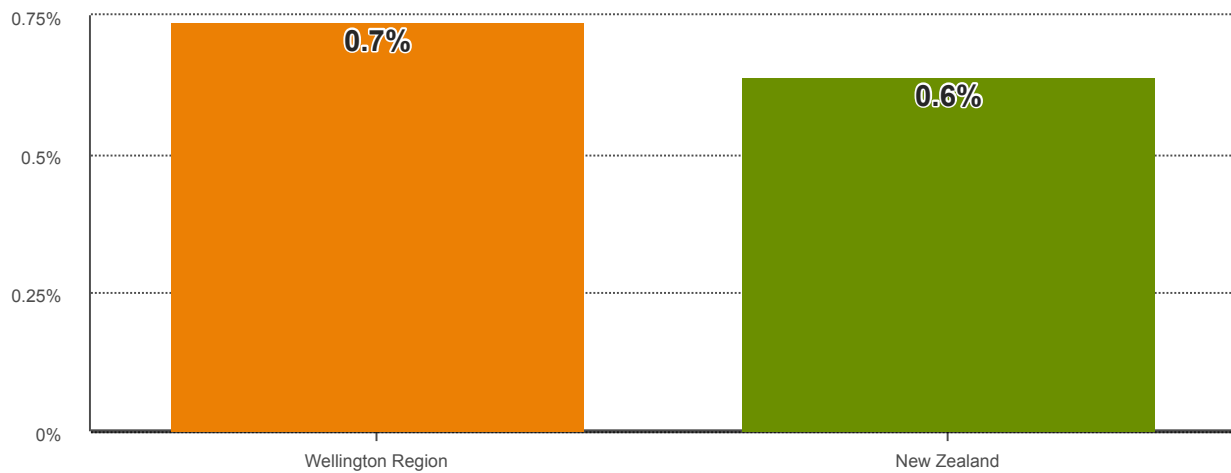
Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Wellington Region	2.5%	2.1%	1.0%	-1.3%	-0.1%	0.5%	0.4%	2.5%	1.0%	0.9%	2.1%	1.5%	2.0%	2.8%	-0.7%
New Zealand	2.2%	2.1%	0.7%	-1.4%	0.0%	-0.2%	0.6%	3.5%	2.4%	1.8%	2.6%	1.0%	2.1%	1.8%	0.5%

POPULATION GROWTH

How fast has Wellington Region'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 Region's recent population growth with other districts and the country as a whole.

Figure 16: Population growth, year to Jun 2021



- Wellington Region's population was 547,000 in 2021, up 0.7% from a year earlier. New Zealand's total population grew by 0.6% over the same period.
- Population growth in Wellington Region averaged 1.4%pa over the last 5 years compared with 1.7%pa in New Zealand.
- Since 1996 growth in Wellington Region reached a high of 2.0%pa in 2020 and a low of 0.3%pa in 2013.

Figure 17: Annual population growth, 1997-2021

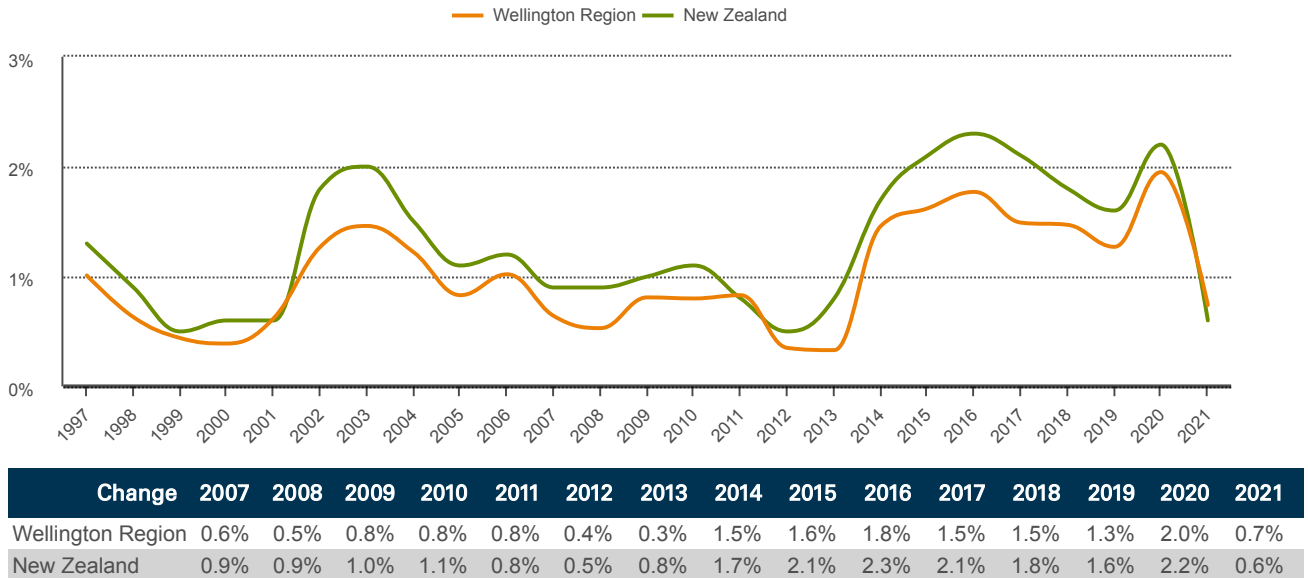
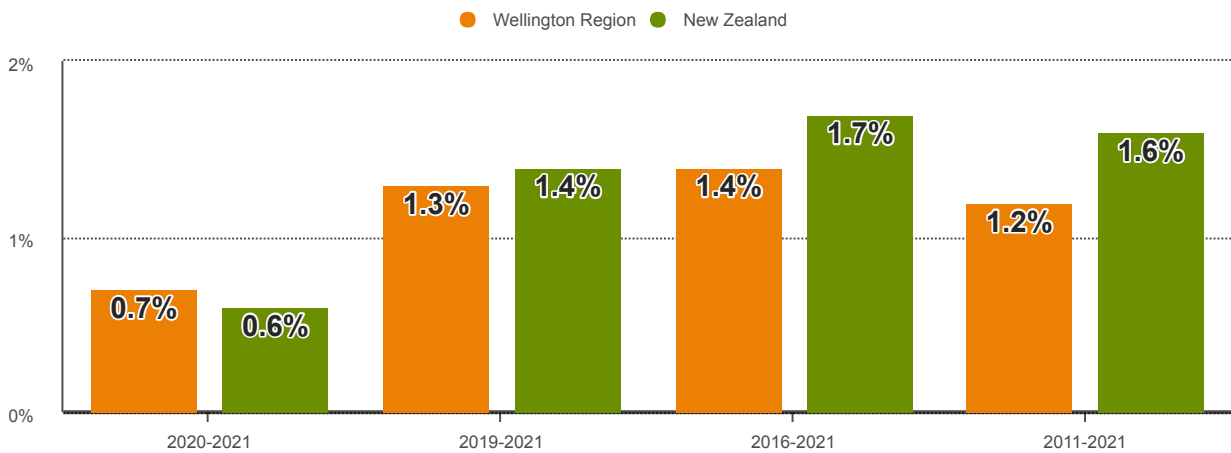


Figure 18: Population growth over the last 1, 2, 5, and 10 years

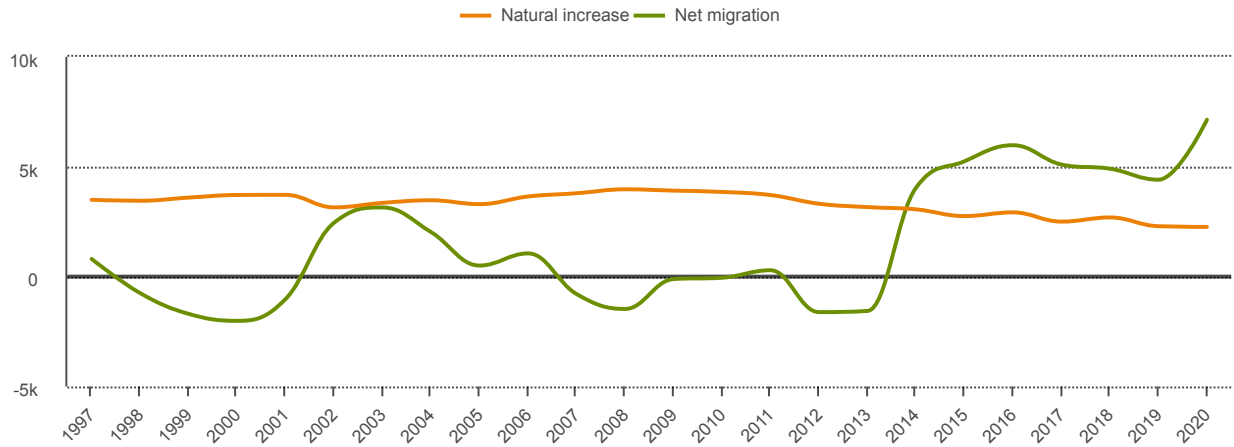


What is the source of Wellington Region's population growth?

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 Region.

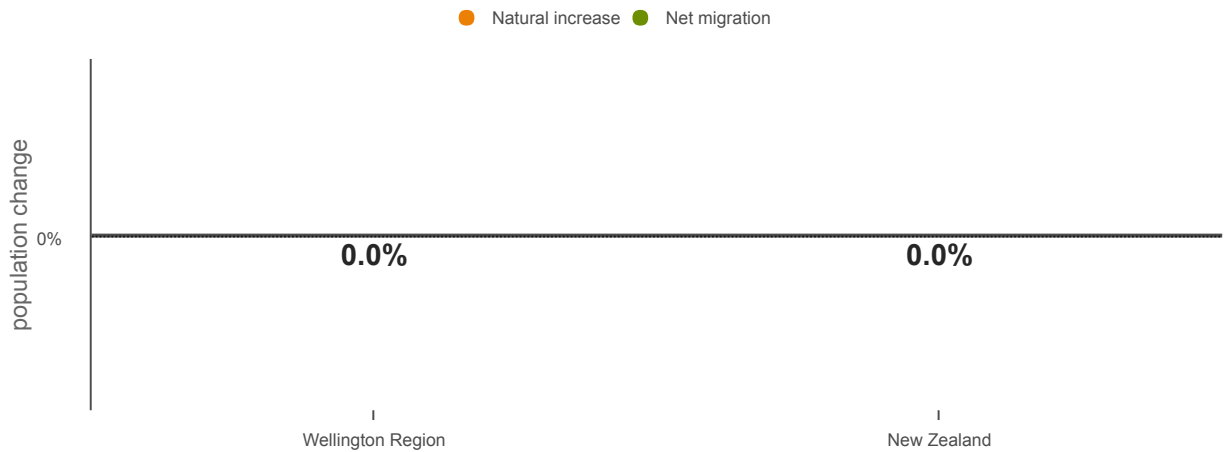
- Wellington Region's population increased by 4,000 people in the year to June 2021. This net increase was made up of net migration of 0 and natural decrease of 0.

Figure 19: Population source of Wellington Region, 1997-2021



- The relative contribution of net migration to natural growth in Wellington Region was lower than New Zealand in 2021.

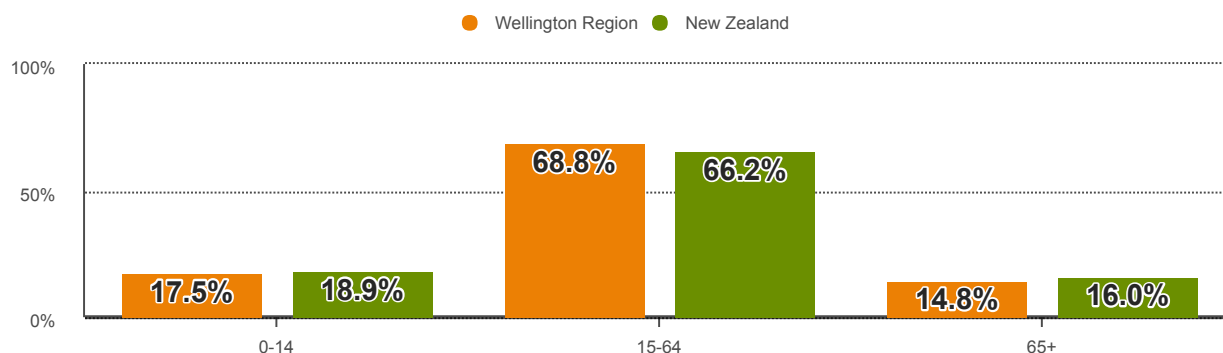
Figure 20: Sources of population growth, 2021



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

- In 2021, 68.8% of Wellington Region's population was of working age (15-64). This was significantly higher than the proportion of the national population (66.2%).
- Wellington Region had a slightly lower proportion (17.5%) of young people (0-14) than the country as a whole (18.9%) and a significantly lower proportion (14.8%) of people 65 years and older compared with New Zealand (16.0%).
- Overall the dependency ratio in Wellington Region (45.4%) was lower than in the national economy (51.1%). 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 21: Age composition of the population, year to June 2021



STANDARD OF LIVING

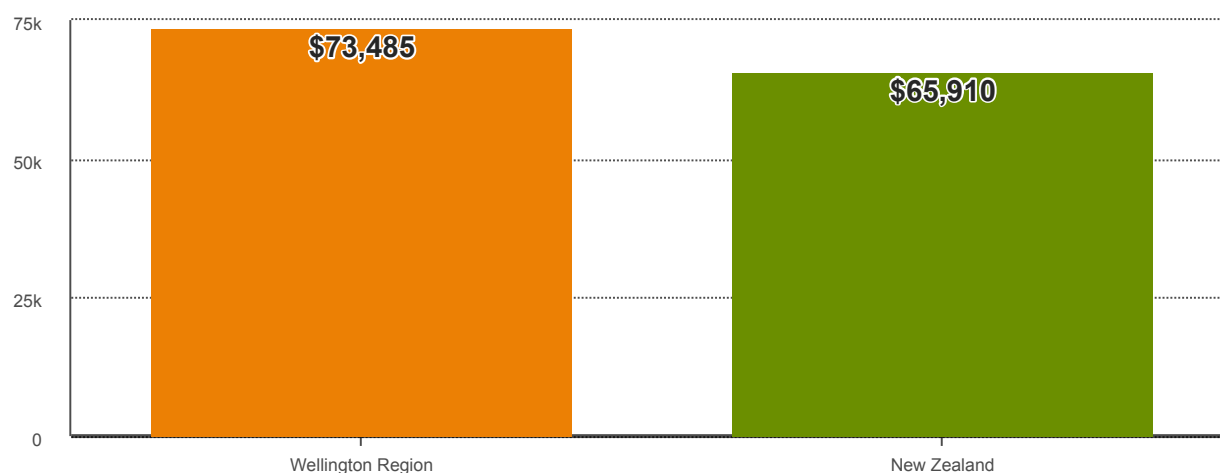
This section describes a few indicators of economic standard of living. It investigates average earnings, house prices and housing affordability.

What are the mean earnings in Wellington Region?

Income earned in employment is an important source of household income, well-being and choices available. Average earnings in an area are determined by a number of factors including the industries in the area, the skills required in these industries and the ability of employers to find appropriately skilled labour.

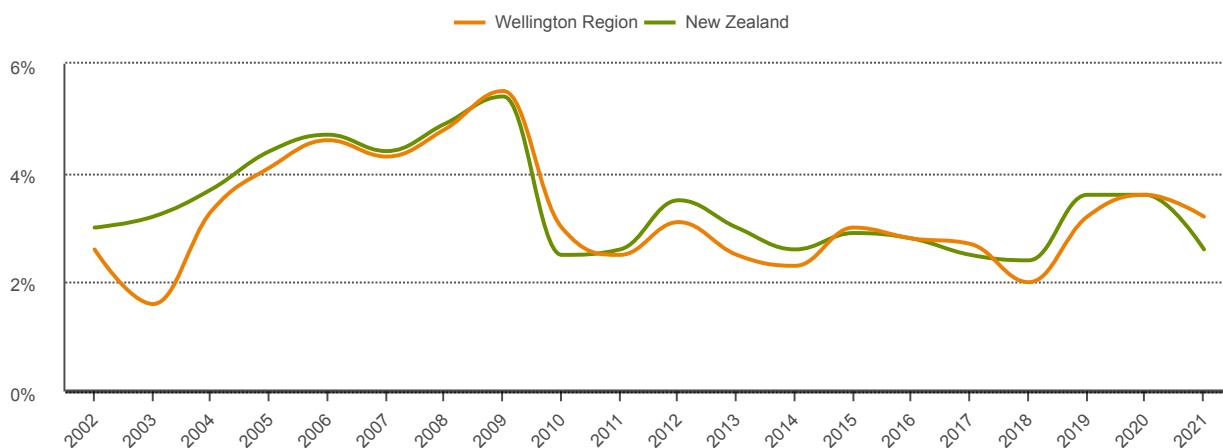
This section looks at how average annual earnings in the Wellington Region has changed over time and how this compares against annual average earnings nationally.

Figure 22: Earnings, 2021



- Mean annual earnings in Wellington Region was \$73,485 in the year to March 2021, which was higher than the New Zealand mean of \$65,910.
- Mean earnings in Wellington Region increased by 3.2% over the year to March 2021 compared with an increase of 2.6% in New Zealand.
- Over the last ten years earnings growth in Wellington Region reached a maximum of 5.5% in 2009 and a minimum of 1.6% in 2003.

Figure 23: Annual earnings growth, 2002-2021



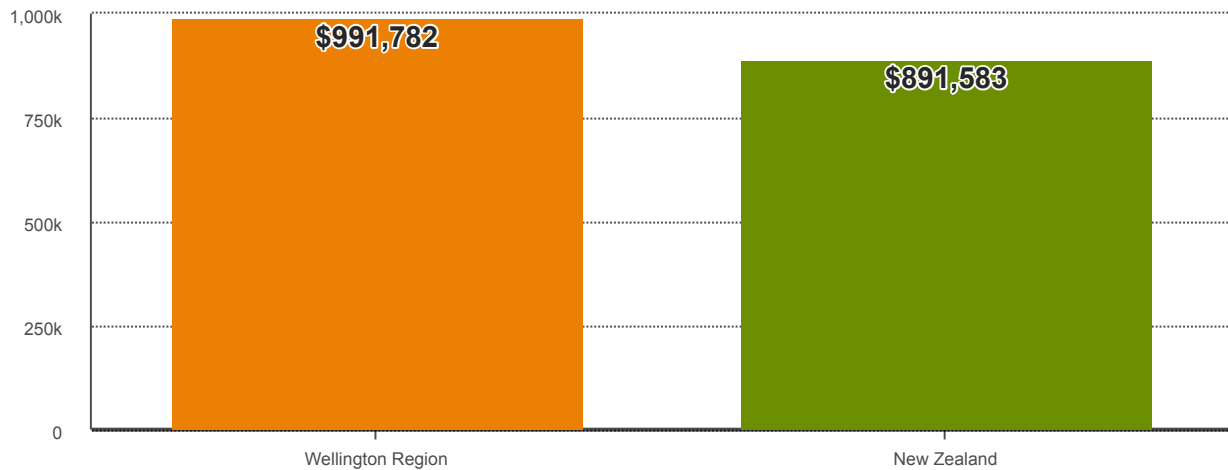
Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Wellington Region	4.3%	4.8%	5.5%	3.0%	2.5%	3.1%	2.5%	2.3%	3.0%	2.8%	2.7%	2.0%	3.2%	3.6%	3.2%
New Zealand	4.4%	4.9%	5.4%	2.5%	2.6%	3.5%	3.0%	2.6%	2.9%	2.8%	2.5%	2.4%	3.6%	3.6%	2.6%

- Mean annual earnings in Wellington Region was \$73,485 in the year to March 2021, which was higher than the New Zealand mean of \$65,910.
- Mean earnings in Wellington Region increased by 3.2% over the year to March 2021 compared with an increase of 2.6% in New Zealand.
- Over the last ten years earnings growth in Wellington Region reached a maximum of 5.5% in 2009 and a minimum of 1.6% in 2003.

How do house prices in Wellington Region compare?

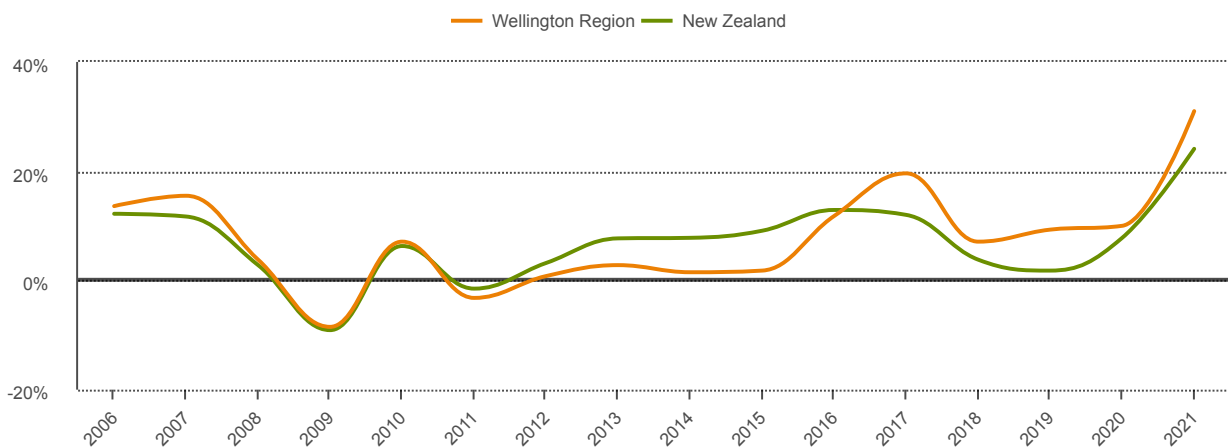
The cost of housing is a major component of household spending. This section describes the cost of housing in Wellington Region relative to the rest of the country.

Figure 24: Average current house value, 2021



- The Average current house value in Wellington Region was \$991,782 in 2021, which was higher than the New Zealand median of \$891,583.
- House price growth in Wellington Region was 31.0% for the year to March 2021. Growth was stronger than in New Zealand (24.1%).

Figure 25: Annual Average current house value growth, 2006-2021

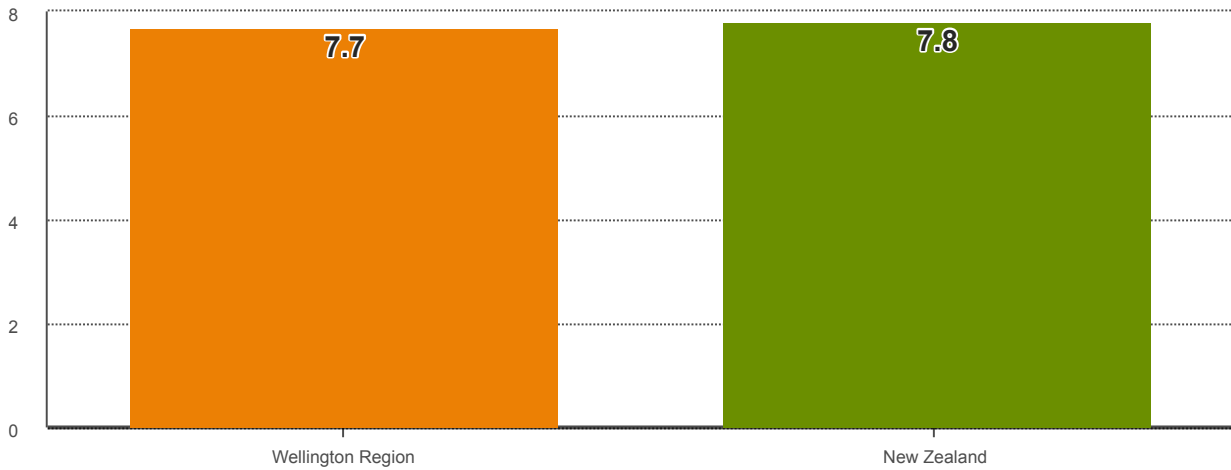


Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Wellington Region	15.5%	3.8%	-8.5%	7.1%	-3.2%	0.8%	2.8%	1.5%	1.8%	11.8%	19.6%	7.1%	9.3%	10.0%	31.0%
New Zealand	11.7%	2.8%	-9.1%	6.3%	-1.5%	3.2%	7.7%	7.8%	9.1%	12.9%	12.0%	3.8%	1.8%	7.8%	24.1%

How affordable is housing in Wellington Region?

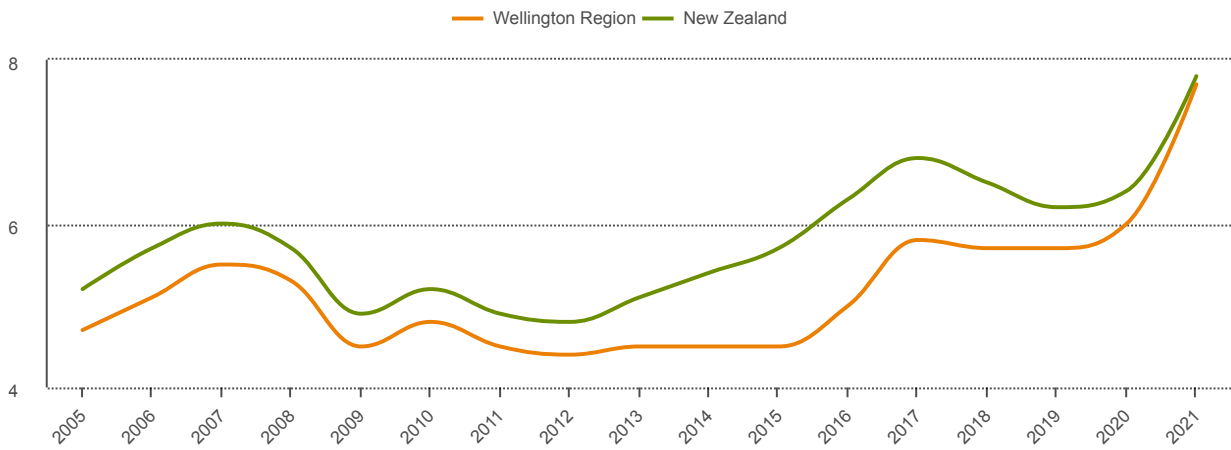
This section investigates the affordability of housing by comparing average current house values with average earnings. We have estimated a housing affordability index which is the ratio of the average current house value to annual average earnings measured in the Linked Employer Employee Data. A higher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

Figure 26: Housing affordability index, 2021



- The housing affordability index in Wellington Region was 7.7 in the year to March 2021, which was lower than New Zealand's index of 7.8. This means that housing is more affordable in Wellington Region than in New Zealand.

Figure 27: Housing affordability, 2005-2021



Level	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Wellington Region	5.5	5.3	4.5	4.8	4.5	4.4	4.5	4.5	4.5	5.0	5.8	5.7	5.7	6.0	7.7
New Zealand	6.0	5.7	4.9	5.2	4.9	4.8	5.1	5.4	5.7	6.3	6.8	6.5	6.2	6.4	7.8

WORKFORCE AND SKILLS

How do skill levels in Wellington Region compare with New Zealand?

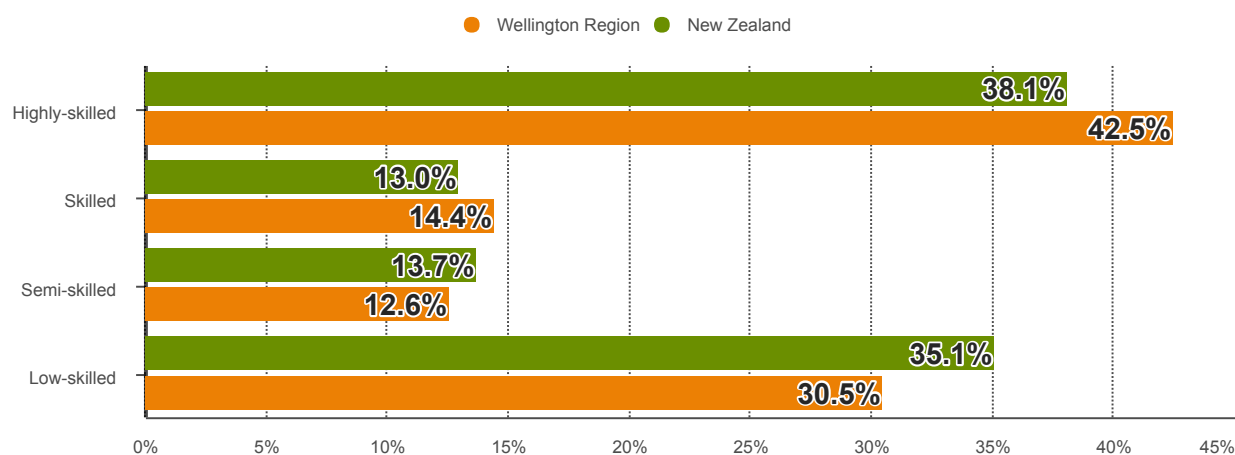
A region that can offer high skilled jobs can generally offer a higher standard of living to its residents. It is also has a better chance of retaining its residents and attracting new skills. This section contrasts the skill levels required by jobs in Wellington Region with those required in the national economy. The broad skill categories used are defined in the technical section at the end of the report.

Table 12: Employment by broad skill level, 2021

Skill level	Wellington Region		New Zealand	
	Jobs	% of total	Jobs	% of total
Highly-skilled	129,151	42.5%	996,628	38.1%
Skilled	43,882	14.4%	340,170	13.0%
Semi-skilled	38,239	12.6%	357,739	13.7%
Low-skilled	92,647	30.5%	918,163	35.1%
Total	303,919	100%	2,612,700	100%

- Approximately 42.5% of Wellington Region's workforce was employed in highly skilled occupations in 2021. This is higher than in New Zealand (38.1%).
- Approximately 30.5% of Wellington Region's workforce was employed in low-skilled occupations in 2021. This is lower than in New Zealand 35.1%.

Figure 28: Employment by broad skill level, 2021



What is the occupational structure of employment in Wellington Region?

This section describes the types of occupations that are employed in Wellington Region. The following graph shows the distribution of employment across broad occupational categories (1-digit occupations).

- Professionals accounted for the largest share of employment (30.8%) in Wellington Region, which is higher than New Zealand (24.5%).
- Managers accounted for the second largest share of employment (16.3%) in Wellington Region, which is lower than New Zealand (18.0%).
- Machinery operators and drivers accounted for the lowest share of employment (3.6%) in Wellington Region, which is lower than New Zealand (5.3%).

Figure 29: Employment by broad occupation, 2021

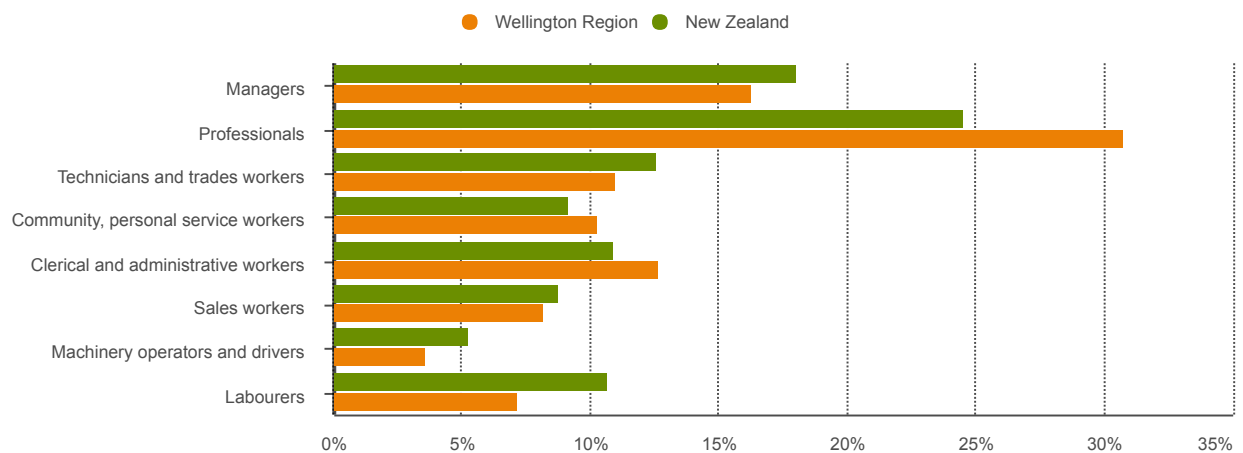


Table 13 shows a ranking of employment by 2-digit occupations.

- Specialist Managers is the largest 2-digit occupation in Wellington Region, accounting for 8.5% of employment. By comparison 8.4% of the national workforce are employed as specialist managers.
- The next largest 2-digit occupations in Wellington Region are business, hr & marketing professionals (7.8%) and education professionals (6.3%).

Table 13: Employment by ANZSIC 2-digit occupation, 2021

Occupation	Wellington Region		New Zealand	
	Employment	% of total	Employment	% of total
Specialist Managers	25,780	8.5%	218,782	8.4%
Business, HR & Marketing Professionals	23,758	7.8%	140,704	5.4%
Education Professionals	19,197	6.3%	150,560	5.8%
Health Professionals	12,692	4.2%	111,200	4.3%
Sales Assistants & Salespersons	12,369	4.1%	123,248	4.7%
ICT Professionals	12,020	4.0%	63,965	2.4%
Design, Engineering, Science Professionals	11,197	3.7%	91,036	3.5%
Legal, Social & Welfare Professionals	11,077	3.6%	60,031	2.3%
Hospitality, Retail & Service Managers	10,692	3.5%	93,433	3.6%
Carers & Aides	10,615	3.5%	88,965	3.4%
Chief Execs, General Managers, Legislators	10,363	3.4%	90,847	3.5%
Sales Representatives & Agents	9,421	3.1%	78,823	3.0%
Office Managers & Program Administrators	8,485	2.8%	68,183	2.6%
Construction Trades Workers	7,080	2.3%	68,004	2.6%
Numerical Clerks	6,982	2.3%	46,823	1.8%
General Clerical Workers	6,586	2.2%	48,454	1.9%
Engineering, ICT & Science Technicians	6,554	2.2%	51,671	2.0%
Protective Service Workers	6,466	2.1%	35,385	1.4%
Other Clerical & Administrative Workers	6,364	2.1%	45,059	1.7%
Other Labourers	5,769	1.9%	69,606	2.7%
Hospitality Workers	5,663	1.9%	49,266	1.9%
Cleaners & Laundry Workers	5,602	1.8%	55,327	2.1%
Road & Rail Drivers	5,030	1.7%	54,751	2.1%
Sports & Personal Service Workers	4,946	1.6%	40,815	1.6%
Food Trades Workers	4,845	1.6%	43,742	1.7%
Automotive & Engineering Trades Workers	4,722	1.6%	64,308	2.5%
Other Technicians & Trades Workers	4,375	1.4%	39,944	1.5%
Inquiry Clerks & Receptionists	4,161	1.4%	35,844	1.4%
Arts & Media Professionals	3,766	1.2%	23,725	0.9%
Health & Welfare Support Workers	3,607	1.2%	26,843	1.0%
Electrotech & Telecoms Trades Workers	3,290	1.1%	33,277	1.3%
Personal Assistants & Secretaries	3,204	1.1%	21,677	0.8%
Sales Support Workers	3,011	1.0%	28,492	1.1%
Factory Process Workers	2,965	1.0%	49,974	1.9%
Clerical & Office Support Workers	2,758	0.9%	18,305	0.7%
Farm, Forestry & Garden Workers	2,650	0.9%	55,966	2.1%
Construction & Mining Labourers	2,649	0.9%	28,821	1.1%
Farmers & Farm Managers	2,565	0.8%	66,622	2.5%
Machine & Stationary Plant Operators	2,564	0.8%	34,680	1.3%
Skilled Animal & Horticultural Workers	2,547	0.8%	27,535	1.1%
Food Preparation Assistants	2,326	0.8%	20,242	0.8%
Storepersons	1,760	0.6%	23,595	0.9%
Mobile Plant Operators	1,448	0.5%	24,166	0.9%
Total employment	303,919	100%	2,612,700	100%

Employment in knowledge intensive industries in Wellington Region

Knowledge intensive industries are those in which the generation and exploitation of knowledge play the predominant part in the creation of wealth. These sectors represent an increasing share of the New Zealand economy's output and employment, and will most likely be the source of future productivity growth.

An industry is defined as knowledge-intensive if it meets two criteria: at least 25 per cent of the workforce is qualified to degree level and at least 30 per cent of the workforce is in professional, managerial and scientific and technical occupations. Further details of the definition are providing in the technical notes at the end of the report.

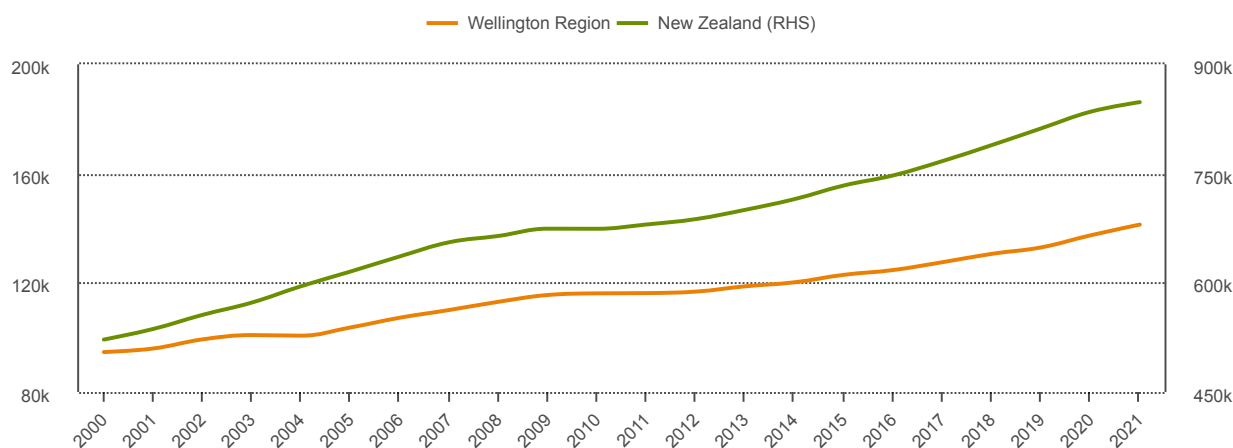
This section describes employment in knowledge intensive industries in Wellington Region.

Table 14: Employment in knowledge intensive industries, 2021

	Employment in KI industries 2021	KI employment as share of total employment 2021	Annual growth in KI employment 2021	Annual average growth in KI employment 2011-2021
Wellington Region	141,302	46.5%	2.9%	2.0%
New Zealand	848,044	32.5%	1.6%	2.2%

- During 2021, there were 141,302 jobs in Wellington Region's knowledge intensive industries. At 46.5% of total employment, this was higher than in New Zealand (32.5%).
- During the year to March 2021, growth in employment in knowledge intensive industries was 2.9%, compared with a change of 1.6% in New Zealand.

Figure 30: Employment in knowledge intensive industries, 2000-2021



What are the top knowledge intensive industries in Wellington Region?

Table 15: Top 30 knowledge intensive industries in Wellington Region, 2021

Rank	Industry	Wellington Region		New Zealand	
		Employment	% of total employment	Employment	% of total employment
1	Central Government Administration	21,805	7.2%	47,039	1.8%
2	Computer Systems Design and Related Services	11,928	3.9%	47,488	1.8%
3	Hospitals (except Psychiatric Hospitals)	8,298	2.7%	78,971	3.0%
4	Management Advice and Other Consulting Services	7,454	2.5%	43,541	1.7%
5	Primary Education	6,092	2.0%	56,607	2.2%
6	Higher Education	5,564	1.8%	35,451	1.4%
7	Corporate Head Office Management Services	4,949	1.6%	25,190	1.0%
8	Other Allied Health Services	4,929	1.6%	37,115	1.4%
9	Employment Placement and Recruitment Services	4,863	1.6%	19,021	0.7%
10	Secondary Education	3,642	1.2%	36,224	1.4%
11	Engineering Design and Engineering Consulting Services	3,569	1.2%	31,602	1.2%
12	Regulatory Services	3,327	1.1%	7,720	0.3%
13	Accounting Services	3,174	1.0%	25,460	1.0%
14	Legal Services	2,998	1.0%	20,099	0.8%
15	Local Government Administration	2,722	0.9%	24,809	0.9%
16	Other Auxiliary Finance and Investment Services	2,342	0.8%	11,489	0.4%
17	Other Interest Group Services n.e.c.	2,093	0.7%	14,344	0.5%
18	Adult, Community and Other Education n.e.c.	1,979	0.7%	11,810	0.5%
19	General Practice Medical Services	1,871	0.6%	16,702	0.6%
20	Scientific Research Services	1,800	0.6%	8,723	0.3%
21	Postproduction Services and Other Motion Picture and Video Activities	1,778	0.6%	2,340	0.09%
22	Justice	1,763	0.6%	4,462	0.2%
23	Architectural Services	1,453	0.5%	10,552	0.4%
24	Educational Support Services	1,430	0.5%	4,847	0.2%
25	Technical and Vocational Education and Training	1,428	0.5%	9,785	0.4%
26	Religious Services	1,338	0.4%	9,885	0.4%
27	Business and Professional Association Services	1,210	0.4%	2,627	0.1%
28	Pharmaceutical, Cosmetic and Toiletry Goods Retailing	1,137	0.4%	11,855	0.5%
29	Other Administrative Services n.e.c.	1,102	0.4%	10,023	0.4%
30	Motion Picture and Video Production	1,053	0.3%	6,707	0.3%

Which qualifications are in demand in Wellington Region?

This section examines the types of qualifications, in terms of NZQA level and field of study, that are in demand in Wellington Region. The demand for qualifications is derived from our estimates of the demand for occupations by using assumptions about the types of qualifications which are ideally required for each occupation. Thus our estimates do not describe the educational profile of the region's workforce but rather the type of qualifications that are ideally required in the region. Further details are provided in the technical notes at the end.

Table 16: Employment by level of qualification and field of study in Wellington Region, 2021

Field of study	Certificate (level 1-3)	Certificate (level 4)	Diploma (level 5-6)	Degree (level 7+)	Total
Number					
Natural and Physical Sciences	4,316	922	2,230	8,088	15,555
Information Technology	3,875	484	1,416	7,354	13,129
Engineering and Related Technologies	15,164	12,490	5,763	14,190	47,608
Architecture and Building	5,284	10,404	2,051	3,956	21,695
Agriculture, Environmental and Related Studies	4,248	2,094	941	2,322	9,604
Health	7,919	1,760	3,430	16,162	29,271
Education	5,539	914	1,657	14,822	22,931
Management and Commerce	23,370	4,821	8,730	26,246	63,167
Society and Culture	14,216	3,419	6,105	22,152	45,892
Creative Arts	6,929	1,768	1,851	7,931	18,479
Food, Hospitality and Personal Services	7,855	5,412	1,947	1,373	16,587
Totals	98,714	44,488	36,122	124,595	303,919
% of total					
Natural and Physical Sciences	1.4%	0.3%	0.7%	2.7%	5.1%
Information Technology	1.3%	0.2%	0.5%	2.4%	4.3%
Engineering and Related Technologies	5.0%	4.1%	1.9%	4.7%	15.7%
Architecture and Building	1.7%	3.4%	0.7%	1.3%	7.1%
Agriculture, Environmental and Related Studies	1.4%	0.7%	0.3%	0.8%	3.2%
Health	2.6%	0.6%	1.1%	5.3%	9.6%
Education	1.8%	0.3%	0.5%	4.9%	7.5%
Management and Commerce	7.7%	1.6%	2.9%	8.6%	20.8%
Society and Culture	4.7%	1.1%	2.0%	7.3%	15.1%
Creative Arts	2.3%	0.6%	0.6%	2.6%	6.1%
Food, Hospitality and Personal Services	2.6%	1.8%	0.6%	0.5%	5.5%
Totals	32.5%	14.6%	11.9%	41.0%	100%

- The greatest demand in Wellington Region in 2021 was for qualifications at the level of Degree (level 7+). Approximately 41.0% of all positions in Wellington Region required this level of qualification.
- By field of study, the highest demand was for Management and Commerce. Approximately 20.8% of all positions in Wellington Region required this field of study.

Table 17: Change in employment by level of qualification and field of study in Wellington Region, 2011-2021

Field of study	Certificate (level 1-3)	Certificate (level 4)	Diploma (level 5-6)	Degree (level 7+)	Total
Absolute change					
Natural and Physical Sciences	167	118	391	1,709	2,384
Information Technology	76	57	159	2,043	2,335
Engineering and Related Technologies	881	1,057	765	2,908	5,611
Architecture and Building	525	2,268	477	846	4,117
Agriculture, Environmental and Related Studies	297	256	189	438	1,180
Health	518	222	763	3,485	4,988
Education	389	70	352	2,498	3,308
Management and Commerce	292	419	1,524	4,819	7,054
Society and Culture	765	407	1,380	4,137	6,689
Creative Arts	189	167	286	1,495	2,137
Food, Hospitality and Personal Services	503	1,026	265	246	2,040
Totals	4,601	6,067	6,552	24,624	41,844
annual average % change					
Natural and Physical Sciences	0.4%	1.4%	1.9%	2.4%	1.7%
Information Technology	0.2%	1.3%	1.2%	3.3%	2.0%
Engineering and Related Technologies	0.6%	0.9%	1.4%	2.3%	1.3%
Architecture and Building	1.1%	2.5%	2.7%	2.4%	2.1%
Agriculture, Environmental and Related Studies	0.7%	1.3%	2.3%	2.1%	1.3%
Health	0.7%	1.4%	2.5%	2.5%	1.9%
Education	0.7%	0.8%	2.4%	1.9%	1.6%
Management and Commerce	0.1%	0.9%	1.9%	2.0%	1.2%
Society and Culture	0.6%	1.3%	2.6%	2.1%	1.6%
Creative Arts	0.3%	1.0%	1.7%	2.1%	1.2%
Food, Hospitality and Personal Services	0.7%	2.1%	1.5%	2.0%	1.3%
Totals	0.5%	1.5%	2.0%	2.2%	100%

- The number of positions in Wellington Region requiring a Degree (level 7+) increased by 24,624 between 2011 and 2021, ranking it as the qualification level with the largest absolute increase in demand.
- By field of study, Management and Commerce experienced the highest increase in demand between 2011 and 2021. The number of positions requiring this field of study increased by 7,054 over the 10 year period.

TOURISM

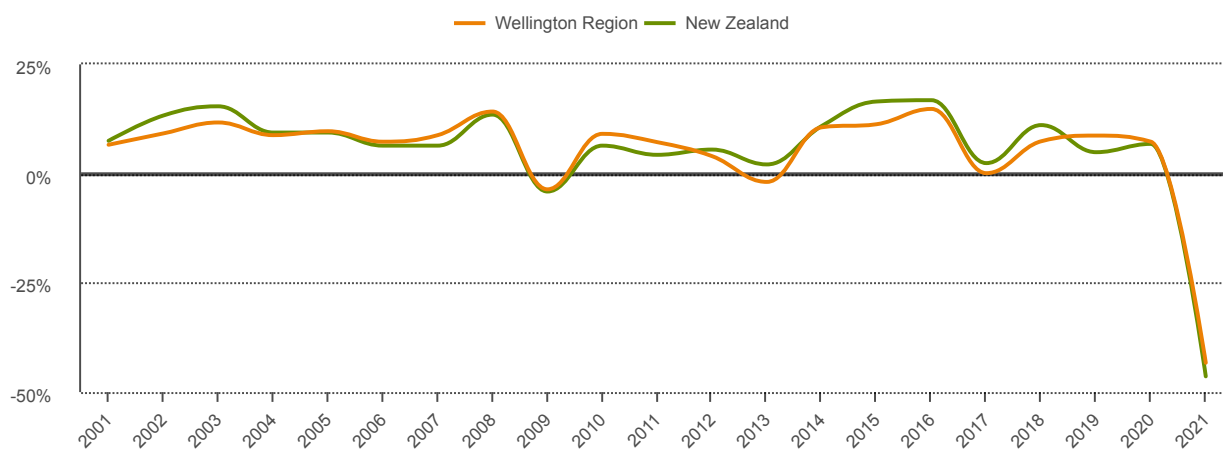
Tourism has grown rapidly in New Zealand since 2000. Not only has the number of overseas tourist arrivals increased substantially, but the level of domestic tourism has also expanded rapidly as spending on leisure by New Zealand residents increased. This section describes the contribution of tourism to Wellington Region's economy.

Tourism GDP

Table 18: Tourism GDP, 2001-2021

Year	Wellington Region		New Zealand	
	Level	Change	Level	Change
2000	\$359m		\$3,343m	
2001	\$383m	6.6%	\$3,595m	7.5%
2002	\$418m	9.2%	\$4,074m	13.3%
2003	\$467m	11.7%	\$4,700m	15.4%
2004	\$508m	8.8%	\$5,141m	9.4%
2005	\$558m	9.7%	\$5,626m	9.4%
2006	\$598m	7.3%	\$5,985m	6.4%
2007	\$651m	8.8%	\$6,368m	6.4%
2008	\$743m	14.2%	\$7,227m	13.5%
2009	\$716m	-3.6%	\$6,932m	-4.1%
2010	\$782m	9.1%	\$7,379m	6.4%
2011	\$838m	7.2%	\$7,698m	4.3%
2012	\$871m	4.0%	\$8,120m	5.5%
2013	\$855m	-1.9%	\$8,289m	2.1%
2014	\$945m	10.6%	\$9,191m	10.9%
2015	\$1,052m	11.3%	\$10,710m	16.5%
2016	\$1,208m	14.8%	\$12,508m	16.8%
2017	\$1,209m	0.1%	\$12,809m	2.4%
2018	\$1,299m	7.4%	\$14,235m	11.1%
2019	\$1,412m	8.7%	\$14,937m	4.9%
2020	\$1,515m	7.3%	\$15,948m	6.8%
2021	\$858m	-43.3%	\$8,547m	-46.4%

Figure 31: Annual average tourism GDP growth, 2001-2021



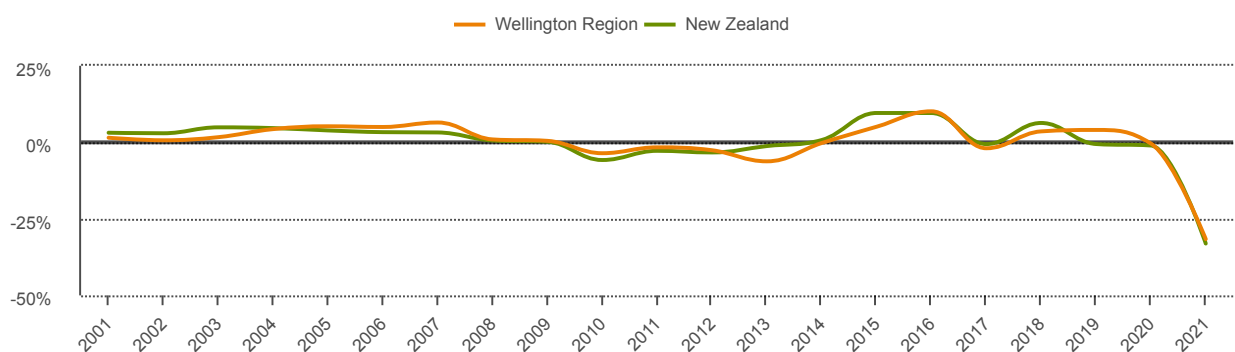
- The tourism industry contributed \$858m towards GDP in Wellington Region in 2021. This amounted to 2.0% of the Wellington Region's economic output in 2021, down from 2.4% ten years ago.
- Economic output in Wellington Region's tourism industry declined by -43.3% in 2021, compared with a -46.4% decline in New Zealand.
- Growth in the industry in Wellington Region has averaged 0.2% over the last ten years, compared with 1.1% in New Zealand.

Tourism Employment

Table 19: Tourism employment, 2001-2021

Year	Wellington Region		New Zealand	
	Level	Change	Level	Change
2000	16,525		152,610	
2001	16,773	1.5%	157,389	3.1%
2002	16,885	0.7%	162,042	3.0%
2003	17,169	1.7%	169,965	4.9%
2004	17,909	4.3%	177,861	4.6%
2005	18,847	5.2%	184,761	3.9%
2006	19,792	5.0%	190,890	3.3%
2007	21,072	6.5%	197,028	3.2%
2008	21,271	0.9%	198,219	0.6%
2009	21,374	0.5%	198,555	0.2%
2010	20,613	-3.6%	187,083	-5.8%
2011	20,275	-1.6%	181,881	-2.8%
2012	19,749	-2.6%	175,866	-3.3%
2013	18,522	-6.2%	173,721	-1.2%
2014	18,479	-0.2%	175,023	0.7%
2015	19,420	5.1%	191,796	9.6%
2016	21,386	10.1%	210,126	9.6%
2017	20,971	-1.9%	208,923	-0.6%
2018	21,718	3.6%	222,129	6.3%
2019	22,595	4.0%	220,875	-0.6%
2020	22,507	-0.4%	218,580	-1.0%
2021	15,388	-31.6%	146,295	-33.1%

Figure 32: Annual average tourism employment growth, 2001-2021



- The tourism industry employed an average of 15,388 people in Wellington Region in 2021. This amounted to 5.1% of the Wellington Region's total employment in 2021, down from 7.7% in 2011.
- Employment growth in the industry in Wellington Region has averaged -2.7% over the last ten years, compared with -2.2% in New Zealand.
- Employment in the tourism industry declined by -31.6% in 2021, compared with a -33.1% decline in New Zealand.

TECHNICAL NOTES

Time period

This economic profile reports on March years (eg 2021 refers to the 12 months to March 2021) for all indicators except population (as at June) and dairy sector statistics (May year) and business units (snapshot as at February).

Broad economic sectors

Primary industries extract or harvest products from the earth and include agriculture, forestry, fishing, and mining. Goods-producing industries produce manufactured and other processed goods and include manufacturing, electricity, gas and water, and construction. High-value services include **knowledge intensive** service industries. Other services include all service industries that are not knowledge intensive, such as retail trade, and food and accommodation services. 'Other' includes owner occupied property operation and **unallocated** activity.

Broad skill levels

Highly skilled occupations typically require a bachelor degree or higher qualification and include professionals such as accountants, teachers, and engineers, as well as most managers such as chief executives. This category is consistent with skill level one of the Australia New Zealand Standard Classification of Occupations (ANZSCO).

Medium-high skilled occupations typically require an NZ Register Diploma, an Associate Degree or Advanced Diploma. The category includes some managers (such as retail managers) and technicians (such as architectural draftspersons, ICT support technicians and dental hygienists). This category is consistent with skill level two of the ANZSCO classification.

Medium skilled occupations typically require an NZ Register Level 4 qualification. The category includes tradespersons (such as motor mechanics), skilled service workers (such as firefighters), as well as skilled clerical and sales workers (such as legal secretaries and estate agents). This category is consistent with skill level three of the ANZSCO classification.

Low skilled occupations typically require an NZ Register Level 3 qualification or lower. It includes a range of lower skilled occupations from general clerks, caregivers, and sales assistants, through to cleaners and labourers. This category is consistent with skill level four and five of the ANZSCO classification.

Business units

Data on the number of businesses is sourced from the Business Demography statistics from Statistics New Zealand. Businesses are measured by geographic units, which represent a business location engaged in one, or predominantly one, kind of economic activity at a single physical site or base (eg a factory, a farm, a shop, an office, etc). All non-trading or dormant enterprises, as well as enterprises outside of New Zealand, are excluded from business demography statistics.

The number of business units is based on a snapshot as at February each year.

A significant number of enterprises are recorded as having zero employment. Enterprises in the zero employee count size category may have:

- working owners who do not draw a wage from their business
- labour provided by other businesses or contractors
- business activity that requires no labour (eg holding company).

Only business units that are economically significant enterprises are included. To be regarded as economically significant they must meet at least one of the following criteria:

- annual expenses or sales subject to GST of more than \$30,000
- 12-month rolling mean employee count of greater than three
- part of a group of enterprises
- registered for GST and involved in agriculture or forestry
- over \$40,000 of income recorded in the IR10 annual tax return (this includes some units in residential property leasing and rental).

Dependency ratio

The dependency ratio is the number of under 15 year olds and over 65 year olds as a ratio of the rest of the population (working age).

Earnings

Earnings data comes from the quarterly Linked Employer Employee Data published by Statistics New Zealand. LEED publishes the mean earnings of full quarter jobs for each quarter. Full quarter jobs may include full time and part time jobs. Earnings include overtime and lump sum payments. We sum the mean earnings for the four quarters making up the year to arrive at an estimate of average annual earnings.

Employment by industry

Employment is measured as an average of the four quarters making up each year. The unit of measurement is filled jobs.

Regional employment numbers are from Infometrics' Regional Industry Employment Model (RIEM). The model draws heavily on quarterly and annual Linked Employer Employee Data (LEED) published by Statistics New Zealand. RIEM differs from data from Business Demography in that it is a quarterly series (BD is annual) and it includes both employees and self-employed, whereas BD only includes employees.

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. Occupations conform to the categories used in the Australian New Zealand Standard Classification of Occupations (ANZSCO).

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 (ANZSCO). Fields of study for each combination of occupation and skill are obtained from Population Census. Shares of employment in a particular occupation and skill combination for each field of study can, thus, be aggregated into demand for labour by skill/qualification.

Gross Domestic Product

Gross Domestic Product (GDP) measures the value economic units add to their inputs. It should not be confused with revenue or turnover.

Total GDP is calculated by summing the value added to all goods and services for final consumption – ie it does not include the value added to goods and services used as intermediate inputs for the production of other goods as this would result in double counting. As a result, GDP estimates should not be confused with revenue/turnover/gross output.

In this profile Gross Domestic Product for each region and territorial authority (TA) is estimated by Infometrics. A top down approach breaks national production-based GDP for each industry (published by Statistics New Zealand) down to territorial authority level by applying TA shares to the national total. Each TA's share of industry output is based on the share of employment measured in the Linked Employer Employee Data (LEED), which is, in turn, based on taxation data. Our estimates are benchmarked on regional GDP published by Statistics New Zealand which ensures we capture differences in regional industry productivity and changes in productivity over time.

GDP is measured in constant 2021 prices.

Household income

The Infometrics household income series is a comprehensive estimate of average household incomes within each region or territorial authority area. The series captures labour market earnings (wages, salaries and self-employment) as well as allowances (e.g. Disability Allowance), benefits (e.g. Jobseeker Support) and superannuation. Investment income is excluded.

Infometrics models the series with a top-down approach, first measuring all incomes received by households in New Zealand, then apportioning them to smaller areas using various sources of administrative data. As there is a time lag in the availability of administrative data we use contemporary indicators to project our estimates to the most recent quarter. Infometrics estimates of the number of occupied private households are used to translate total income in each area into a per household mean.

The Infometrics household income series tends to be slightly higher than Census measures. Census tends to underestimate household incomes because individuals often fail to recall all their income when completing their Census form.

House values

House values (dollar value) are sourced from QVNZ. The levels used are average current values. An average current value is the average (mean) value of all developed residential properties in the area based on the latest house value index from QVNZ. It is not an average or median sales price, as both of those figures only measure what happens to have sold in the period. These average current values are affected by the underlying value of houses (including those not on the market) and are quality adjusted based on the growth in each house's price between sales.

Industrial classification

This profile 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.

This profile also uses a grouping of 54 industries. These are the industries used by Statistics New Zealand in the national accounts.

Knowledge intensive employment

Knowledge intensive employment is measured as employment in industries (measured at the 7-digit industry level) which are defined as **knowledge intensive**.

Knowledge intensive industries

Knowledge-intensive industries are industries that satisfy two basic criteria: At least 25 per cent of the workforce must be qualified to degree level and at least 30 per cent of the workforce must be employed in professional, managerial, as well as scientific and technical occupations.

Māori industry and occupational employment

Infometrics models Māori industry and occupational employment data by drawing on detailed data from the Census, Household Labour Force Survey (HLFS) as well as the Infometrics Regional Employment Industry Model (REIM) and the Infometrics Regional Industry-Occupational matrix.

Population

The population numbers presented in this profile are based on Statistics New Zealand's Estimated Resident Population (ERP). The ERP is an estimate of all people who usually live in an area at a given date. Visitors from elsewhere in New Zealand or from overseas are excluded.

The ERP is not directly comparable with the census usually resident population count because of a number of adjustments. The ERP at 30 June 2018 is based on the 2018 census usually resident population count, adjusted for:

- net census undercount (based on the 2018 Post-enumeration Survey)
- residents temporarily overseas on census night
- births, deaths, and net migration between census night and the date of the estimate
- reconciliation with demographic estimates at ages 0–9 years.

Prices

In this profile, we present all GDP estimates in constant 2021 prices. GDP presented in constant prices is sometimes referred to as real GDP. By using constant prices we remove the distractionary effect of inflation. It enables us to meaningfully compare GDP from one year to the next.

Productivity

Productivity measures the efficiency of production. In this profile, we measure productivity as GDP per filled job (ie the amount of economic activity generated on average by each filled job). Labour is only one input into production. The output of each employee may differ across industries in a region due to differing access to machinery, technology, and land. Therefore, productivity comparisons should only be made in circumstances where it is reasonable to assume that capital intensity will be broadly the same – for example, when looking at productivity within an industry over a limited-time period, or when comparing productivity of a particular industry with that same industry in another region.

Self-employment

Self-employment rates are from Annual Linked Employer Employee Data (LEED).

Tourism employment

Our estimates of tourism employment leverage off our tourism GDP estimates. We are able to use our understanding of the proportion of output in each industry in a territorial authority that is associated with tourism and apply this proportion to underlying employment levels in that industry. Summing up tourism employment by industry gives us an indication of the total number of jobs in a region that are attributable to the tourism industry.

Tourism GDP

Our estimates of tourism GDP are measured in 2021 **prices** and make use of the Tourism Satellite Accounts (TSA) published by Statistics New Zealand, in conjunction with data on guest nights, visitor expenditure data from MBIE, and Infometrics' regional GDP model. The TSA estimates the contribution of the tourism industry to GDP nationally. For the years 2009-2013, we have apportioned tourism GDP from the TSA to each territorial authority (TA) using constrained shares of visitor expenditure from MBIE's visitor expenditure data.

For the years before 2009, we have calculated growth rates in each TA's tourism GDP, by adjusting TSA industry ratios (that summarise the proportion each industry's output associated with tourism) and applying these adjusted ratios to our estimates of the TA's GDP. Our adjustment takes into consideration each TA's relative exposures to industries and guest night shares compared to the national economy. The estimates for each TA are then benchmarked on the national total from the TSA.

Unallocated

Unallocated items include taxes levied on the purchaser rather than the producing industry (such as GST, import duties, and taxes on capital transactions), and items that cannot easily be allocated to a specific industry (such as the seasonal adjustment balancing item). A seasonal adjustment balancing item is necessary to ensure that the sum of all seasonally adjusted industries can be reconciled with total GDP.