

# Economic Wellbeing

*“Ensure that core facilities, services and infrastructure keep pace with the needs of the community”*

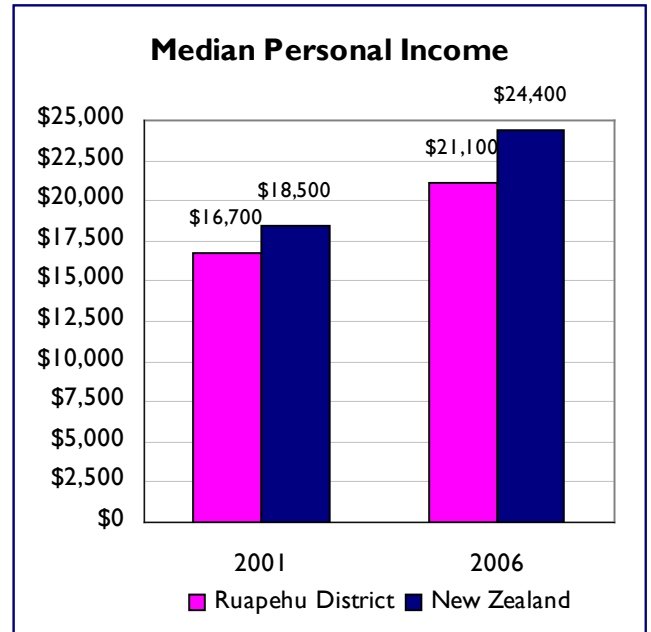
Economic wellbeing underpins prosperity and the material aspects of quality of life. Strong businesses and industries bring employment, income and development to the District. This in turn builds the capacity of our people to achieve social well-being and provides the financial means to both protect and effectively use the environment and resources. Existing economic prosperity is also a drawing pin to attract further development, new business and new residents to the District.

Although the usually resident population continues to decline, the continuing growth in the tourism industry is bringing more visitors and increasing the number of absentee ratepayers to the District. Combined with the resulting property development, demands on resources and infrastructure are increasing, and accordingly so is the cost of Council services. An important resulting issue is that of affordability as there is still a significant portion of the District population living on low incomes and in relative deprivation.



Indicator	State	Trend
<b>Median Personal Income</b>	☹	↑

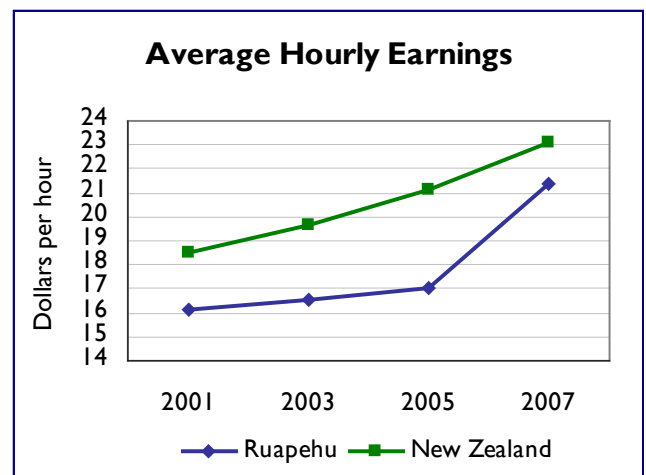
Median personal income refers to the midpoint of individuals' yearly earnings, indicating that half the population earns more and half earn less than this figure. Comparing this indicator to the national data gives an indication of the comparative earnings of people in the District. The median personal income has risen during the five-year period from Census 2001 to 2006 but the District still falls well behind the national average. In Ruapehu District it has increased by 20% from \$16,700 in 2001 to \$21,100 in 2006, while for the whole of New Zealand it rose by 24% from \$18,500 to \$24,400 during this time.



Source: Census 2001 and 2006

Indicator	State	Trend
<b>Average Hourly Earnings</b>	☹	↑

A further detailed indicator of level of income is that of average hourly earnings. Average hourly earnings is determined based on the total gross income paid to employees divided by the total amount of hours worked. Employees in Ruapehu District earned an average of \$21.35 per hour in September 2007, \$0.34 or 1.6% higher than in June 2007, compared with a 1.2% increase for the whole of New Zealand to \$23.10 over the same three-month period. Since 2001 the average hourly earnings in the District has increased by 25% from \$16.17.



Source: Census 2001 and 2006

Indicator	State	Trend
<b>Economic Growth</b>	☹	↓

The table below shows the District contribution to Gross Domestic Product (GDP) of New Zealand decreased by 6.7% from 2005 to 2006, compared to growth of 2.2% in New Zealand and 2.7% in the Manawatu Districts. This substantial drop in GDP can

be primarily attributed to a 26.3% fall in the contribution of Social Services sector to GDP. This sector saw a decline of \$32 million in GDP over the 2005 figure, mostly through losses in the Defence and Education industries.

	Value Added or GDP (2006 \$) (m)			% per annum change		
	2004	2005	2006	2005	2006	1996 to 2006
Primary	93	92	97	-0.9	4.0	-0.4
Manufacturing and Building	81	83	84	3.0	1.4	-2.9
Retail and Distribution	60	65	67	7.8	3.5	-1.5
Business Services	85	71	64	-16.6	-9.4	-2.1
Recreation Services	14	14	15	-0.5	11.1	1.2
Social Services	112	123	91	9.7	-2.3	-4.3
Ruapehu District	444	447	417	0.7	-6.7	-2.3
Manawatu Districts	2,707	2,798	2,675	3.4	2.7	1.0
New Zealand	147,128	152,541	155,885	3.7	2.2	3.1

Source: BERL, Regional Database, Statistics New Zealand

Indicator	State	Trend
<b>Employment Growth (in FTEs)</b>	☹	↑

Employment growth is measured here in terms of units of Full-Time Equivalent (FTEs). In the year to March 2006, employment in Ruapehu District dropped 3% compared to positive growth of 0.7% the previous year. This fall is in line with the decreases in GDP value added and usually resident population, and together

with the increased numbers of business units have combined to produce a smaller average business size. The decline in employment growth during 2005 is consistent with the long-term trend of an average annual decrease of 3.1% in the ten years since 1996.

	Employment Number FTEs			% per annum change		
	2004	2005	2006	2005	2006	1996 to 2006
Primary	1,729	1,602	1,680	-7.4	4.9	-0.2
Manufacturing and Building	949	1,013	1,041	6.7	2.8	-3.1
Retail and Distribution	1,115	1,194	1,246	7.1	4.4	-2.4
Business Services	313	333	310	6.4	-6.9	-1.6
Recreation Services	328	278	377	-15.1	35.2	1.9
Social Services	1,631	1,685	1,267	3.3	-24.8	-7.2
Ruapehu District	6,066	6,106	5,922	0.7	-3.0	-3.1
Manawatu Districts	35,581	36,173	36,791	1.7	1.7	-1.0
New Zealand	1,690,949	1,751,699	1,809,041	3.6	3.3	2.0

Source: BERL, Regional Database, Statistics New Zealand

Indicator	State	Trend
<b>Number of Businesses</b>	😊	↑

This indicator shows the change in the number of business units in Ruapehu District between 1996 and 2006, and compares the trend to that in the Manawatu Districts and across New Zealand. Ruapehu District business units are also broken down into the six business sectors.

In the year to March 2006, the total number of business units in the Ruapehu District

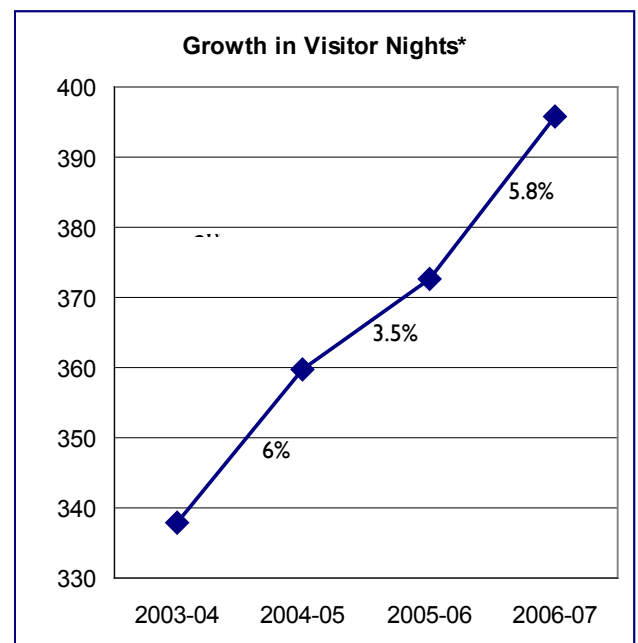
increased to 1,891, or by 1.8%. This compared to a regional increase of 1.4% over the year, and 2.5% growth in New Zealand as a whole. Looking at individual sectors, the best performer for the 2005/06 year was the Recreation Services sector, which grew by 8.5%, whilst Social Services showed the biggest decline of -8.9%.

	Business Units (number)			% per annum change		
	2004	2005	2006	2005	2006	1996 to 2006
Primary	803	805	796	0.2	-1.1	0.2
Manufacturing and Building	146	155	796	6.2	7.1	0.6
Retail and Distribution	315	326	345	3.5	5.8	2.1
Business Services	310	330	344	6.5	4.2	10.9
Recreation Services	114	117	127	2.6	8.5	4.3
Social Services	120	124	113	3.3	-8.9	1.2
Ruapehu District	1,808	1,857	1,891	2.7	1.8	2.2
Manawatu Districts	12,963	13,013	13,189	0.4	1.4	1.8
New Zealand	421,468	432,613	443,369	2.6	2.5	3.4

Source: BERL, Regional Database, Statistics New Zealand

Indicator	State	Trend
<b>Growth in Tourist Numbers</b>	😊	↑

Harnessing the potential of tourism by further developing the Ruapehu tourism industry is seen as a key step in enabling the District's overall economic strategy to achieve prosperity. The winter sport season is well established and continues to grow. The focus is now on promoting the District as an all-seasons destination in an effort to attract visitors and resulting benefits all year round. Tourist growth is measured here by the increase in visitor nights and shows the industry in the 'Visit Ruapehu' area growing by 5.8% in 2006 compared to the national figure of 4.6% and by an average of 5.1% from 2003 to 2007.



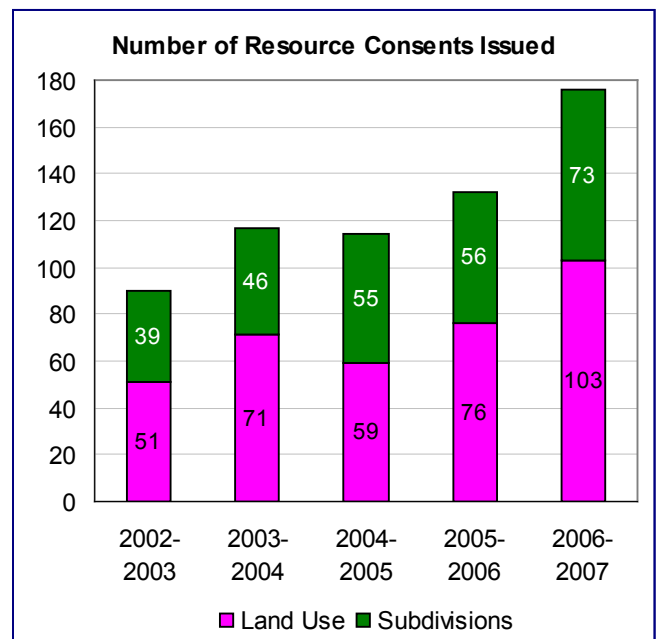
Source: Statistics NZ Quarterly Review, September 2007

Indicator	State	Trend
<b>Resource Consents</b>	☺	↑

Council's Resource Management activity ensures the environmental effects of development, such as subdivisions, and all building projects are minimised or mitigated. Any new development in the District must comply with the requirements of the Resource Management Act 1991 and the Ruapehu District Plan. There are two types of resource consent. Land-use consents are issued for activities that do not comply with the District Plan Rules, such as for gravel extraction, earthworks, boundary encroachments and building density requirements, while subdivisions occur where an existing single property is divided into several smaller lots to be sold on individually.

As a result, the number of resource consents issued is a good indication of the rate and scale of property development taking place in the District. In the 2006/07 financial year there were six subdivisions of 20 lots or more in Ohakune alone as well as developments in Raetihi, National Park, Horopito, Raurimu, Rangataua and other District townships.

The increase in subdivision activity has been matched by a huge rise in subsequent land-use consents for related building projects and activities.



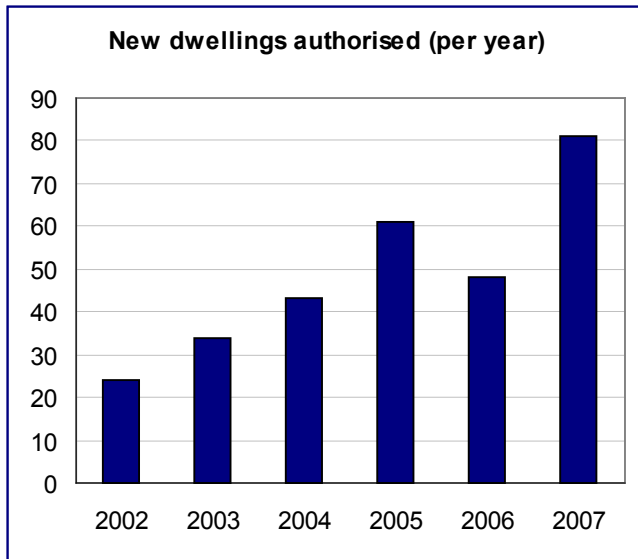
Source: Ruapehu District Council, 2008

Indicator	State	Trend
<b>Building Consents</b>	☺	↑

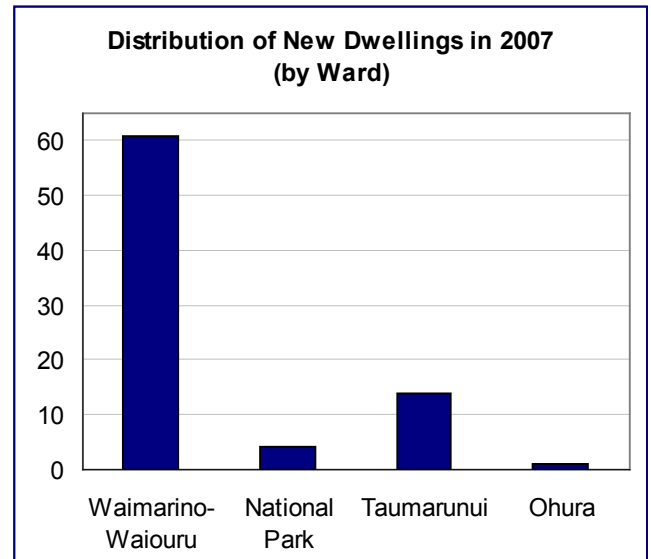
Property development and in particular new housing being built is an indicator of economic well-being in the District. An increase in new housing would normally be indicative of a growing resident population. However, in Ruapehu District many of the new developments are due to an increase in non-resident ratepayers who own second homes for holiday use or rentals, both full-time and seasonally. This indicator reflects this trend by showing the number of new dwellings authorised for building in the District has increased almost four-fold since 2002.

The distribution of this growth in dwellings is important to determine the growth points and resulting increases in demands on infrastructure and services. In 2007, over 75% of new dwellings in the District were located in the Waimarino-Waiouru Ward. This is in line with the strong growth in tourist numbers generally experienced in the local tourist industry due to the success and growing popularity of the Mount Ruapehu ski fields.

Indicator	State	Trend
<b>Building Consents (continued)</b>	☺	↑



Source: Statistics NZ Quarterly Review, September 2007



Source: Ruapehu District Council, 2008