

# HAMILTON ECONOMIC INDICATOR REPORT

DECEMBER 2013

## INTRODUCTION

This report presents the latest information about economic indicators monitored by Hamilton City Council (HCC) to get an understanding of the local economy and keep an eye on key trends.

This Economic Indicator Report is a key component to understanding Hamilton's economy and associated trends. It provides Council with a benchmark against which to measure future changes. Indicators for this report were selected on the basis of SMART criteria (Specific, Measurable, Available, Relevant and Timely).

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## KEY FACTS

Population Estimate (as at June 2013)	<b>150,200*</b>
City Area	<b>11,080 ha</b>
Number of dwellings (Census 2013)	<b>53,700</b>
Number of employees (as at February 2013)	<b>76,300</b>
Number of businesses (as at February 2013)	<b>13,104</b>

\* This population estimate differs from the Census Usually Resident Population figure of 141,615 and does not include 2013 Census data. It is adjusted to include births and deaths from census day to 30 June, residents temporarily overseas on census night, and an estimate of the number of residents who for other reasons did not fill in a census form.

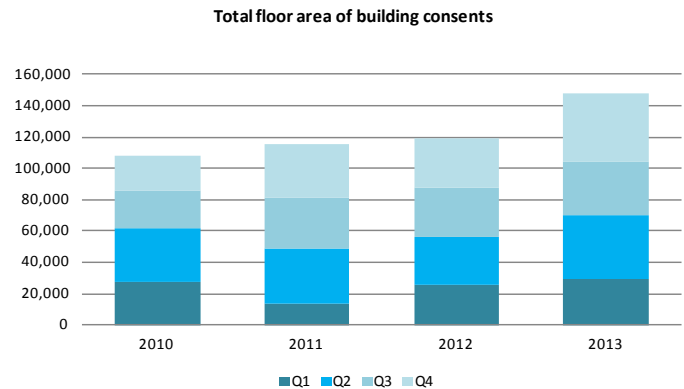
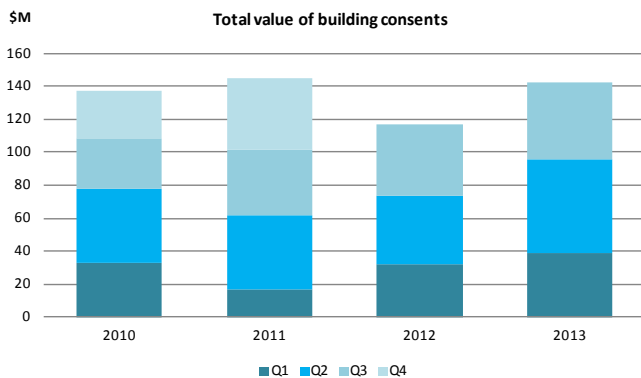
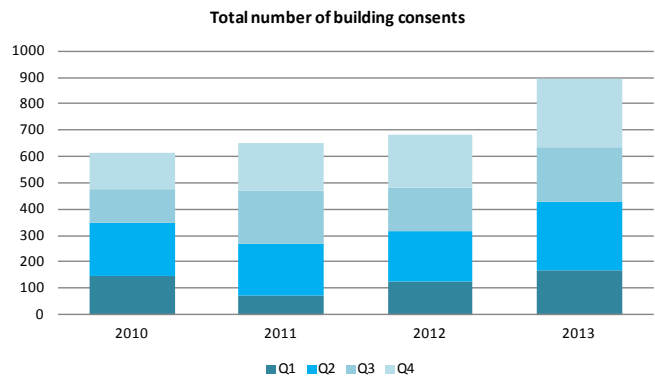
## KEY FINDINGS

- Both the number and value of residential building consents increased on the previous 12 months (by 30.7% in number 29.7% in value).
- The number of non-residential building consents to the year ended December 2013 was the same as the year ended December 2012 period with 69 consents issued.
- Hamilton's estimated unemployment rate increased slightly to 8.7% in December 2013 from 7.6% in September 2013. This is above the national unemployment rate of 5.9%.
- The total number of people unemployed nominally increased by 1,300 between September 2013 and December 2013.
- Gross Regional Product (GRP) projections show a variable but improving trend, up 2.5% to an estimated \$5.7 billion for the year to September 2013.
- GRP for the construction and manufacturing sectors has rebounded since the 2009 crash, and Hamilton's key Health Sector continues to grow.
- The occupancy rate for Hamilton commercial accommodation in December 2013 was 54%, which is 2 percentage points above the occupancy rate recorded in the December 2012 quarter.

# 1. RESIDENTIAL BUILDING CONSENTS

## Number, value and floor area of new residential buildings – Hamilton City

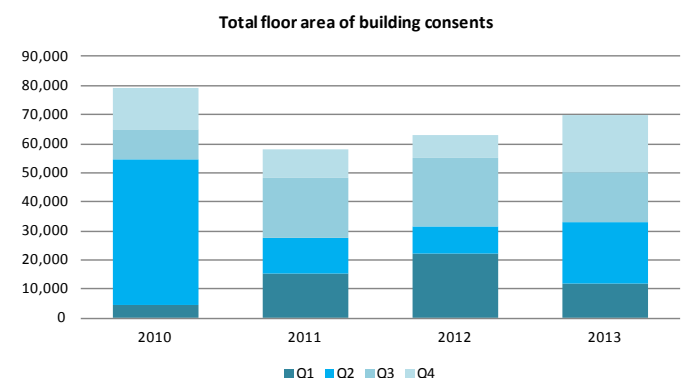
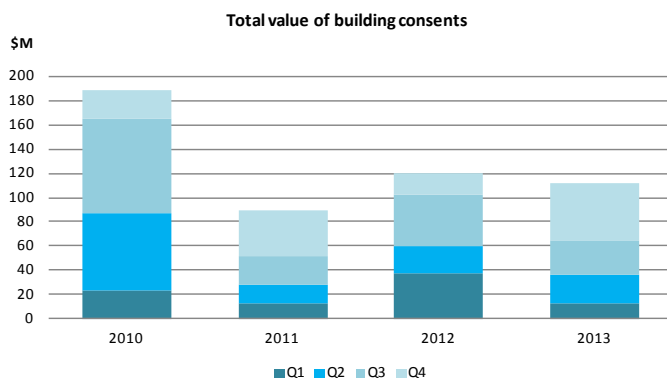
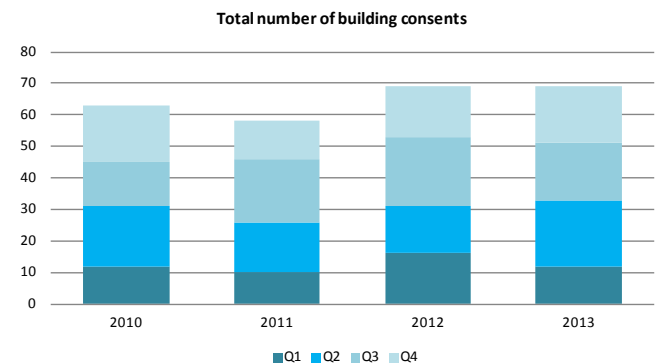
- In the year ended December 2013, a total of 895 new houses valued at \$208 million were authorised for construction within Hamilton (an increase of 30.7% in number and an increase of 29.7% in value from the previous year).
- Building consents issued for new houses resulted in a total floor area of 148,272m<sup>2</sup> during the year ended December 2013, an increase of 24.1% from the previous year.



# 2. COMMERCIAL/INDUSTRIAL BUILDING CONSENTS

## Number, value and floor area of new non-residential buildings – Hamilton City

- The total number of non-residential building consents issued in the year ended December 2013 was 69, this is the same number as the same period last year.
- The value of all non-residential consents issued in the past 12 months totalled \$111 million with a total floor area of 69,946 m<sup>2</sup>.
- Floor area was up 11.2%, while value was down 7.3% when compared to the year ended December 2012.

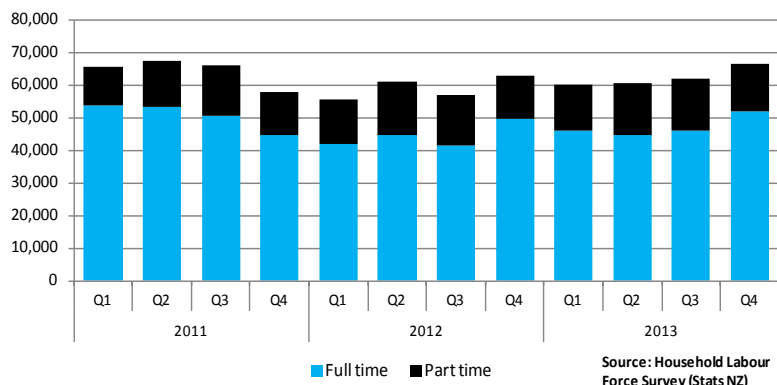


Source: Statistics New Zealand – Building Consents Issued

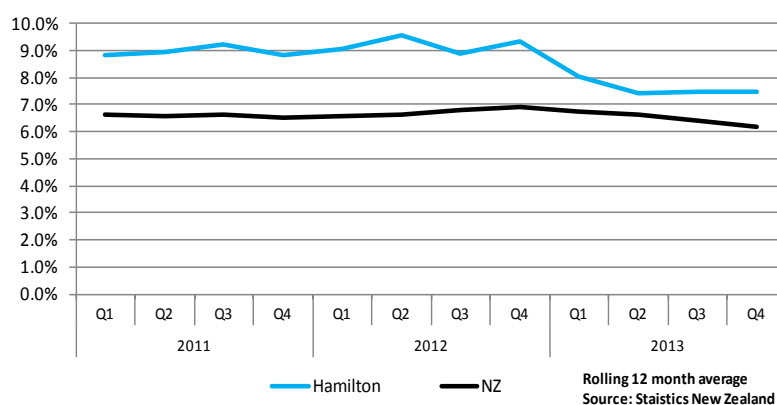
### 3. EMPLOYMENT/UNEMPLOYMENT

#### Full and Part time employment and unemployment rate – Hamilton City 2011-2013

Number of people employed in Hamilton



Unemployment Rate



- Estimates\* suggest that in the December 2013 quarter there were 6,400 people unemployed in Hamilton (compared with 5,1400 people unemployed in September 2013) out of a total labour force of 72,800.
- Of the people employed in Hamilton 51,800 were in full-time employment, with a further 14,700 in part-time employment.
- Hamilton’s estimated\* unemployment rate increased slightly to 8.7% in December 2013 from 7.6% in September 2013, this is above the national unemployment rate of 5.9%.
- Total unemployed increased by 1,300 over the period September 2013 - December 2013, despite an increase in the number employed. This overall result is caused by a change in the labour force due to demographics and migration.

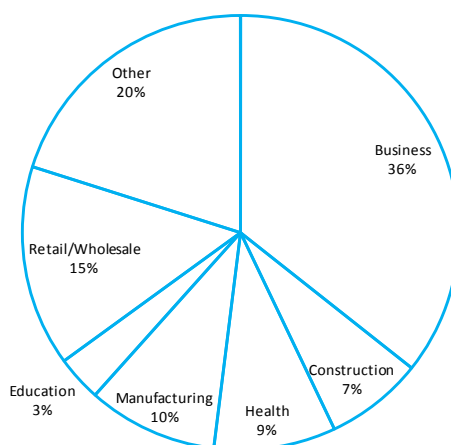
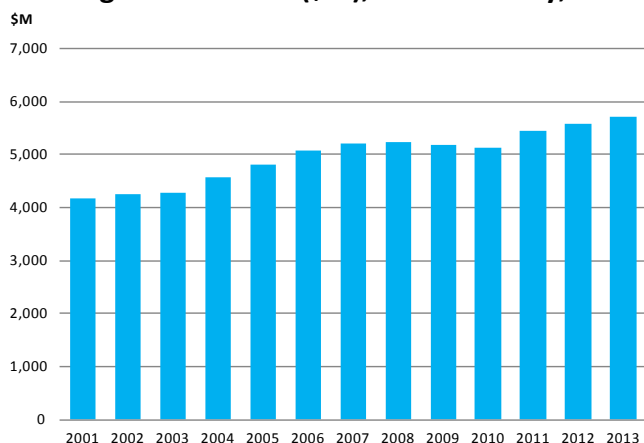
*\*The two unemployment datasets are only estimates. All data is subject to material variation from quarter to quarter and frequently revised.*

Hamilton	Total Employed	Total Unemployed	Total Labour Force	Working Age Population	Unemployment Rate (%)
<b>September 2013</b>	61,900	5,100	66,900	99,900	7.6
<b>December 2013</b>	66,500	6,400	72,800	101,800	8.7
<b>Difference</b>	4,600	1,300	5,900	1,900	1.0

Source: Statistics New Zealand – Household Labour Force Survey.

## 4. GROSS REGIONAL PRODUCT

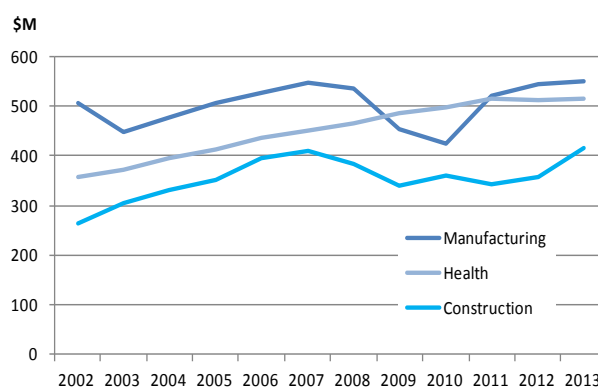
### Gross Regional Product (\$m), Hamilton City, 2001-2013 (September)



- Hamilton's economy grew strongly through the early to mid-2000s and then, as experienced nationally and internationally, widespread recession set in following the Global Financial Crisis of 2009. Since 2010 an improvement is evident, albeit non-uniform.
- Hamilton's estimated Gross Regional Product (GRP) was approximately \$5.72 billion for the year to September 2013, up from \$5.59 billion in the year to September 2012, or an increase of 2.5%\*.

*Note: 2013 figures are projections, available up to September 2013, and are derived from other indicators such as employment estimates.*

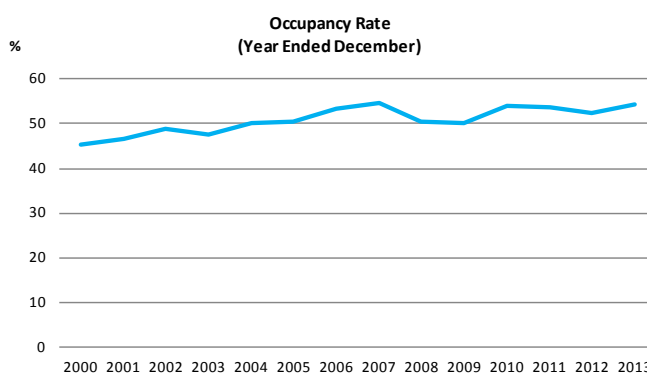
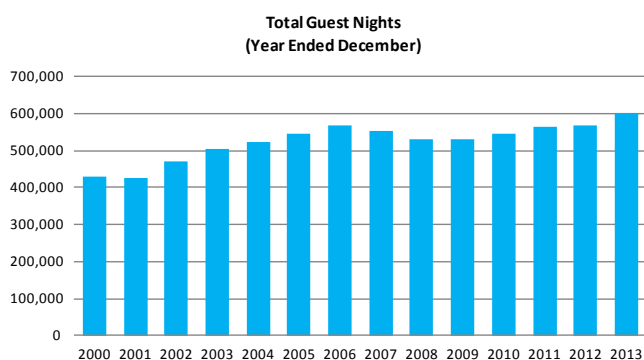
*\*The data underlying this indicator has changed since last publication and any comparisons will be subject to errors.*



Source: Infometrics Ltd

## 5. COMMERCIAL ACCOMMODATION

### Guest Nights and Occupancy Rate – Hamilton City, 2000-2013



Source: Statistics New Zealand – Accommodation Survey

- The total number of guest nights for Hamilton in the year ended December 2013 was 601,684 (compared with 567,487 for the year ended December 2012) an increase of 6.0%.
- The occupancy rate for Hamilton accommodation in December 2013 was 54%, which is 2 percentage points above the occupancy rate recorded during the December 2012 quarter.
- Hamilton is fortunate in that it is not affected to the same extent by seasonal variations as many other places are; therefore occupancy rate remains relatively consistent throughout the year.