

HAMILTON ECONOMIC INDICATOR REPORT

JUNE 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).

CONTENTS

1. Residential Building Consents.....	2
2. Non-Residential Building Consents.....	2
3. House and Section Sales	3
4. Employment.....	3
5. Gross Regional Product.....	4
6. Commercial Accommodation	4

KEY FACTS

Population Estimate (as at June 2013)	150,200*
City Area	11,080 ha
Number of households (as at 30 June 2011)	53,287
Number of employees (as at February 2012)	74,970
Number of businesses (as at February 2012)	13,106

* This population estimate differs from the Census Usually Resident Population figure of 141,615 that was recently released.
The Usually Resident Population count differs from the annual population estimates, which 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. Also this population estimate does not include 2013 Census data.

FURTHER INFORMATION

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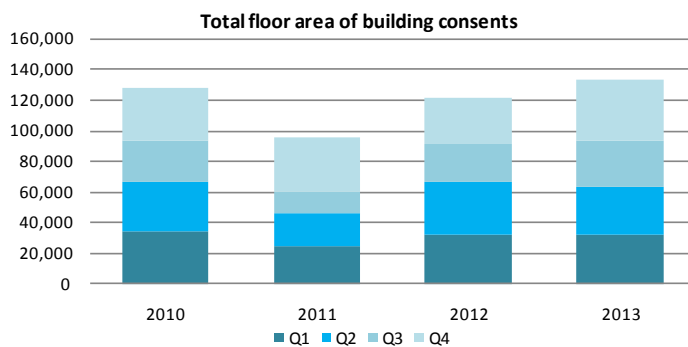
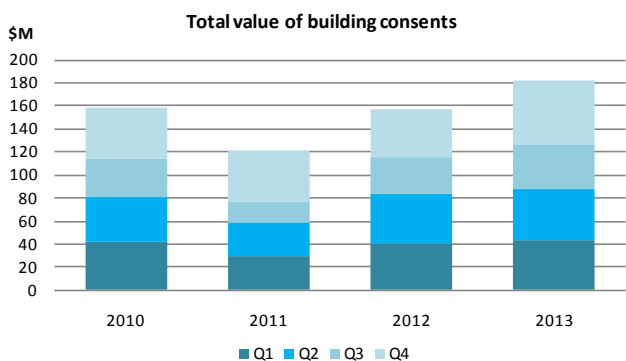
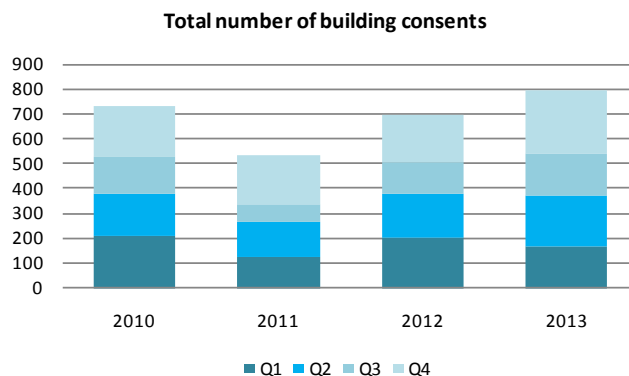
KEY FINDINGS

- Both the number and value of residential building consents increased on the previous 12 months (by 14.8% in number 16.7% in value).
- The number of non-residential building consents fluctuates from quarter to quarter, however the total number of consents to the year ended June 2013 was up 12.7% on the June 2012 year (71 new consents in the 12 months to June 2013, compared with 63 in the 12 months to June 2012).
- The number of both house and section sales in Hamilton has risen between the year ended June 2012 and the year ended June 2013, with a total of 2,400 sales for the quarter ended June 2013, up 21.9% on the March 2013 quarter.
- Hamilton's estimated unemployment rate increased slightly to 6.9% in June 2013 from 6.8% in March 2013, this is also above the national unemployment rate of 6.2%.
- The total number of people unemployed nominally increased by 100 between March 2013 and June 2013.
- Gross Regional Product (GRP) projections show a variable but improving trend, up to an estimated \$5.6 billion for the year to June 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 June 2013 was 54%, which is 6 percentage points below the occupancy rate recorded in the June 2012 quarter.

1. RESIDENTIAL BUILDING CONSENTS

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

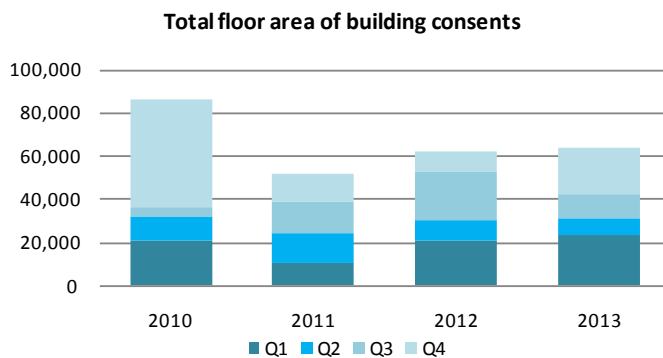
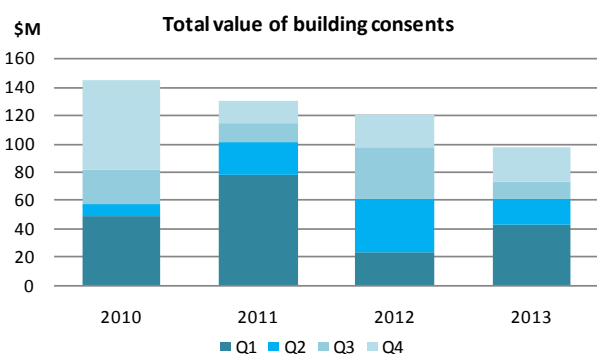
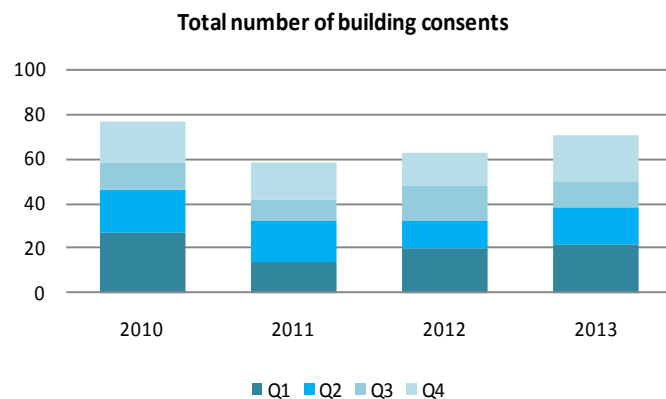
- In the year ended June 2013, a total of 798 new houses valued at \$182 million were authorised for construction within Hamilton (an increase of 14.8% in number and an increase of 16.7% in value from the previous year).
- Building consents issued for new houses resulted in a total floor area of 133,726 m² during the year ended June 2013, an increase of 9.6% from the previous year.



2. COMMERCIAL/INDUSTRIAL BUILDING CONSENTS

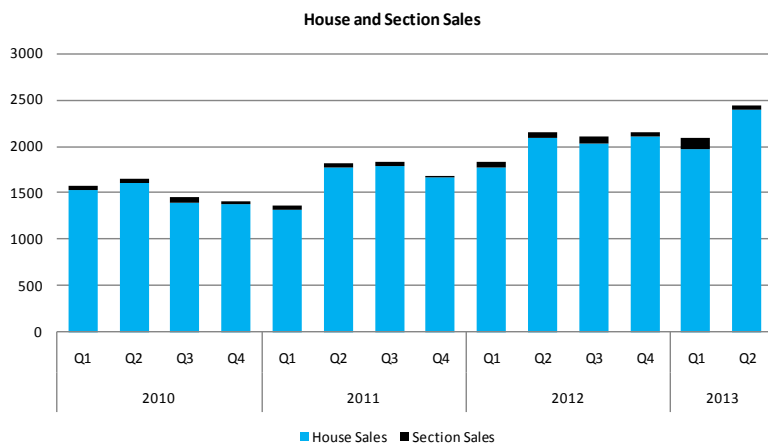
Number, value and floor area of new non-residential buildings – Hamilton

- The total number of non-residential building consents issued in the year ended June 2013 was 71 compared to 63 during the same period last year.
- The value of all non-residential consents issued in the past 12 months totalled \$97 million with a total floor area of 54,061 m².
- Floor area was up 2.7%, while value was down 19.0% when compared to the year ended June 2012.



Source: Statistics New Zealand – Building Consents Issued

3. HOUSE AND SECTION SALES

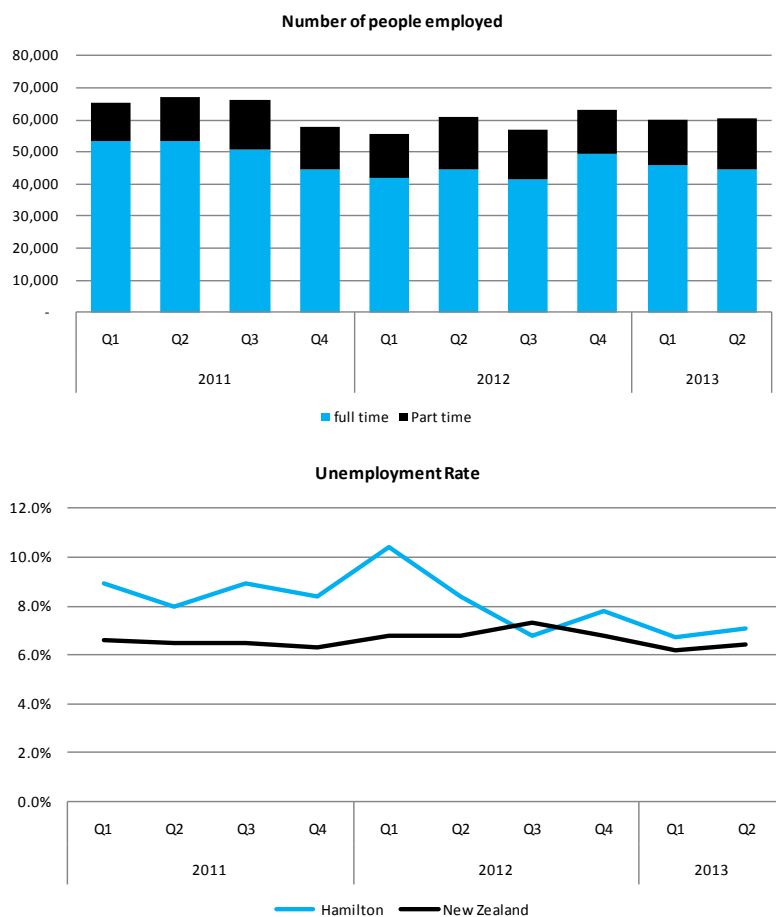


Source: REINZ – House and Section Sales

- There were 2,400 house sales in Hamilton for the June 2013 quarter, up 21.9% on the March 2013 quarter.
- The number of house sales for the year ended June 2013 totalled 8,519, which is 16.3% above house sales recorded for the year ended June 2012.
- There were 45 section sales in the June 2013 quarter, down 80 on the previous quarter.
- Section sales for the year ended June 2013 totalled 273, an increase of 100 when compared to the year ended June 2012.

4. EMPLOYMENT/UNEMPLOYMENT

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



- Estimates* suggest that in the June 2013 quarter there were 4,500 people unemployed in Hamilton (compared with 4,400 people unemployed in March 2013) out of a total labour force of 65,100.
- Of the people employed in Hamilton 44,700 were in full-time employment, with a further 15,900 in part-time employment.
- Hamilton’s estimated* unemployment rate increased slightly to 6.9% in June 2013 from 6.8% in March 2013, this is above the national unemployment rate of 6.2%.
- Total unemployed nominally increased by 100 over the period March 2013 - June 2013, despite an increase in the number employed. This overall result is due to a reduction 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.*

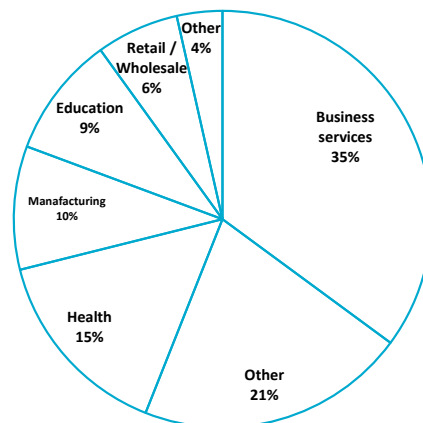
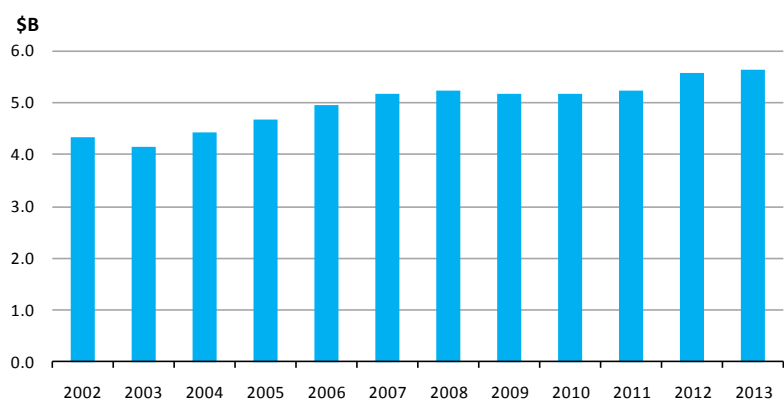
Source: Infometrics

Hamilton	Total Employed	Total Unemployed	Total Labour Force	Working Age Population	Unemployment Rate (%)
March 2013	60,100	4,400	64,500	97,200	6.8
June 2013	60,600	4,500	65,100	97,100	6.9
Difference	500	100	600	(100)	0.1

Source: Statistics New Zealand – Household Labour Force Survey.

5. GROSS REGIONAL PRODUCT

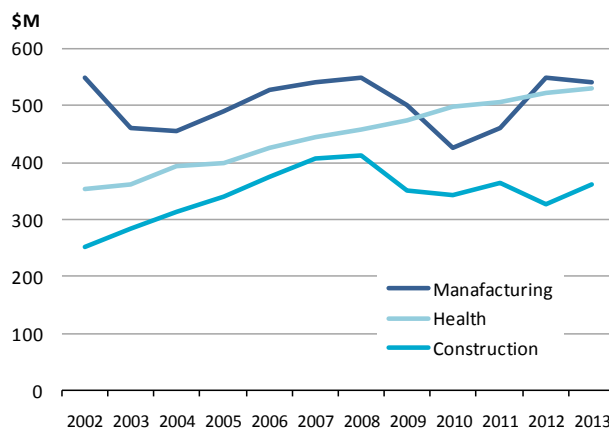
Gross Regional Product (\$m), Hamilton City, 2002-2013 (June Year)



- 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 \$5.64 billion for the year to June 2013, up from \$5.57 billion in the year to June 2012, or an increase of 1.3%*.

Note: 2013 figures are projections, and figures are derived from other indicators such as employment estimates.

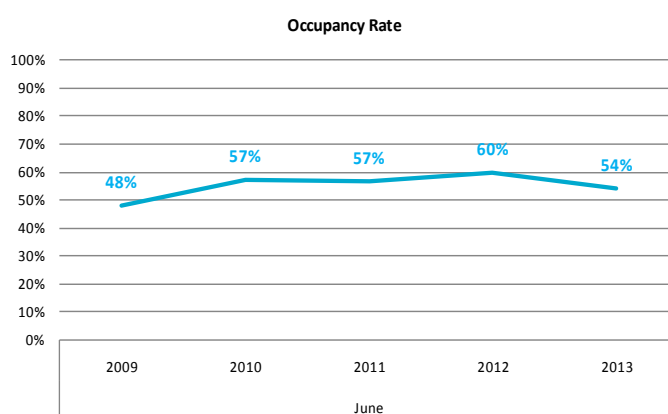
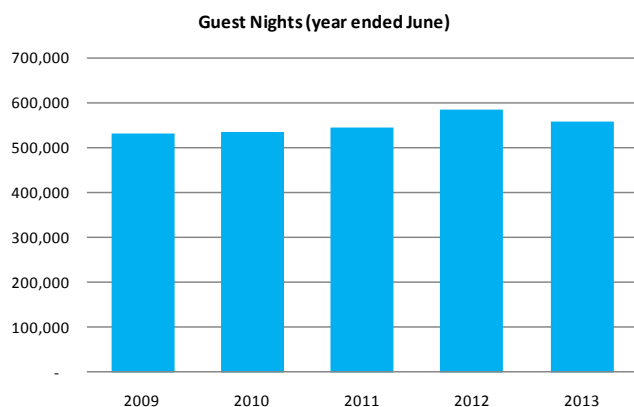
**The data underlying this indicator has changed since last publication and any comparisons will be subject to errors.*



Source: Infometrics Ltd

6. COMMERCIAL ACCOMMODATION

Guest Nights and Occupancy Rate – Hamilton



Source: Statistics New Zealand – Household Labour Force Survey.

- The total number of guest nights for Hamilton in the year ended June 2013 was 559,656 (compared with 586,600 for the year ended June 2012) a decrease of 4.6%.
- The occupancy rate for Hamilton accommodation in June 2013 was 54%, which is 6 percentage points below the occupancy rate recorded during the June 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.