



ANNUAL ECONOMIC PROFILE

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# Clutha District

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Economics put simply



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# ECONOMY

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## 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 Clutha District's economy grown?

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

- GDP in Clutha District measured \$1,078m in the year to March 2021, up 1.8% from a year earlier. New Zealand's GDP decreased by -1.2% over the same period.
- Economic growth in Clutha District averaged 1.7%pa over the last 10 years compared with an average of 2.6%pa in the national economy.
- Growth in Clutha District reached a high of 8.9% in 2012 and a low of -3.4% in 2008.
- Clutha District accounted for 0.3% of national GDP in 2021.

Figure 1: GDP growth, year to Mar 2021

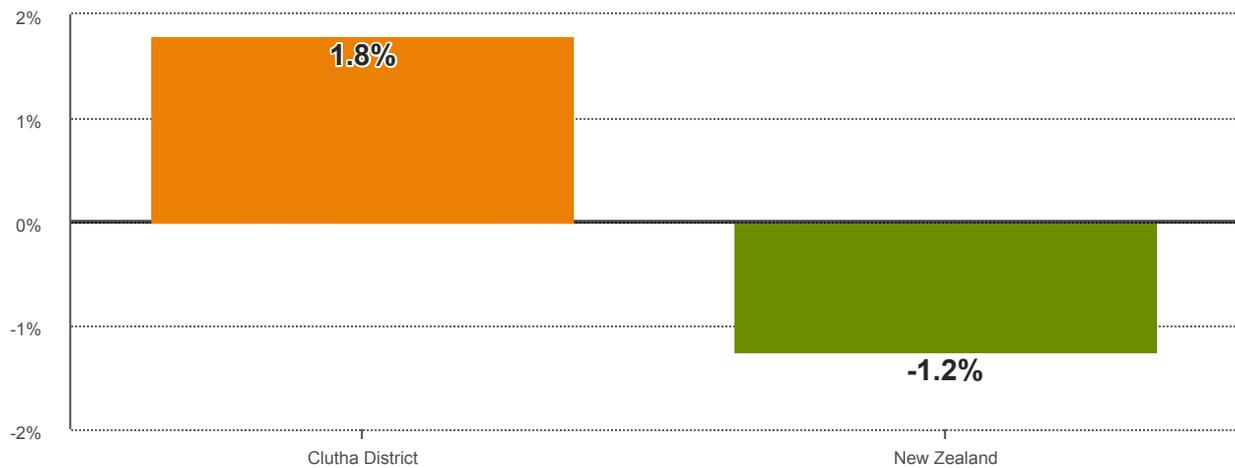


Figure 2: Annual average GDP growth, 2001-2021

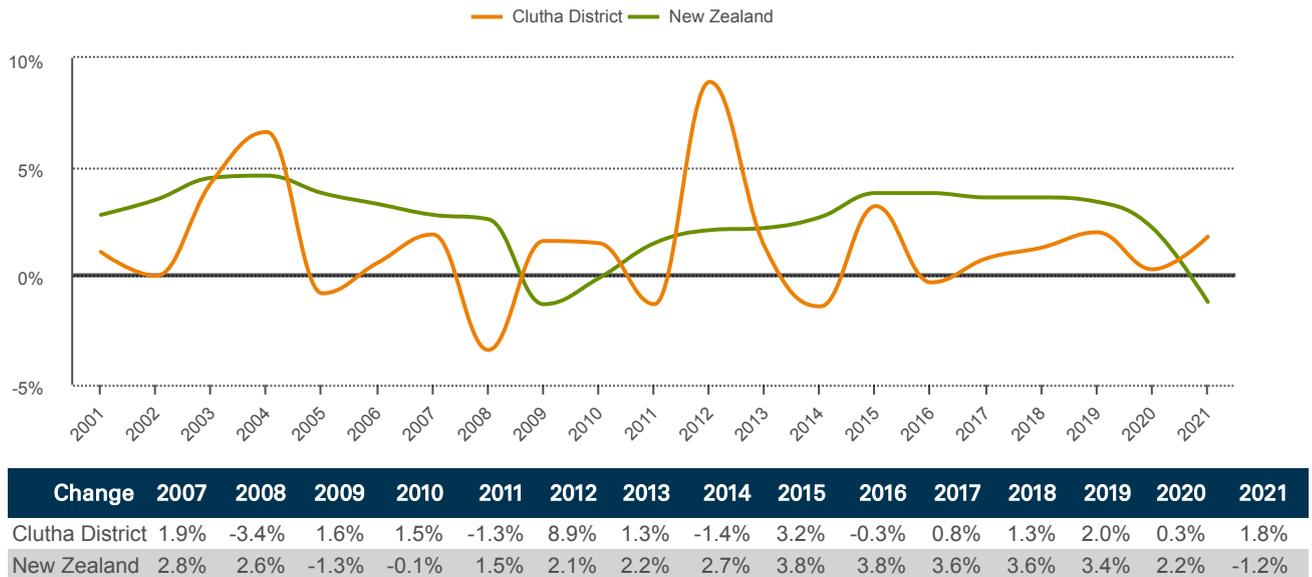
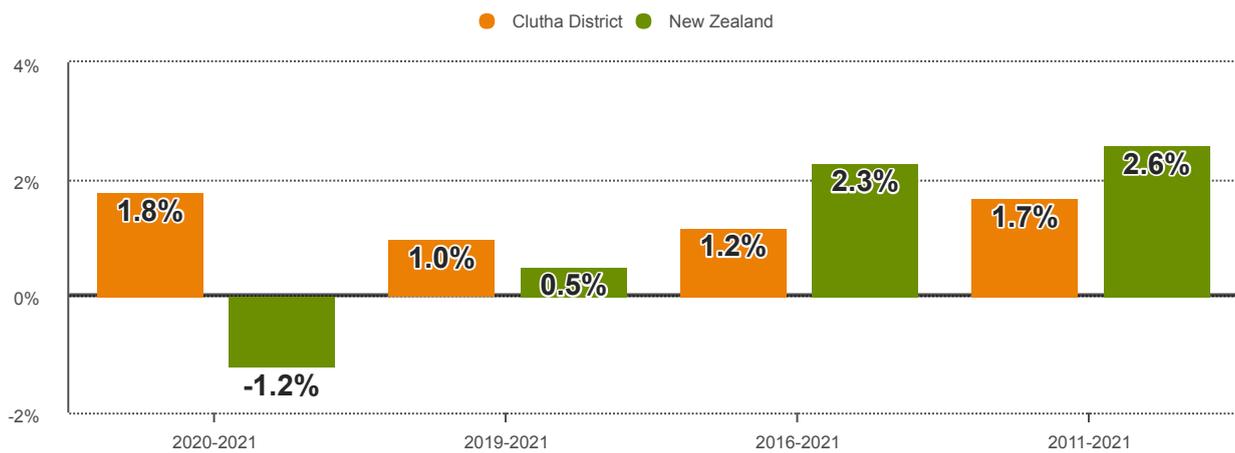


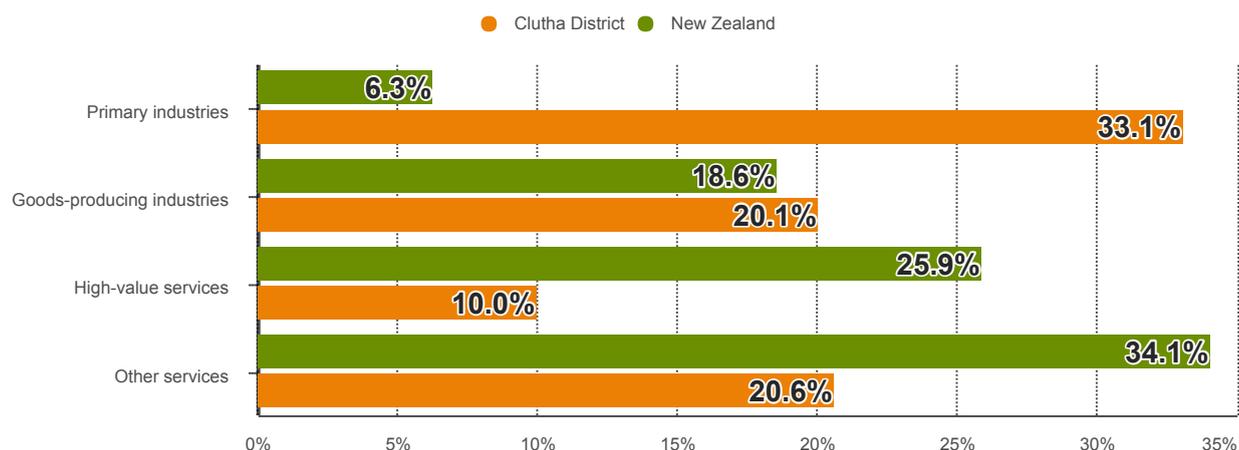
Figure 3: GDP growth over the last 1, 2, 5 & 10 years



## What is the industrial structure of Clutha District'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



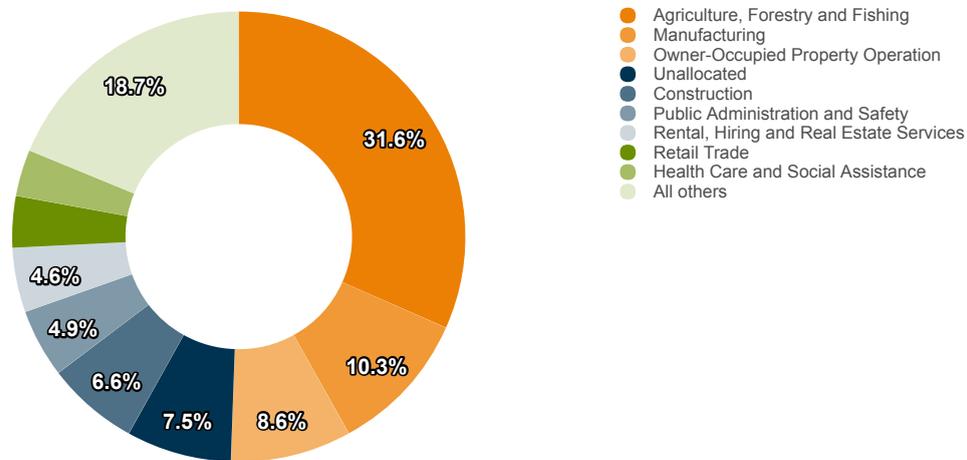
- Primary industries accounted for the largest proportion of GDP (33.1%) in Clutha District, which is higher than in the national economy (6.3%).
- Goods-producing industries accounted for 20.1% compared with 18.6% in the national economy.
- Other services accounted for 20.6% compared with 34.1% in the national economy.
- High-value services accounted for the smallest proportion in Clutha District: 10.0% compared with 25.9% in the national economy.

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

Industry	Clutha District		New Zealand	
	Level	Share of total	Level	Share of total
Agriculture, Forestry and Fishing	\$341m	31.6%	\$17,030m	5.2%
Manufacturing	\$111m	10.3%	\$30,248m	9.3%
Construction	\$70.8m	6.6%	\$21,578m	6.6%
Public Administration and Safety	\$52.8m	4.9%	\$15,570m	4.8%
Rental, Hiring and Real Estate Services	\$49.6m	4.6%	\$21,591m	6.6%
Retail Trade	\$39.9m	3.7%	\$17,105m	5.2%
Health Care and Social Assistance	\$36.2m	3.4%	\$20,217m	6.2%
Education and Training	\$35.4m	3.3%	\$11,730m	3.6%
Electricity, Gas, Water and Waste Services	\$34.3m	3.2%	\$8,804m	2.7%
Professional, Scientific and Technical Services	\$33.8m	3.1%	\$28,779m	8.8%
Transport, Postal and Warehousing	\$26.2m	2.4%	\$11,507m	3.5%
Accommodation and Food Services	\$17.1m	1.6%	\$6,405m	2.0%
Mining	\$15.6m	1.4%	\$3,378m	1.0%
Other Services	\$11.6m	1.1%	\$5,615m	1.7%
Wholesale Trade	\$9.85m	0.9%	\$16,581m	5.1%
Financial and Insurance Services	\$7.81m	0.7%	\$18,745m	5.7%
Arts and Recreation Services	\$4.08m	0.4%	\$3,984m	1.2%
Administrative and Support Services	\$3.37m	0.3%	\$5,577m	1.7%
Information Media and Telecommunications	\$2.84m	0.3%	\$12,158m	3.7%
Owner-Occupied Property Operation	\$93.4m	8.7%	\$25,112m	7.7%
Unallocated	\$81.4m	7.5%	\$24,586m	7.5%
<b>Total</b>	<b>\$1,078m</b>	<b>100%</b>	<b>\$326,300m</b>	<b>100%</b>

- Among broad industries Agriculture, Forestry and Fishing was the largest in Clutha District in 2021 accounting for 31.6% of total.
- The second largest was Manufacturing (10.3%) followed by Construction (6.6%)

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 Dairy Cattle Farming was the largest in Clutha District in 2021 accounting for 12.2% of total.
- The second largest was Sheep, Beef Cattle & Grain Farming (10.5%) followed by Meat & Meat Product Manufacturing (6.0%)

Table 2: GDP by 54 industries, 2021

Industry	Clutha District		New Zealand	
	Level	Share of total	Level	Share of total
Dairy Cattle Farming	\$132m	12.2%	\$6,461m	2.0%
Sheep, Beef Cattle & Grain Farming	\$113m	10.5%	\$3,315m	1.0%
Meat & Meat Product Manufacturing	\$65.0m	6.0%	\$2,365m	0.7%
Forestry & Logging	\$52.9m	4.9%	\$2,039m	0.6%
Central Gov Admin, Defence & Safety	\$47.8m	4.4%	\$13,720m	4.2%
Property Operators & Real Estate Services	\$45.4m	4.2%	\$18,164m	5.6%
Agric Support Services & Hunting	\$38.5m	3.6%	\$2,616m	0.8%
Health Care & Social Assistance	\$36.2m	3.4%	\$20,217m	6.2%
Education & Training	\$35.4m	3.3%	\$11,730m	3.6%
Professional, Scientific & Tech Services	\$33.8m	3.1%	\$28,779m	8.8%
Building Construction	\$25.9m	2.4%	\$4,727m	1.4%
Electricity & Gas Supply	\$25.8m	2.4%	\$7,272m	2.2%
Heavy & Civil Engineering Construction	\$25.0m	2.3%	\$5,815m	1.8%
Road Transport	\$21.8m	2.0%	\$4,621m	1.4%
Construction Services	\$19.9m	1.8%	\$11,036m	3.4%
Supermarket & Specialised Food Retailing	\$18.1m	1.7%	\$5,098m	1.6%
Dairy Product Manufacturing	\$17.3m	1.6%	\$1,800m	0.6%
Accommodation & Food Services	\$17.1m	1.6%	\$6,405m	2.0%
Mining	\$15.6m	1.4%	\$3,378m	1.0%
Other Store & Non Store Retailing	\$12.1m	1.1%	\$9,631m	3.0%
Other Services	\$11.6m	1.1%	\$5,615m	1.7%
Wood Product Manufacturing	\$9.96m	0.9%	\$1,762m	0.5%
Wholesale Trade	\$9.85m	0.9%	\$16,581m	5.1%
Motor Vehicle, Parts & Fuel Retailing	\$9.76m	0.9%	\$2,376m	0.7%
Water, Sewerage & Waste Services	\$8.43m	0.8%	\$1,532m	0.5%
Finance	\$6.37m	0.6%	\$12,476m	3.8%
Machinery & Other Equipment Manu	\$5.99m	0.6%	\$4,270m	1.3%
Local Government Administration	\$5.01m	0.5%	\$1,849m	0.6%
Rental & Hiring Services	\$4.21m	0.4%	\$3,427m	1.1%
Arts & Recreation Services	\$4.08m	0.4%	\$3,984m	1.2%
Transport Equipment Manufacturing	\$3.62m	0.3%	\$1,571m	0.5%
Fabricated Metal Product Manufacturing	\$3.40m	0.3%	\$2,555m	0.8%
Administrative & Support Services	\$3.37m	0.3%	\$5,577m	1.7%
Postal, Courier & Warehousing Services	\$3.29m	0.3%	\$5,882m	1.8%
Non-Metallic Mineral Product Manu	\$2.46m	0.2%	\$1,386m	0.4%
Horticulture & Fruit Growing	\$2.36m	0.2%	\$1,638m	0.5%
Poultry, Deer & Other Livestock Farming	\$2.12m	0.2%	\$462m	0.1%
Telecomms, Internet & Library Services	\$1.87m	0.2%	\$8,801m	2.7%
Auxiliary Finance & Insurance Services	\$1.44m	0.1%	\$3,415m	1.0%
Basic Chemical & Chemical Product Manu	\$1.26m	0.1%	\$1,818m	0.6%
Rail, Water, Air & Other Transport	\$1.15m	0.1%	\$1,004m	0.3%
Printing	\$1.00m	0.1%	\$661m	0.2%
Information Media Services	\$0.97m	0.1%	\$3,356m	1.0%
Fruit, Cereal & Other Food Product Manu	\$0.49m	0.0%	\$2,604m	0.8%
Furniture & Other Manufacturing	\$0.40m	0.0%	\$950m	0.3%
Textile, Leather, Clothing, Footwear Manu	\$0.29m	0.0%	\$703m	0.2%
Seafood Processing	\$0.22m	0.0%	\$501m	0.2%
Fishing & Aquaculture	\$0.00m	0.0%	\$500m	0.2%
Beverage & Tobacco Product Manu	\$0.00m	0.0%	\$2,640m	0.8%
Pulp & Paper Product Manufacturing	\$0.00m	0.0%	\$952m	0.3%
Petroleum & Coal Product Manufacturing	\$0.00m	0.0%	\$1,421m	0.4%
Polymer Product & Rubber Product Manu	\$0.00m	0.0%	\$1,562m	0.5%
Primary Metal & Metal Product Manu	\$0.00m	0.0%	\$727m	0.2%
Insurance & Superannuation Funds	\$0.00m	0.0%	\$2,855m	0.9%
Owner-Occupied Property Operation	\$93.4m	8.7%	\$25,112m	7.7%
Unallocated	\$81.4m	7.5%	\$24,586m	7.5%
<b>Total</b>	<b>\$1,078m</b>	<b>100%</b>	<b>\$326,300m</b>	<b>100%</b>

## 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 Clutha District's economy taking into account their relative sizes.

- Manufacturing made the largest contribution to overall growth in Clutha District between 2020 and 2021. The industry grew by 6.3% over the year and contributed 0.62 percentage points to the district's total growth of 1.8%.
- The next largest contributor was rental, hiring and real estate services (0.45 percentage points) followed by agriculture, forestry and fishing (0.42 percentage points).
- The largest detractor from growth over the year was Transport, Postal and Warehousing which declined by 11.7% and contributed -0.33 percentage points to the total growth of 1.8%. Construction (-0.25 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
Manufacturing	105	111	0.62%	6.3%
Rental, Hiring and Real Estate Services	45	50	0.45%	10.6%
Agriculture, Forestry and Fishing	336	341	0.42%	1.3%
Professional, Scientific and Technical Services	31	34	0.27%	9.3%
Retail Trade	38	40	0.16%	4.4%
Electricity, Gas, Water and Waste Services	33	34	0.14%	4.4%
Health Care and Social Assistance	35	36	0.13%	3.9%
Public Administration and Safety	52	53	0.07%	1.4%
Arts and Recreation Services	4	4	0.03%	9.6%
Wholesale Trade	10	10	0.03%	3.4%
Other Services	12	12	0.00%	0.4%
Administrative and Support Services	4	3	-0.03%	-9.9%
Information Media and Telecommunications	3	3	-0.05%	-15.5%
Mining	16	16	-0.07%	-4.6%
Financial and Insurance Services	9	8	-0.10%	-11.8%
Accommodation and Food Services	18	17	-0.10%	-6.0%
Education and Training	37	35	-0.17%	-4.8%
Construction	73	71	-0.25%	-3.6%
Transport, Postal and Warehousing	30	26	-0.33%	-11.7%
Owner-Occupied Property Operation	86.9	93.4	0.62%	7.5%
Unallocated	81.8	81.4	-0.04%	-0.5%
<b>Total</b>	<b>1,059</b>	<b>1,078</b>	<b>1.8%</b>	<b>1.8%</b>

## 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.

- Meat & Meat Product Manufacturing made the largest contribution to overall growth in Clutha District between 2020 and 2021. The industry grew by 9.7% over the year and contributed 0.54 percentage points to the district's total growth of 1.8%.
- The next largest contributor was property operators & real estate services (0.41 percentage points) followed by dairy cattle farming (0.37 percentage points).
- The largest detractor from growth over the year was Building Construction which declined by 10.2% and contributed -0.28 percentage points to the total growth of 1.8%. Road Transport (-0.24 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
Meat & Meat Product Manufacturing	59	65	0.54%	9.7%
Property Operators & Real Estate Services	41	45	0.41%	10.5%
Dairy Cattle Farming	128	132	0.37%	3.1%
Professional, Scientific & Tech Services	31	34	0.27%	9.3%
Agric Support Services & Hunting	36	39	0.26%	7.6%
Supermarket & Specialised Food Retailing	17	18	0.13%	8.4%
Water, Sewerage & Waste Services	7	8	0.13%	19.6%
Health Care & Social Assistance	35	36	0.13%	3.9%
Heavy & Civil Engineering Construction	24	25	0.11%	5.1%
Dairy Product Manufacturing	16	17	0.11%	7.2%
Wood Product Manufacturing	9	10	0.09%	10.3%
Other Store & Non Store Retailing	11	12	0.08%	7.4%
Central Gov Admin, Defence & Safety	47	48	0.06%	1.4%
Auxiliary Finance & Insurance Services	1	1	0.05%	58.3%
Rental & Hiring Services	4	4	0.04%	12.5%
Arts & Recreation Services	4	4	0.03%	9.6%
Wholesale Trade	10	10	0.03%	3.4%
Textile, Leather, Clothing, Footwear Manu	0	0	0.02%	312.6%
Transport Equipment Manufacturing	3	4	0.02%	6.1%
Poultry, Deer & Other Livestock Farming	2	2	0.02%	10.1%
Non-Metallic Mineral Product Manu	2	2	0.01%	3.5%
Basic Chemical & Chemical Product Manu	1	1	0.01%	6.6%
Seafood Processing	0	0	0.01%	55.2%
Electricity & Gas Supply	26	26	0.01%	0.2%
Horticulture & Fruit Growing	2	2	0.01%	2.6%
Fruit, Cereal & Other Food Product Manu	0	0	0.01%	13.6%
Local Government Administration	5	5	0.01%	1.1%
Other Services	12	12	0.00%	0.4%
Furniture & Other Manufacturing	0	0	0.00%	5.1%
Fishing & Aquaculture	0	0	0.00%	-
Beverage & Tobacco Product Manu	0	0	0.00%	-
Pulp & Paper Product Manufacturing	0	0	0.00%	-
Petroleum & Coal Product Manufacturing	0	0	0.00%	-
Primary Metal & Metal Product Manu	0	0	0.00%	-
Fabricated Metal Product Manufacturing	3	3	0.00%	-0.4%
Telecomms, Internet & Library Services	2	2	-0.01%	-4.3%
Rail, Water, Air & Other Transport	1	1	-0.02%	-17.0%
Administrative & Support Services	4	3	-0.03%	-9.9%
Information Media Services	1	1	-0.04%	-30.9%
Printing	1	1	-0.05%	-32.7%
Machinery & Other Equipment Manu	6	6	-0.05%	-7.6%
Insurance & Superannuation Funds	1	0	-0.05%	-100.0%
Sheep, Beef Cattle & Grain Farming	113	113	-0.05%	-0.5%
Motor Vehicle, Parts & Fuel Retailing	10	10	-0.05%	-5.5%
Postal, Courier & Warehousing Services	4	3	-0.07%	-18.1%
Mining	16	16	-0.07%	-4.6%
Construction Services	21	20	-0.09%	-4.5%
Polymer Product & Rubber Product Manu	1	0	-0.09%	-100.0%
Finance	7	6	-0.10%	-14.2%
Accommodation & Food Services	18	17	-0.10%	-6.0%
Education & Training	37	35	-0.17%	-4.8%
Forestry & Logging	55	53	-0.19%	-3.6%
Road Transport	24	22	-0.24%	-10.4%
Building Construction	29	26	-0.28%	-10.2%
Owner-Occupied Property Operation	86.9	93.4	0.62%	7.5%
Unallocated	81.8	81.4	-0.04%	-0.5%
<b>Total</b>	<b>1,059</b>	<b>1,078</b>	<b>1.8%</b>	<b>1.8%</b>

## In which industries does Clutha District 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 Clutha District has the largest comparative advantages are Sheep, Beef Cattle & Grain Farming (location quotient = 10.3), Meat & Meat Product Manufacturing (8.3), and Forestry & Logging (7.9).

Table 5: Location Quotient, 2021

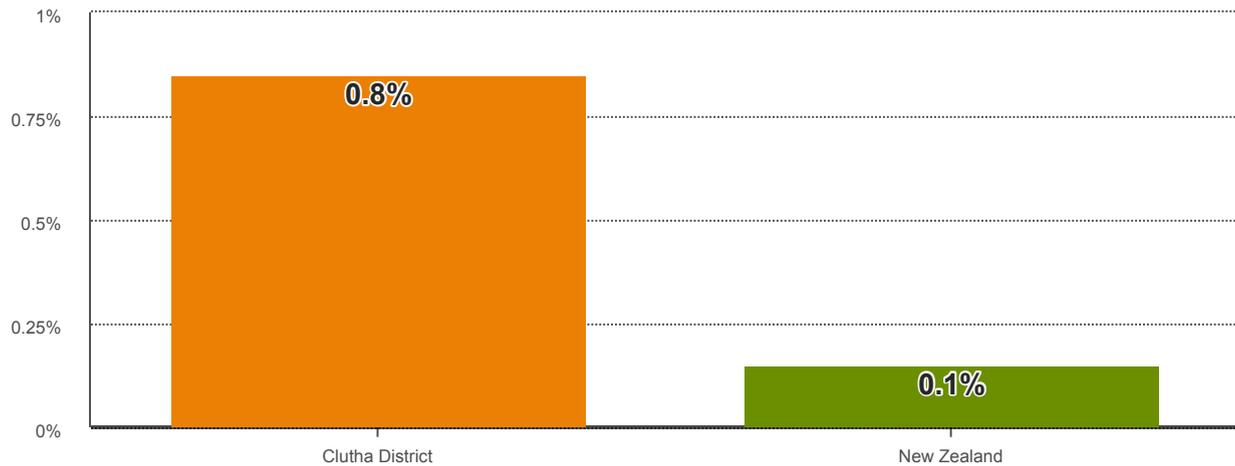
Industry	Clutha District		New Zealand
	Location Quotient	Share of total GDP	Share of total GDP
Sheep, Beef Cattle & Grain Farming	10.3	10.5%	1.0%
Meat & Meat Product Manufacturing	8.3	6.0%	0.7%
Forestry & Logging	7.9	4.9%	0.6%
Dairy Cattle Farming	6.2	12.2%	2.0%
Agric Support Services & Hunting	4.5	3.6%	0.8%
Dairy Product Manufacturing	2.9	1.6%	0.6%
Wood Product Manufacturing	1.7	0.9%	0.5%
Water, Sewerage & Waste Services	1.7	0.8%	0.5%
Building Construction	1.7	2.4%	1.4%
Road Transport	1.4	2.0%	1.4%
Mining	1.4	1.4%	1.0%
Poultry, Deer & Other Livestock Farming	1.4	0.2%	0.1%
Heavy & Civil Engineering Construction	1.3	2.3%	1.8%
Motor Vehicle, Parts & Fuel Retailing	1.2	0.9%	0.7%
Supermarket & Specialised Food Retailing	1.1	1.7%	1.6%
Electricity & Gas Supply	1.1	2.4%	2.2%
Central Gov Admin, Defence & Safety	1.1	4.4%	4.2%
Education & Training	0.9	3.3%	3.6%
Local Government Administration	0.8	0.5%	0.6%
Accommodation & Food Services	0.8	1.6%	2.0%
Property Operators & Real Estate Services	0.8	4.2%	5.6%
Transport Equipment Manufacturing	0.7	0.3%	0.5%
Other Services	0.6	1.1%	1.7%
Construction Services	0.5	1.8%	3.4%
Health Care & Social Assistance	0.5	3.4%	6.2%
Non-Metallic Mineral Product Manu	0.5	0.2%	0.4%
Printing	0.5	0.1%	0.2%
Horticulture & Fruit Growing	0.4	0.2%	0.5%
Machinery & Other Equipment Manu	0.4	0.6%	1.3%
Fabricated Metal Product Manufacturing	0.4	0.3%	0.8%
Other Store & Non Store Retailing	0.4	1.1%	3.0%
Rental & Hiring Services	0.4	0.4%	1.1%
Professional, Scientific & Tech Services	0.4	3.1%	8.8%
Rail, Water, Air & Other Transport	0.3	0.1%	0.3%
Arts & Recreation Services	0.3	0.4%	1.2%
Basic Chemical & Chemical Product Manu	0.2	0.1%	0.6%
Administrative & Support Services	0.2	0.3%	1.7%
Wholesale Trade	0.2	0.9%	5.1%
Postal, Courier & Warehousing Services	0.2	0.3%	1.8%
Finance	0.2	0.6%	3.8%
Seafood Processing	0.1	0.0%	0.2%
Auxiliary Finance & Insurance Services	0.1	0.1%	1.0%
Furniture & Other Manufacturing	0.1	0.0%	0.3%
Textile, Leather, Clothing, Footwear Manu	0.1	0.0%	0.2%
Information Media Services	0.1	0.1%	1.0%
Telecomms, Internet & Library Services	0.1	0.2%	2.7%
Fruit, Cereal & Other Food Product Manu	0.1	0.0%	0.8%
Fishing & Aquaculture	0.0	0.0%	0.2%
Beverage & Tobacco Product Manu	0.0	0.0%	0.8%
Pulp & Paper Product Manufacturing	0.0	0.0%	0.3%
Petroleum & Coal Product Manufacturing	0.0	0.0%	0.4%
Polymer Product & Rubber Product Manu	0.0	0.0%	0.5%
Primary Metal & Metal Product Manu	0.0	0.0%	0.2%
Insurance & Superannuation Funds	0.0	0.0%	0.9%

# EMPLOYMENT

## How fast has employment grown in Clutha District?

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

Figure 6: Employment growth, year to Mar 2021



- Total employment in Clutha District averaged 9,383 in the year to March 2021, up 0.8% from a year earlier. Employment in New Zealand increased by 0.1% over the same period.
- Employment growth in Clutha District averaged 0.7%pa over the last 10 years compared with 1.9%pa in the national economy.
- Employment growth in Clutha District reached a high of 5.5% in 2001 and a low of -3.1% in 2006.

Figure 7: Annual average employment growth, 2001-2021

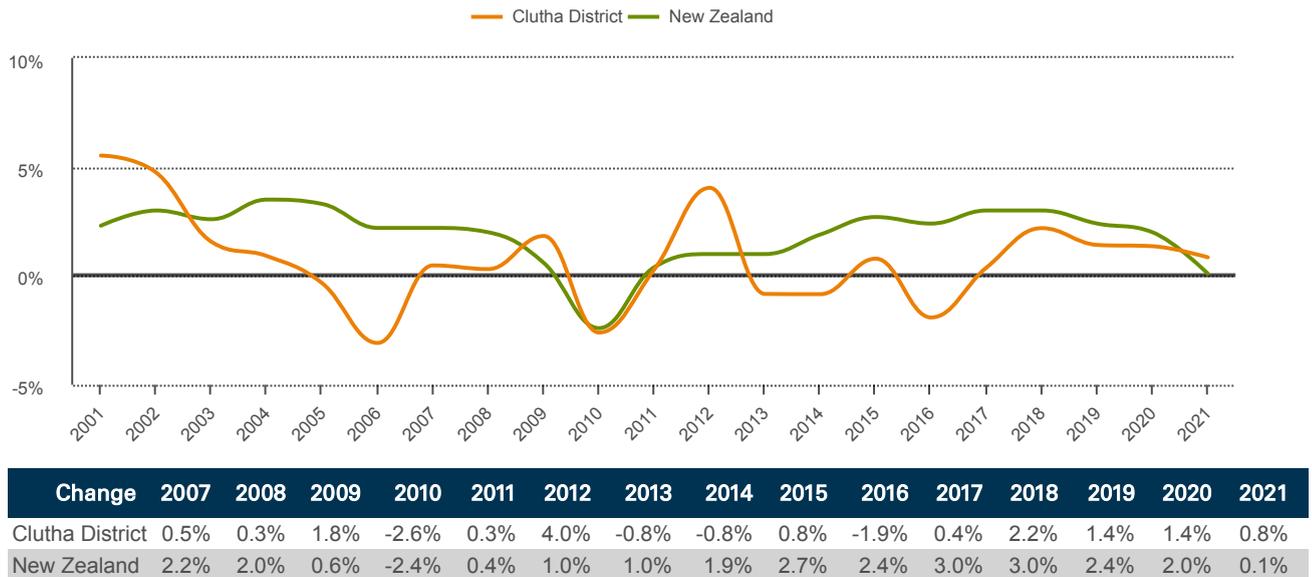
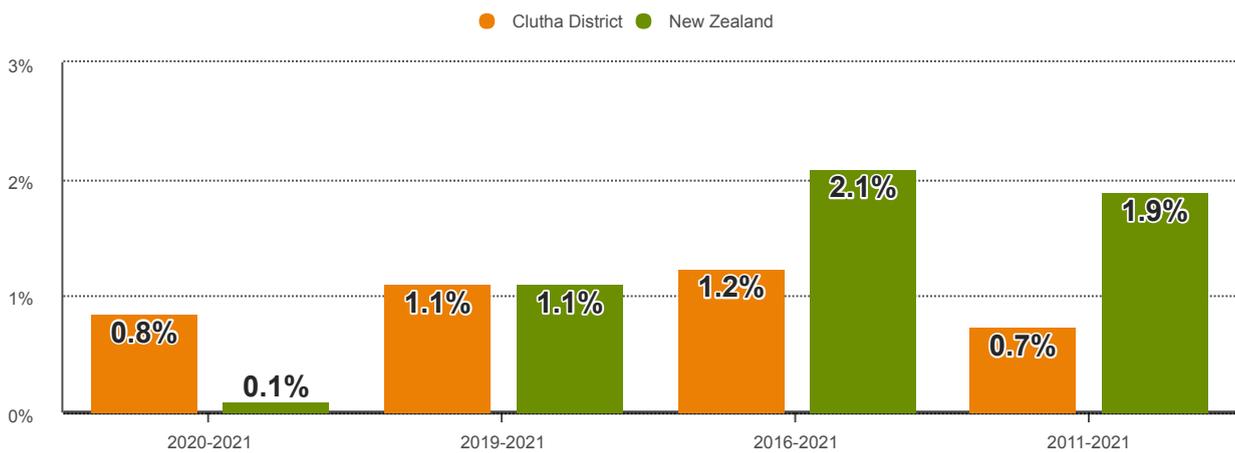


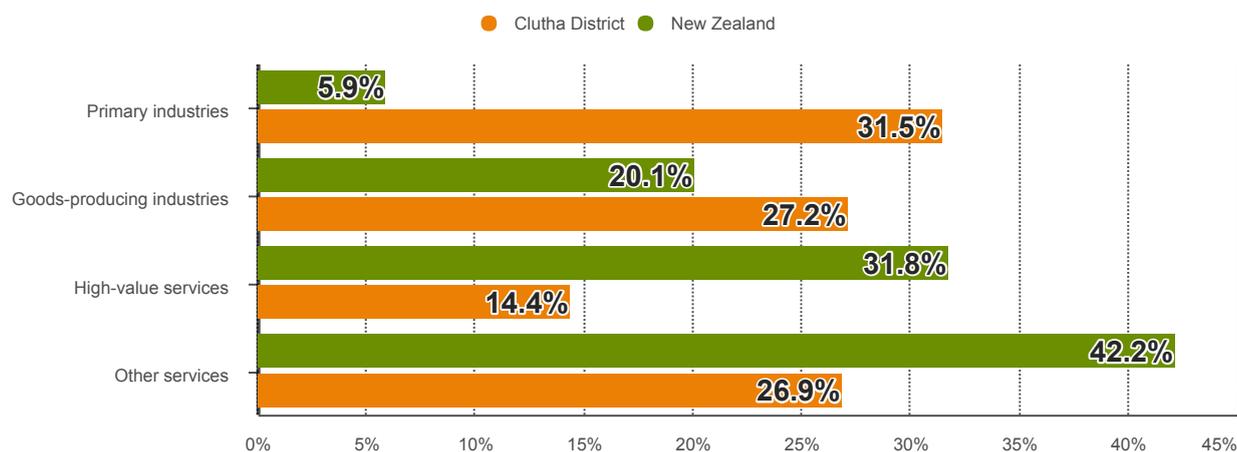
Figure 8: Employment growth over the last 1, 2, 5 & 10 years



## What is the industrial structure of employment in Clutha District?

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 industries accounted for the largest proportion of employment (31.5%) in Clutha District, which is higher than in New Zealand (5.9%).
- Goods-producing industries accounted for 27.2% in Clutha District compared with 20.1% in New Zealand.
- Other services accounted for 26.9% in Clutha District compared with 42.2% in New Zealand.
- High-value services accounted for 14.4% in Clutha District compared with 31.8% in New Zealand.

## Which are the largest employing industries in Clutha District?

This section identifies the broad industries that make the largest contribution to employment in Clutha District.

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

Industry	Clutha District		New Zealand	
	Level	Share of total	Level	Share of total
Agriculture, Forestry and Fishing	2,930	31.2%	148,313	5.7%
Manufacturing	1,677	17.9%	242,053	9.3%
Construction	803	8.6%	264,339	10.1%
Retail Trade	598	6.4%	230,256	8.8%
Education and Training	525	5.6%	199,597	7.6%
Health Care and Social Assistance	524	5.6%	262,664	10.1%
Public Administration and Safety	516	5.5%	139,448	5.3%
Accommodation and Food Services	395	4.2%	165,223	6.3%
Professional, Scientific and Technical Services	311	3.3%	252,284	9.7%
Other Services	275	2.9%	101,262	3.9%
Transport, Postal and Warehousing	254	2.7%	103,968	4.0%
Rental, Hiring and Real Estate Services	173	1.8%	63,943	2.4%
Wholesale Trade	100	1.1%	124,512	4.8%
Administrative and Support Services	79	0.8%	130,569	5.0%
Electricity, Gas, Water and Waste Services	72	0.8%	19,188	0.7%
Arts and Recreation Services	63	0.7%	47,872	1.8%
Financial and Insurance Services	39	0.4%	70,182	2.7%
Mining	25	0.3%	5,818	0.2%
Information Media and Telecommunications	24	0.3%	41,212	1.6%
<b>Total</b>	<b>9,383</b>	<b>100%</b>	<b>2,612,700</b>	<b>100%</b>

- Among broad industries Agriculture, Forestry and Fishing was the largest in Clutha District in 2021 accounting for 31.2% of total.
- The second largest was Manufacturing (17.9%) followed by Construction (8.6%)

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 Clutha District.

- Meat Processing was the largest 7-digit industry in Clutha District in 2021 employing 990 persons and accounting for 10.6% of total employment in the district. By contrast this industry accounted for 0.8% of total employment in New Zealand.
- The second largest employing industries were dairy cattle farming (961) followed by sheep farming (specialised) (709).

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

Rank	Industry	Clutha District		New Zealand
		Jobs	% of total	% of total
1	Meat Processing	990	10.6%	0.8%
2	Dairy Cattle Farming	961	10.2%	1.4%
3	Sheep Farming (Specialised)	709	7.6%	0.3%
4	Sheep-Beef Cattle Farming	359	3.8%	0.5%
5	Correctional and Detention Services	334	3.6%	0.4%
6	Cheese and Other Dairy Product Manufacturing	314	3.3%	0.5%
7	Other Agriculture and Fishing Support Services	294	3.1%	1.0%
8	Primary Education	283	3.0%	2.2%
9	Non-Residential Building Construction	277	2.9%	0.5%
10	Supermarket and Grocery Stores	265	2.8%	2.4%
11	Road Freight Transport	211	2.2%	1.3%
12	Shearing Services	187	2.0%	0.1%
13	Secondary Education	156	1.7%	1.4%
14	Logging	145	1.5%	0.2%
15	Cafes and Restaurants	132	1.4%	2.9%
16	Aged Care Residential Services	122	1.3%	1.4%
17	Accommodation	119	1.3%	1.1%
18	Log Sawmilling	119	1.3%	0.2%
19	Hospitals (except Psychiatric Hospitals)	117	1.2%	3.0%
20	House Construction	105	1.1%	2.1%
21	Non-Residential Property Operators	101	1.1%	0.6%
22	Other Heavy and Civil Engineering Construction	96	1.0%	0.8%
23	Veterinary Services	77	0.8%	0.3%
24	Takeaway Food Services	76	0.8%	1.2%
25	Local Government Administration	73	0.8%	0.9%
26	Accounting Services	67	0.7%	1.0%
27	Other Social Assistance Services	65	0.7%	0.9%
28	Beef Cattle Farming (Specialised)	64	0.7%	0.3%
29	Child Care Services	64	0.7%	0.6%
30	Electrical Services	63	0.7%	0.9%
31	Road and Bridge Construction	62	0.7%	0.7%
32	Other Allied Health Services	60	0.6%	1.4%
33	Fuel Retailing	59	0.6%	0.3%
34	Other Machinery and Equipment Manufacturing n.e.c.	57	0.6%	0.5%
35	Other Automotive Repair and Maintenance	57	0.6%	0.7%
36	Engineering Design and Engineering Consulting Services	56	0.6%	1.2%
37	Preschool Education	56	0.6%	1.1%
38	Pubs, Taverns and Bars	44	0.5%	0.6%
39	Forestry Support Services	44	0.5%	0.1%
40	Site Preparation Services	43	0.5%	0.5%
41	Car Retailing	43	0.5%	0.5%
42	Regulatory Services	42	0.4%	0.3%
43	Central Government Administration	41	0.4%	1.8%
44	Department Stores	40	0.4%	0.6%
45	Landscape Construction Services	38	0.4%	0.4%
46	Hairdressing and Beauty Services	37	0.4%	0.7%
47	Management Advice and Other Consulting Services	36	0.4%	1.7%
48	Hardware and Building Supplies Retailing	35	0.4%	0.8%
49	Hydro-electricity Generation	34	0.4%	0.0%
50	Other Machinery and Equipment Repair and Maintenance	34	0.4%	0.2%
	<b>All other industries total</b>	<b>1,522</b>	<b>16.2%</b>	<b>54.8%</b>
	<b>Total</b>	<b>9,383</b>	<b>100%</b>	<b>100%</b>

## Which industries have created the most jobs?

The section investigates which industries have created and lost the most number of jobs in Clutha District. 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
Manufacturing	1,639	1,677	38	2.3%
Professional, Scientific and Technical Services	285	311	26	9.0%
Agriculture, Forestry and Fishing	2,911	2,930	20	0.7%
Rental, Hiring and Real Estate Services	155	173	18	11.8%
Health Care and Social Assistance	508	524	16	3.1%
Electricity, Gas, Water and Waste Services	60	72	12	19.7%
Other Services	267	275	8	3.1%
Administrative and Support Services	72	79	7	9.5%
Arts and Recreation Services	57	63	6	11.2%
Wholesale Trade	99	100	2	1.8%
Construction	805	803	-1	-0.2%
Financial and Insurance Services	40	39	-2	-3.9%
Retail Trade	601	598	-3	-0.5%
Information Media and Telecommunications	27	24	-3	-11.8%
Mining	29	25	-4	-14.0%
Public Administration and Safety	520	516	-4	-0.8%
Education and Training	538	525	-12	-2.3%
Transport, Postal and Warehousing	273	254	-19	-6.8%
Accommodation and Food Services	421	395	-25	-6.1%
<b>Total</b>	<b>9,304</b>	<b>9,383</b>	<b>79</b>	<b>0.8%</b>

- Manufacturing made the largest contribution to employment growth in Clutha District between 2020 and 2021 with the industry adding 38 jobs.
- The next largest contributor was Professional, Scientific and Technical Services (26 jobs) followed by Agriculture, Forestry and Fishing (20 jobs).
- The largest detractor from growth over the year was Accommodation and Food Services in which employment declined by 25.

The table on the next page shows the 20 industries (out of a total of approximately 500 industries of the ANZSIC 2006 industry classification<sup>1</sup>) 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.

- Dairy Cattle Farming was the largest creator of jobs in Clutha District between 2020 and 2021, generating an additional 25 positions.
- This was followed by Meat and Meat Product Manufacturing, which added 21 jobs over the same period.
- Non-Residential Building Construction was the largest detractor of jobs in Clutha District between 2020 and 2021, losing 30 positions.
- This was followed by Cafes, Restaurants and Takeaway Food Services, which lost 24 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	Dairy Cattle Farming	936	961	25	10.2%
2	Meat and Meat Product Manufacturing	969	990	21	10.6%
3	Heavy and Civil Engineering Construction	143	158	15	1.7%
4	Dairy Product Manufacturing	300	314	14	3.3%
5	Property Operators	105	118	13	1.3%
6	Allied Health Services	88	100	12	1.1%
7	Management and Other Consulting Services	31	42	11	0.4%
8	Supermarket and Grocery Stores	256	265	10	2.8%
9	Residential Building Construction	104	114	10	1.2%
10	Other Social Assistance Services	56	65	10	0.7%
11	Log Sawmilling and Timber Dressing	118	127	10	1.4%
12	Architectural, Engineering and Technical Services	62	70	8	0.7%
13	Land Development and Site Preparation Services	39	46	7	0.5%
14	Accommodation	112	119	7	1.3%
15	Automotive Repair and Maintenance	95	102	7	1.1%
16	Sport and Physical Recreation Activities	32	38	6	0.4%
17	Waste Collection Services	21	27	6	0.3%
18	Electrical and Electronic Goods Retailing	16	21	5	0.2%
19	Building Installation Services	94	98	5	1.0%
20	Forestry Support Services	39	44	5	0.5%
	<b>All other industries</b>	<b>5,689</b>	<b>5,563</b>	<b>-126</b>	<b>59.3%</b>
	<b>Total</b>	<b>9,304</b>	<b>9,383</b>	<b>79</b>	<b>100%</b>

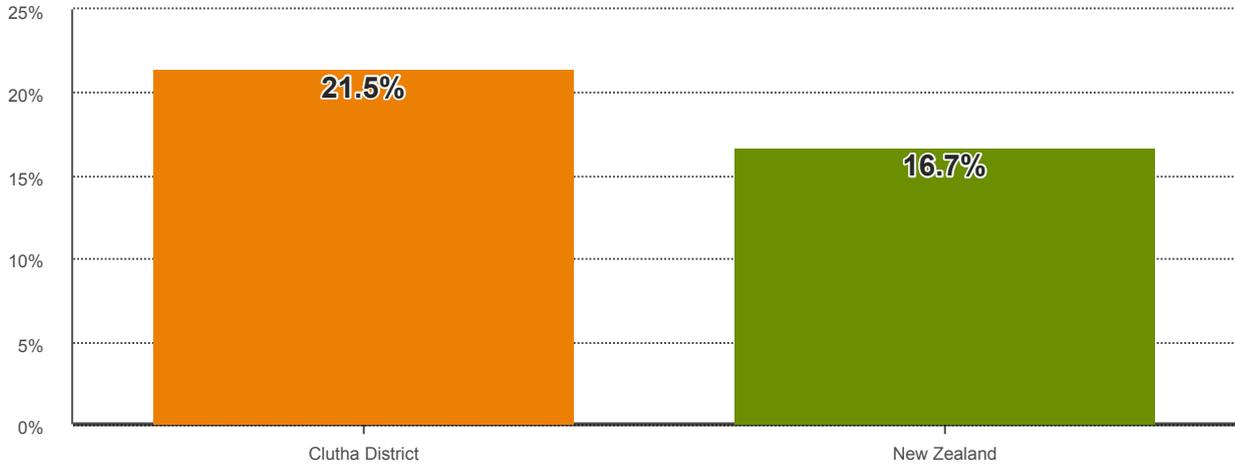
Table 10: The 20 ANZSIC 4-digit industries that lost the most jobs, 2020-2021

Rank	Industry	Jobs		Change 2020 - 2021	% of total 2021
		2020	2021		
1	Non-Residential Building Construction	307	277	-30	2.9%
2	Cafes, Restaurants and Takeaway Food Services	233	208	-24	2.2%
3	Road Freight Transport	227	211	-16	2.2%
4	Tertiary Education	39	24	-16	0.3%
5	Polymer Product Manufacturing	11	0	-11	0.0%
6	Department Stores	50	40	-11	0.4%
7	Grain, Sheep and Beef Cattle Farming	1,185	1,174	-10	12.5%
8	Fuel Retailing	67	59	-8	0.6%
9	Building Completion Services	52	45	-7	0.5%
10	Printing	22	15	-7	0.2%
11	Forestry and Logging	171	165	-6	1.8%
12	Building Structure Services	26	20	-6	0.2%
13	Child Care Services	70	64	-6	0.7%
14	Pubs, Taverns and Bars	50	44	-6	0.5%
15	Motor Vehicle Retailing	66	61	-5	0.7%
16	Other Crop Growing	35	30	-5	0.3%
17	Newspaper, Periodical, Book and Directory Publishing	11	6	-4	0.1%
18	Other Machinery and Equipment Manufacturing	62	57	-4	0.6%
19	Medical Services	33	29	-4	0.3%
20	Construction Material Mining	19	15	-4	0.2%
	<b>All other industries</b>	<b>6,571</b>	<b>6,840</b>	<b>269</b>	<b>72.9%</b>
	<b>Total</b>	<b>9,304</b>	<b>9,383</b>	<b>79</b>	<b>100%</b>

## What proportion of the workforce is self-employed in Clutha District?

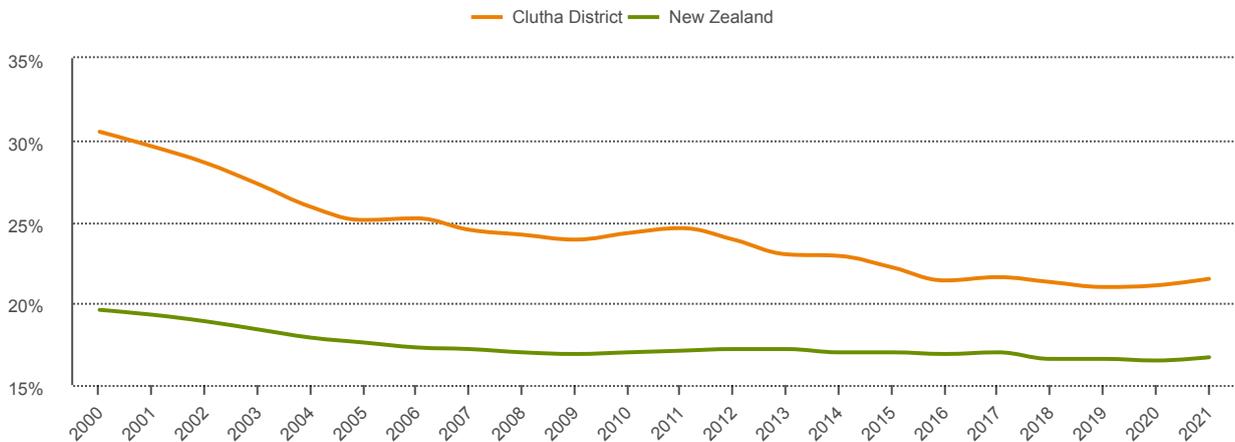
Self-employment makes up a sizeable proportion of total employment in New Zealand although it declined through the economic boom years and stabilised since the recession. This section contrasts self-employment in Clutha District with the national economy.

Figure 10: Self employment rate, 2021



- Self-employed workers accounted for 21.5% of the workforce in Clutha District in 2021, which was a higher rate than in the national economy (16.7%)
- A total of 2,014 workers were self-employed in Clutha District in 2021.

Figure 11: Self employment rate, 2000-2021



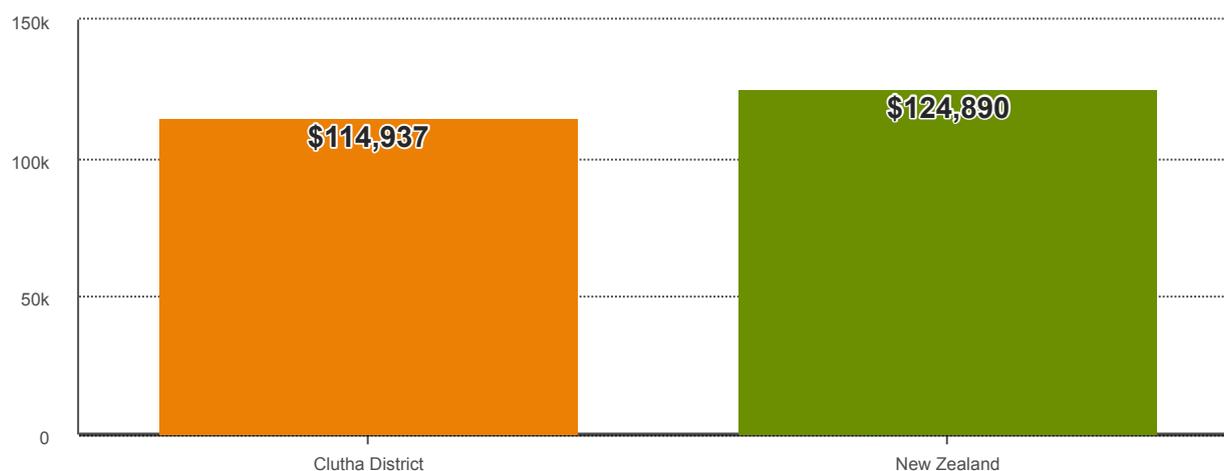
Level	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Clutha District	24.5%	24.2%	23.9%	24.3%	24.6%	23.9%	23.0%	22.9%	22.2%	21.4%	21.6%	21.3%	21.0%	21.1%	21.5%
New Zealand	17.2%	17.0%	16.9%	17.0%	17.1%	17.2%	17.2%	17.0%	17.0%	16.9%	17.0%	16.6%	16.6%	16.5%	16.7%

# 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.

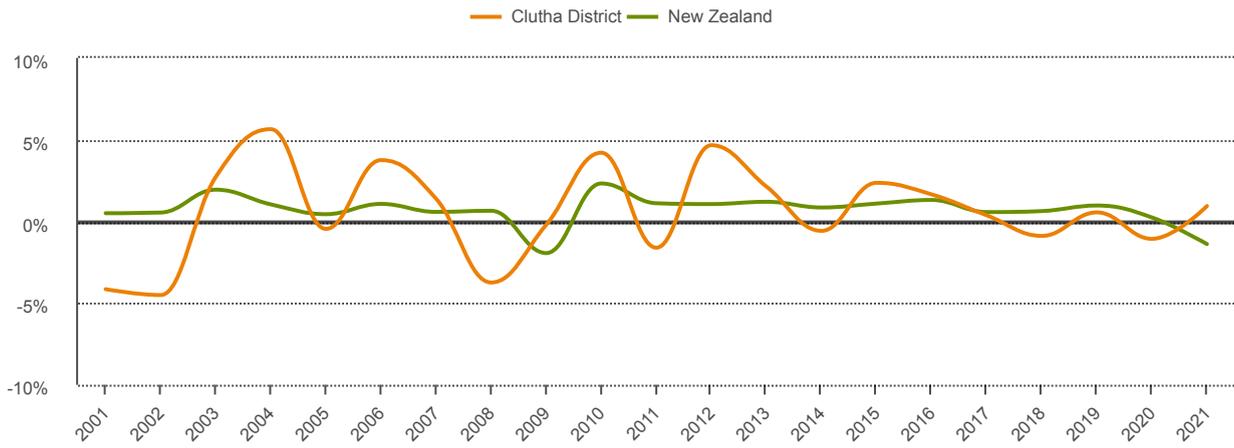
This section describes Clutha District's productivity level during the year to March 2021 and previous years. Productivity is measured by GDP per employee (in constant 2021 prices).

Figure 12: Productivity, 2021



- GDP per employee in Clutha District measured \$114,937 in the year to March 2021, which was 8.0% lower than in New Zealand.
- Productivity in Clutha District increased by 0.9% from a year earlier compared with an decrease of 1.4% in New Zealand).
- Productivity growth in Clutha District averaged 1.0%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
Clutha District	1.4%	-3.7%	-0.2%	4.2%	-1.6%	4.7%	2.1%	-0.6%	2.4%	1.6%	0.4%	-0.9%	0.6%	-1.1%	0.9%
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 Clutha District?

This section ranks industries according to their level of GDP per employee in Clutha District. 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 Clutha District 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**

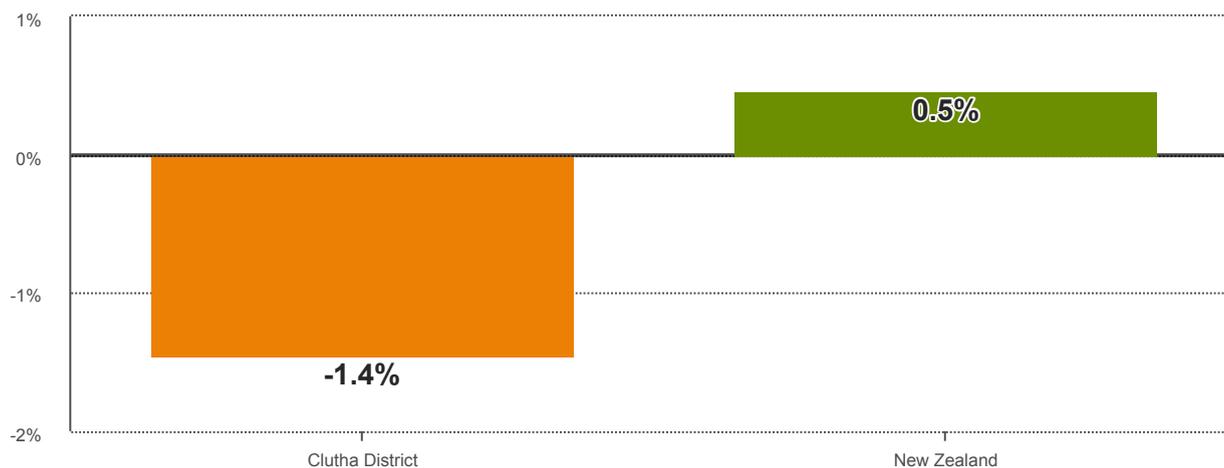
Industry	Productivity		Capital intensity
	Clutha District	New Zealand	New Zealand
Mining	616,958	580,531	0.76
Electricity, Gas, Water and Waste Services	479,076	458,851	0.77
Rental, Hiring and Real Estate Services	287,278	337,663	0.82
Financial and Insurance Services	202,712	267,096	0.56
Information Media and Telecommunications	117,464	295,003	0.58
Agriculture, Forestry and Fishing	116,335	114,827	0.60
Professional, Scientific and Technical Services	108,702	114,072	0.23
Transport, Postal and Warehousing	102,967	110,675	0.42
Public Administration and Safety	102,457	111,653	0.20
Wholesale Trade	98,048	133,172	0.41
Construction	88,147	81,631	0.26
Health Care and Social Assistance	69,077	76,971	0.12
Education and Training	67,467	58,771	0.26
Retail Trade	66,774	74,285	0.32
Manufacturing	66,399	124,965	0.43
Arts and Recreation Services	64,957	83,219	0.36
Accommodation and Food Services	43,382	38,765	0.25
Administrative and Support Services	42,839	42,716	0.20
Other Services	42,317	55,446	0.19
<b>Total</b>	<b>114,937</b>	<b>124,890</b>	

# BUSINESS GROWTH

## How fast did the number of business units grow in Clutha District?

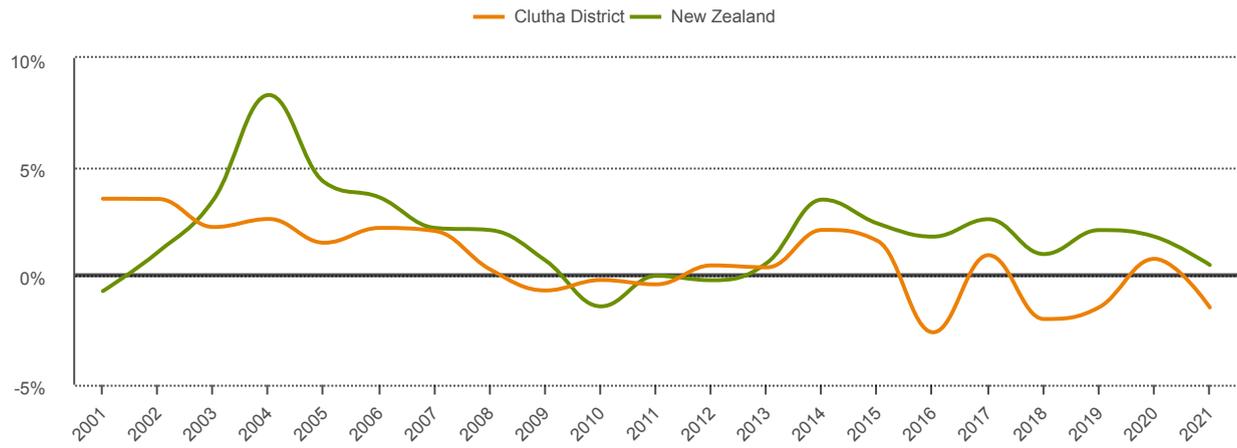
Growth in the number of business units is an indicator of entrepreneurial activity. It indicates an environment in which entrepreneurs are prepared to take risks to start new ventures. This section contrasts Clutha District's recent performance in business unit growth with other regions in the country.

Figure 14: Business unit growth, year to Mar 2021



- A total of 3,057 business units were recorded in Clutha District in 2021, down 1.5% 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 Clutha District averaged -0.1%pa over the past 10 years compared with 1.6%pa in the national economy.
- Business unit growth in Clutha District varied from a high of 3.5% in 2001 to a low of -2.6% in 2016.

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



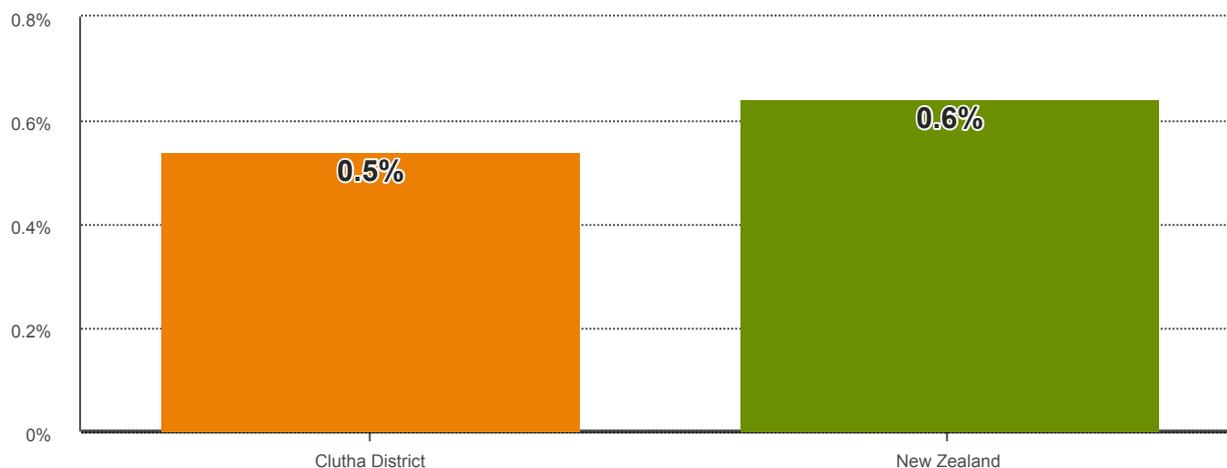
Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Clutha District	2.1%	0.3%	-0.7%	-0.2%	-0.4%	0.5%	0.4%	2.1%	1.6%	-2.6%	1.0%	-2.0%	-1.4%	0.8%	-1.5%
New Zealand	2.2%	2.1%	0.7%	-1.4%	0.0%	-0.2%	0.6%	3.5%	2.4%	1.8%	2.6%	1.0%	2.1%	1.8%	0.5%

# POPULATION GROWTH

## How fast has Clutha District's population grown?

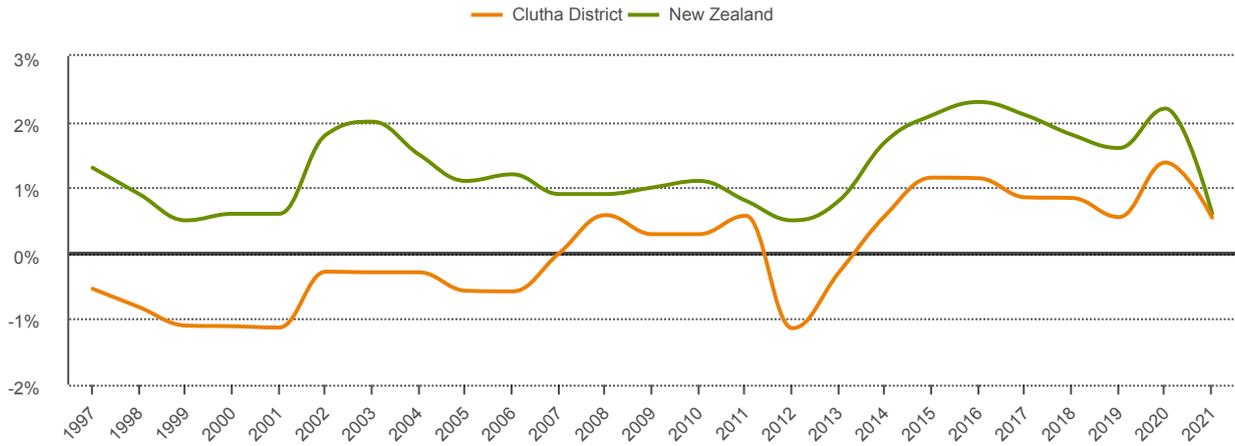
Population growth is an indicator of a region's attractiveness as a place to live and work. A strong regional economy with plentiful job opportunities will help a region retain its population and attract new residents from other regions and abroad. This section contrasts Clutha District's recent population growth with other districts and the country as a whole.

Figure 16: Population growth, year to Jun 2021



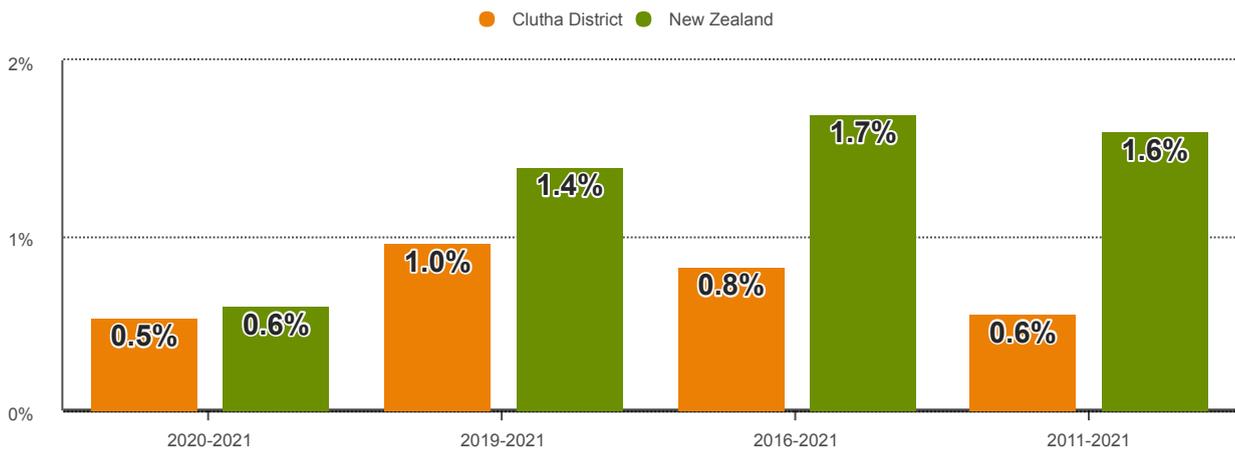
- Clutha District's population was 18,500 in 2021, up 0.5% from a year earlier. New Zealand's total population grew by 0.6% over the same period.
- Population growth in Clutha District averaged 0.8%pa over the last 5 years compared with 1.7%pa in New Zealand.
- Since 1996 growth in Clutha District reached a high of 1.4%pa in 2020 and a low of -1.1%pa in 2012.

Figure 17: Annual population growth, 1997-2021



Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Clutha District	0.0%	0.6%	0.3%	0.3%	0.6%	-1.1%	-0.3%	0.6%	1.2%	1.1%	0.8%	0.8%	0.6%	1.4%	0.5%
New Zealand	0.9%	0.9%	1.0%	1.1%	0.8%	0.5%	0.8%	1.7%	2.1%	2.3%	2.1%	1.8%	1.6%	2.2%	0.6%

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

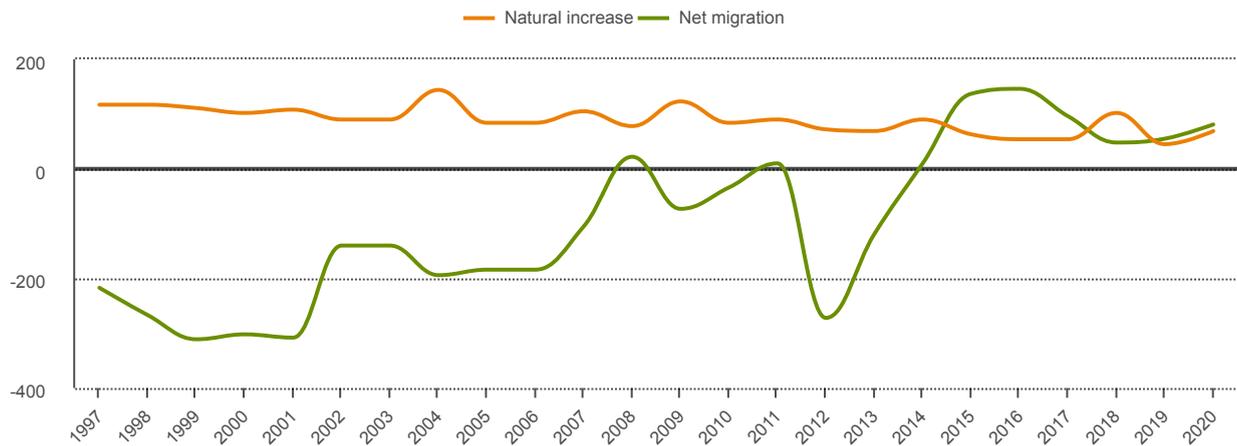


## What is the source of Clutha District's population growth?

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 Clutha District.

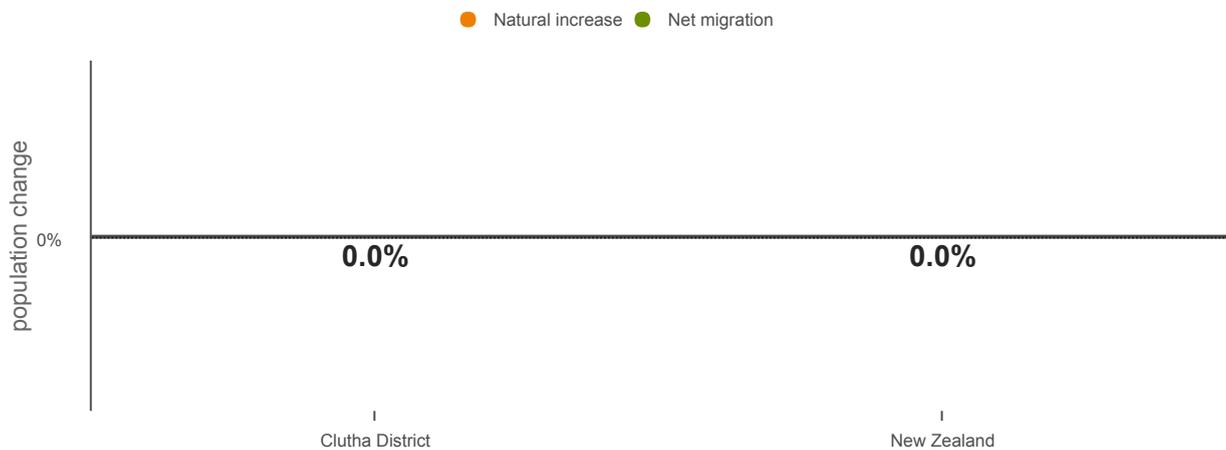
- Clutha District's population increased by 100 people in the year to June 2021. This net increase was made up of net migration of 0 and natural decrease of 0.

Figure 19: Population source of Clutha District, 1997-2021



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

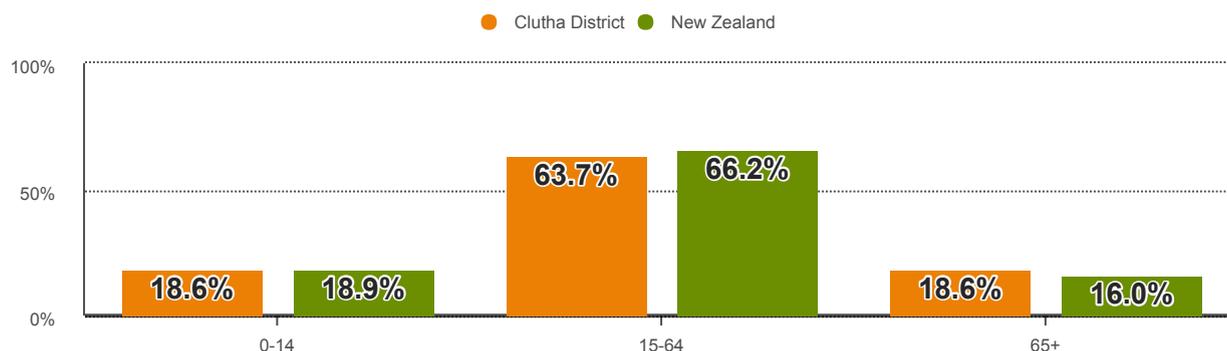
Figure 20: Sources of population growth, 2021



## What is the age structure of Clutha District's population?

- In 2021, 63.7% of Clutha District's population was of working age (15-64). This was significantly lower than the proportion of the national population (66.2%).
- Clutha District had a slightly lower proportion (18.6%) of young people (0-14) than the country as a whole (18.9%) and a significantly higher proportion (18.6%) of people 65 years and older compared with New Zealand (16.0%).
- Overall the dependency ratio in Clutha District (56.8%) was higher 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

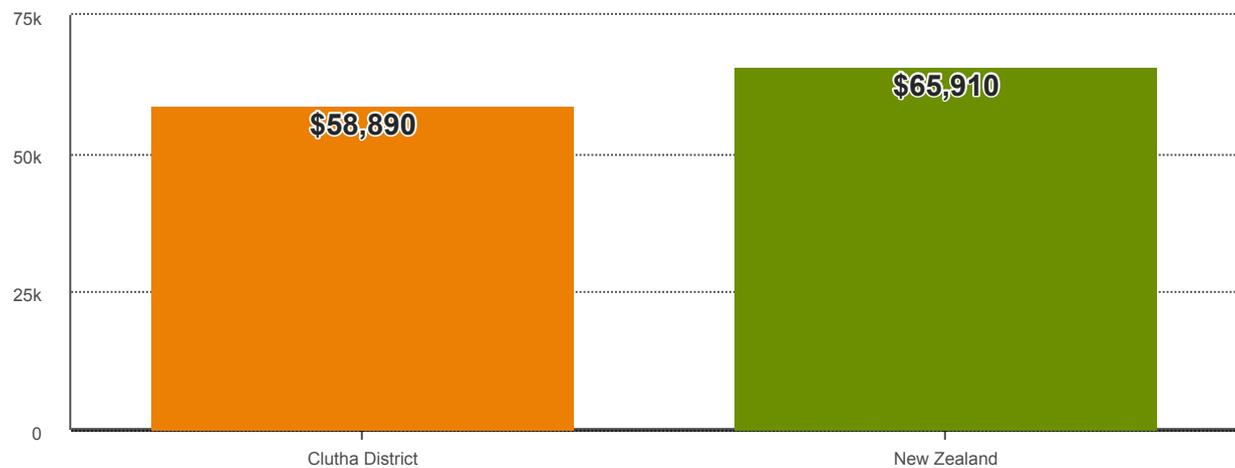
This section describes a few indicators of economic standard of living. It investigates average earnings, house prices and housing affordability.

## What are the mean earnings in Clutha District?

**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.

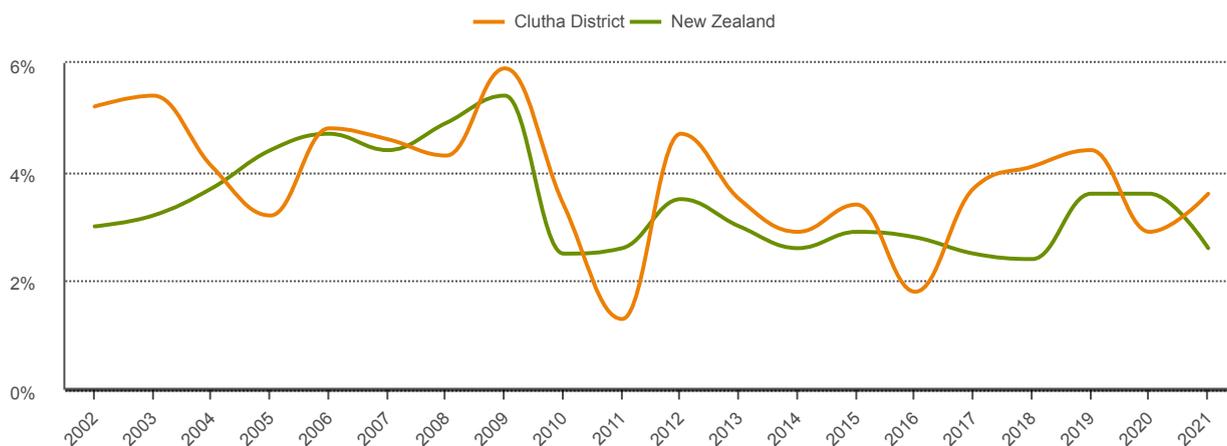
This section looks at how average annual earnings in the Clutha District has changed over time and how this compares against annual average earnings nationally.

Figure 22: Earnings, 2021



- Mean annual earnings in Clutha District was \$58,890 in the year to March 2021, which was lower than the New Zealand mean of \$65,910.
- Mean earnings in Clutha District increased by 3.6% over the year to March 2021 compared with an increase of 2.6% in New Zealand.
- Over the last ten years earnings growth in Clutha District reached a maximum of 5.9% in 2009 and a minimum of 1.3% in 2011.

Figure 23: Annual earnings growth, 2002-2021



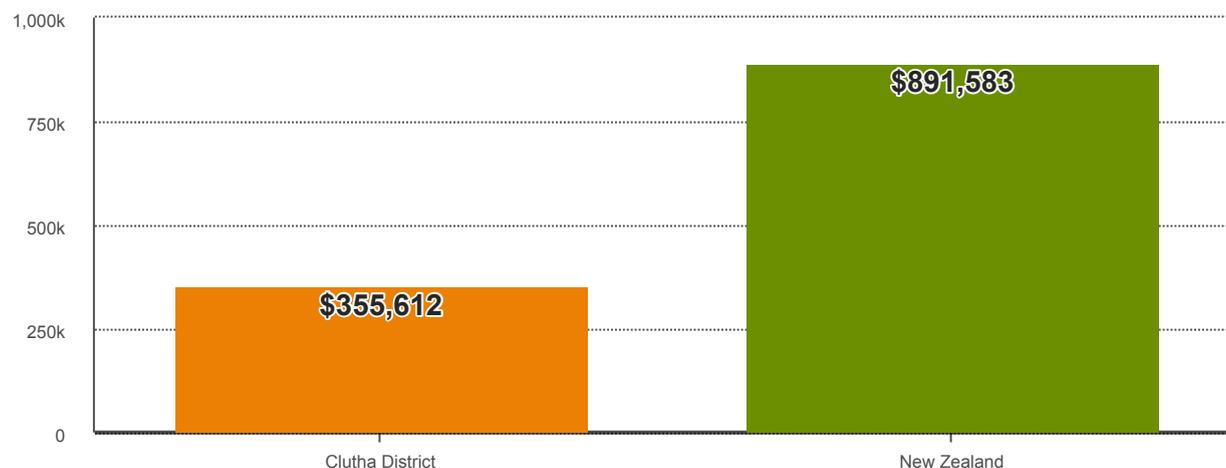
Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Clutha District	4.6%	4.3%	5.9%	3.4%	1.3%	4.7%	3.5%	2.9%	3.4%	1.8%	3.7%	4.1%	4.4%	2.9%	3.6%
New Zealand	4.4%	4.9%	5.4%	2.5%	2.6%	3.5%	3.0%	2.6%	2.9%	2.8%	2.5%	2.4%	3.6%	3.6%	2.6%

- Mean annual earnings in Clutha District was \$58,890 in the year to March 2021, which was lower than the New Zealand mean of \$65,910.
- Mean earnings in Clutha District increased by 3.6% over the year to March 2021 compared with an increase of 2.6% in New Zealand.
- Over the last ten years earnings growth in Clutha District reached a maximum of 5.9% in 2009 and a minimum of 1.3% in 2011.

## How do house prices in Clutha District compare?

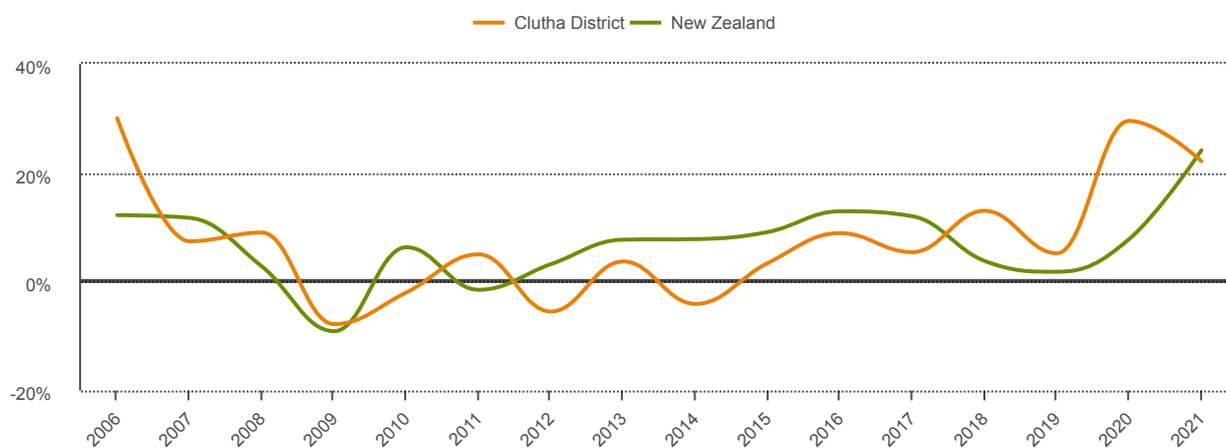
The cost of housing is a major component of household spending. This section describes the cost of housing in Clutha District relative to the rest of the country.

Figure 24: Average current house value, 2021



- The Average current house value in Clutha District was \$355,612 in 2021, which was lower than the New Zealand median of \$891,583.
- House price growth in Clutha District was 22.1% for the year to March 2021. Growth was weaker than in New Zealand (24.1%).

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

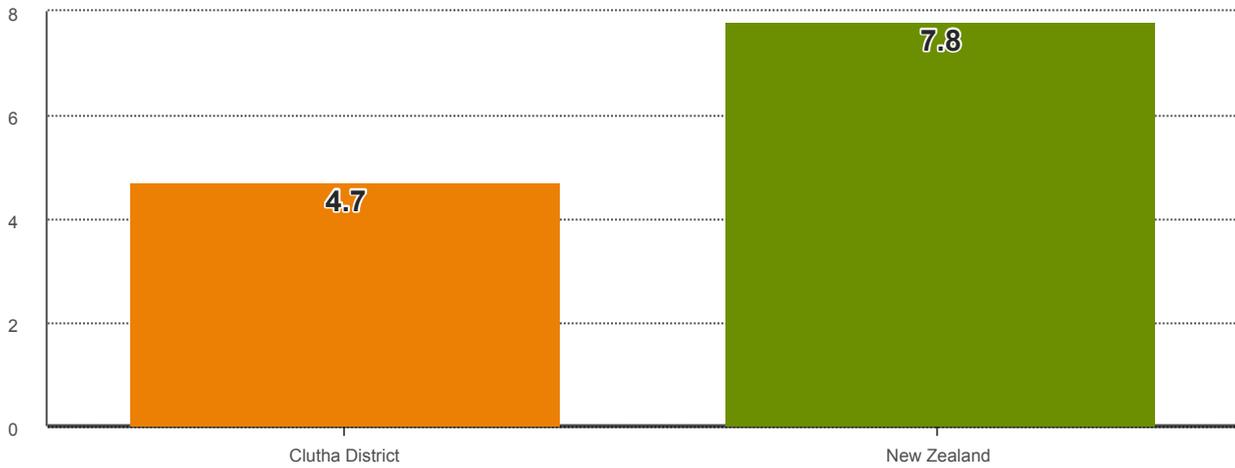


Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Clutha District	7.4%	9.0%	-7.8%	-2.0%	5.0%	-5.5%	3.7%	-4.1%	3.4%	8.9%	5.4%	13.0%	5.2%	29.5%	22.1%
New Zealand	11.7%	2.8%	-9.1%	6.3%	-1.5%	3.2%	7.7%	7.8%	9.1%	12.9%	12.0%	3.8%	1.8%	7.8%	24.1%

## How affordable is housing in Clutha District?

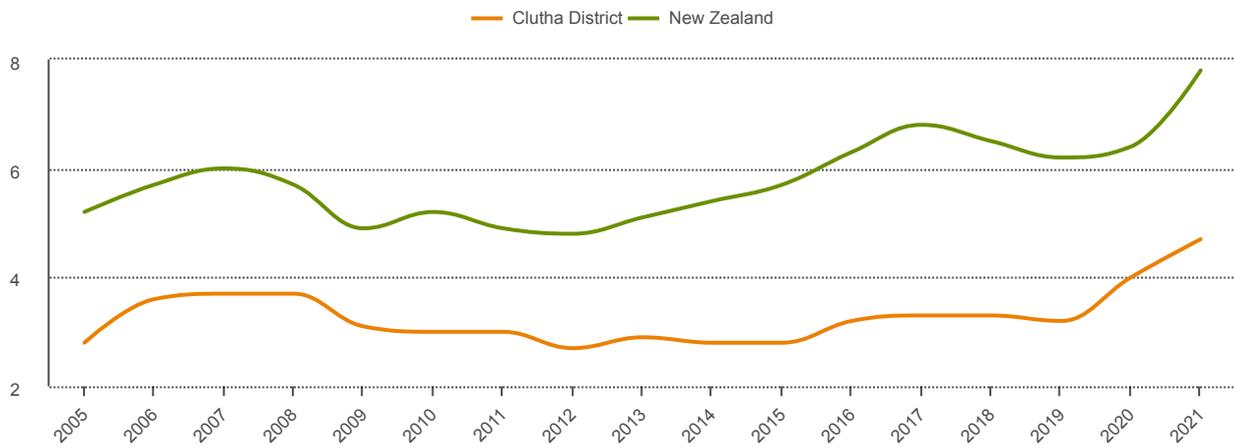
This section investigates the affordability of housing by comparing average current house values with average earnings. We have estimated a housing affordability index which is the ratio of the average current house value to annual average earnings measured in the Linked Employer Employee Data. A higher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

Figure 26: Housing affordability index, 2021



- The housing affordability index in Clutha District was 4.7 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 Clutha District 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
Clutha District	3.7	3.7	3.1	3.0	3.0	2.7	2.9	2.8	2.8	3.2	3.3	3.3	3.2	4.0	4.7
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

# TOURISM

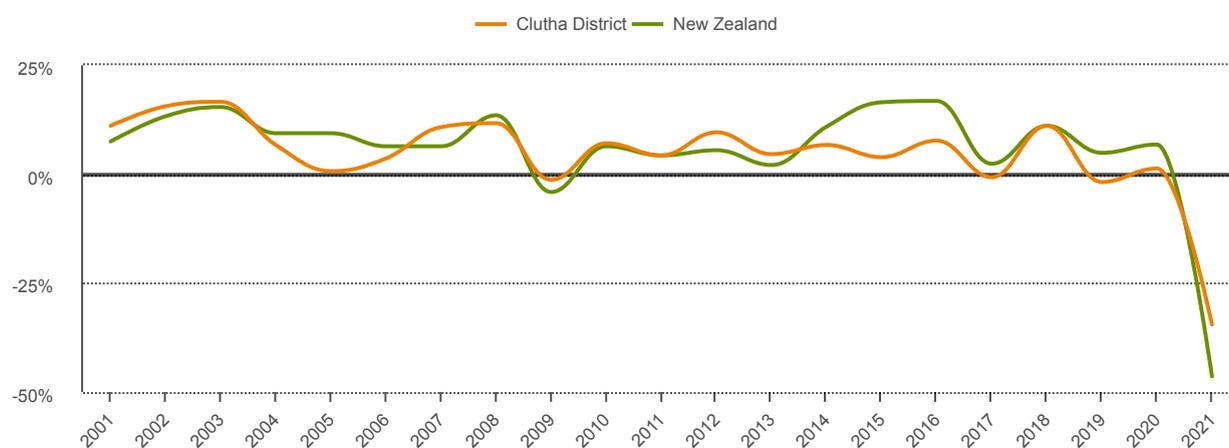
Tourism has grown rapidly in New Zealand since 2000. Not only has the number of overseas tourist arrivals increased substantially, but the level of domestic tourism has also expanded rapidly as spending on leisure by New Zealand residents increased. This section describes the contribution of tourism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

## Tourism GDP

Table 12: Tourism GDP, 2001-2021

Year	Clutha District		New Zealand	
	Level	Change	Level	Change
2000	\$8.41m		\$3,343m	
2001	\$9.35m	11.1%	\$3,595m	7.5%
2002	\$10.8m	15.6%	\$4,074m	13.3%
2003	\$12.6m	16.6%	\$4,700m	15.4%
2004	\$13.4m	6.7%	\$5,141m	9.4%
2005	\$13.5m	0.7%	\$5,626m	9.4%
2006	\$14.0m	3.6%	\$5,985m	6.4%
2007	\$15.5m	10.8%	\$6,368m	6.4%
2008	\$17.3m	11.7%	\$7,227m	13.5%
2009	\$17.1m	-1.3%	\$6,932m	-4.1%
2010	\$18.3m	7.1%	\$7,379m	6.4%
2011	\$19.1m	4.3%	\$7,698m	4.3%
2012	\$21.0m	9.6%	\$8,120m	5.5%
2013	\$21.9m	4.6%	\$8,289m	2.1%
2014	\$23.4m	6.7%	\$9,191m	10.9%
2015	\$24.3m	3.9%	\$10,710m	16.5%
2016	\$26.2m	7.7%	\$12,508m	16.8%
2017	\$26.0m	-0.7%	\$12,809m	2.4%
2018	\$28.9m	11.1%	\$14,235m	11.1%
2019	\$28.4m	-1.8%	\$14,937m	4.9%
2020	\$28.8m	1.3%	\$15,948m	6.8%
2021	\$18.9m	-34.5%	\$8,547m	-46.4%

Figure 28: Annual average tourism GDP growth, 2001-2021



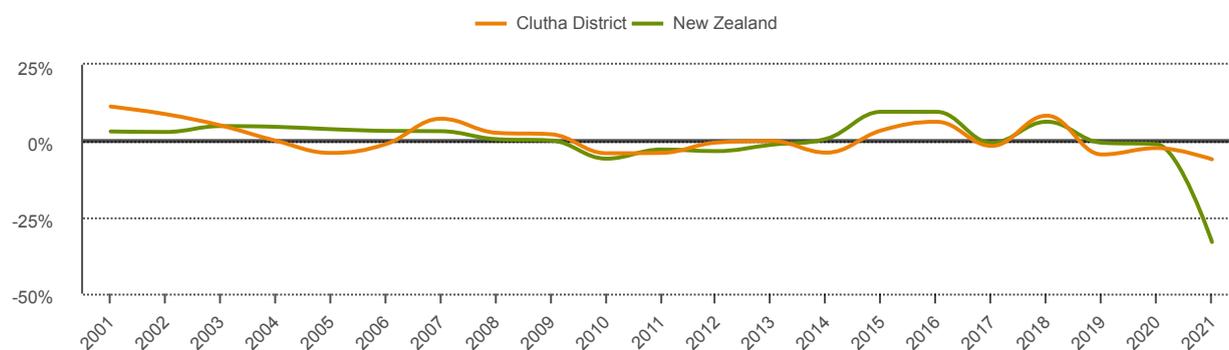
- The tourism industry contributed \$18.9m towards GDP in Clutha District in 2021. This amounted to 1.7% of the Clutha District's economic output in 2021, down from 2.1% ten years ago.
- Economic output in Clutha District's tourism industry declined by -34.5% in 2021, compared with a -46.4% decline in New Zealand.
- Growth in the industry in Clutha District has averaged -0.1% over the last ten years, compared with 1.1% in New Zealand.

## Tourism Employment

Table 13: Tourism employment, 2001-2021

Year	Clutha District		New Zealand	
	Level	Change	Level	Change
2000	305		152,610	
2001	340	11.3%	157,389	3.1%
2002	370	8.8%	162,042	3.0%
2003	388	5.1%	169,965	4.9%
2004	389	0.1%	177,861	4.6%
2005	374	-3.9%	184,761	3.9%
2006	370	-1.0%	190,890	3.3%
2007	397	7.3%	197,028	3.2%
2008	408	2.7%	198,219	0.6%
2009	417	2.2%	198,555	0.2%
2010	400	-4.0%	187,083	-5.8%
2011	385	-3.9%	181,881	-2.8%
2012	383	-0.5%	175,866	-3.3%
2013	383	0.0%	173,721	-1.2%
2014	368	-3.8%	175,023	0.7%
2015	381	3.5%	191,796	9.6%
2016	405	6.3%	210,126	9.6%
2017	398	-1.6%	208,923	-0.6%
2018	431	8.3%	222,129	6.3%
2019	412	-4.4%	220,875	-0.6%
2020	403	-2.3%	218,580	-1.0%
2021	379	-6.0%	146,295	-33.1%

Figure 29: Annual average tourism employment growth, 2001-2021



- The tourism industry employed an average of 379 people in Clutha District in 2021. This amounted to 4.0% of the Clutha District's total employment in 2021, down from 4.4% in 2011.
- Employment growth in the industry in Clutha District has averaged -0.2% over the last ten years, compared with -2.2% in New Zealand.
- Employment in the tourism industry declined by -6.0% 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. In the 2021 GDP estimates we incorporate Infometrics' estimates of the proportions of industries in each territorial authority which were able to operate under each COVID-19 alert level to capture the economic impacts of the pandemic.

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.