

ANNUAL ECONOMIC PROFILE

Kapiti Coast District



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ECONOMY

The New Zealand economy expanded by 2.5% over the year to March 2014, its fastest pace of growth since 2008 and well up on average growth of 0.7%pa over the previous five years. The economic upturn has become increasingly broad-based, with the service, construction, and manufacturing sectors all experiencing a good year. The drought that prevailed into the autumn of 2013 pulled down activity levels in parts of the agricultural sector, but these effects were offset by a large increase in global dairy prices which pushed up the value of manufactured dairy products.

From an expenditure perspective, consumption and investment behaviour remained robust during the March 2014 year. Private consumption lifted by 2.9% over the year, while private investment rose 11% over the same period. In this environment, demand for imports was high, with imports of goods and services climbing by 8.0% during the March 2014 year.

How fast has Kapiti Coast District's economy grown?

This section measures economic performance in Kapiti Coast District during the year to March 2014 and previous years. All GDP estimates are measured in constant 2010 prices.

- GDP in Kapiti Coast District measured \$1,435m in the year to March 2014, up 3.4% from a year earlier. New Zealand's GDP increased by 2.5% over the same period.
- Economic growth in Kapiti Coast District averaged 1.8%pa over the last 10 years compared with an average of 1.8%pa in the national economy.
- Growth in Kapiti Coast District reached a high of 6.5% in 2003 and a low of -3.8% in 2009.
- Kapiti Coast District accounted for 0.7% of national GDP in 2014.

Figure 1: GDP growth (year to Mar 2014)

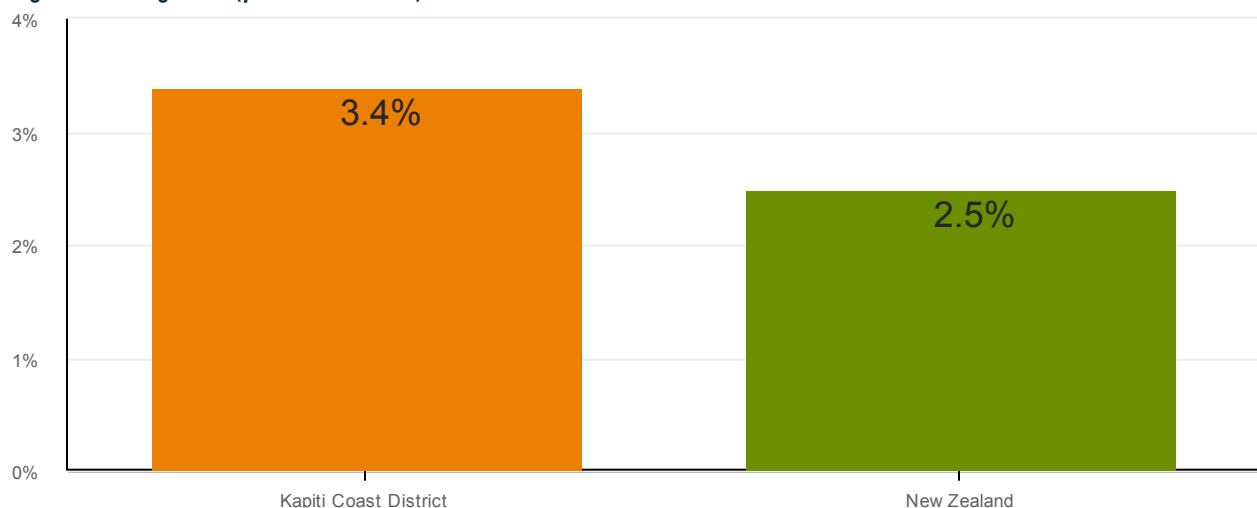


Figure 2: Annual average GDP growth (2000-2014)

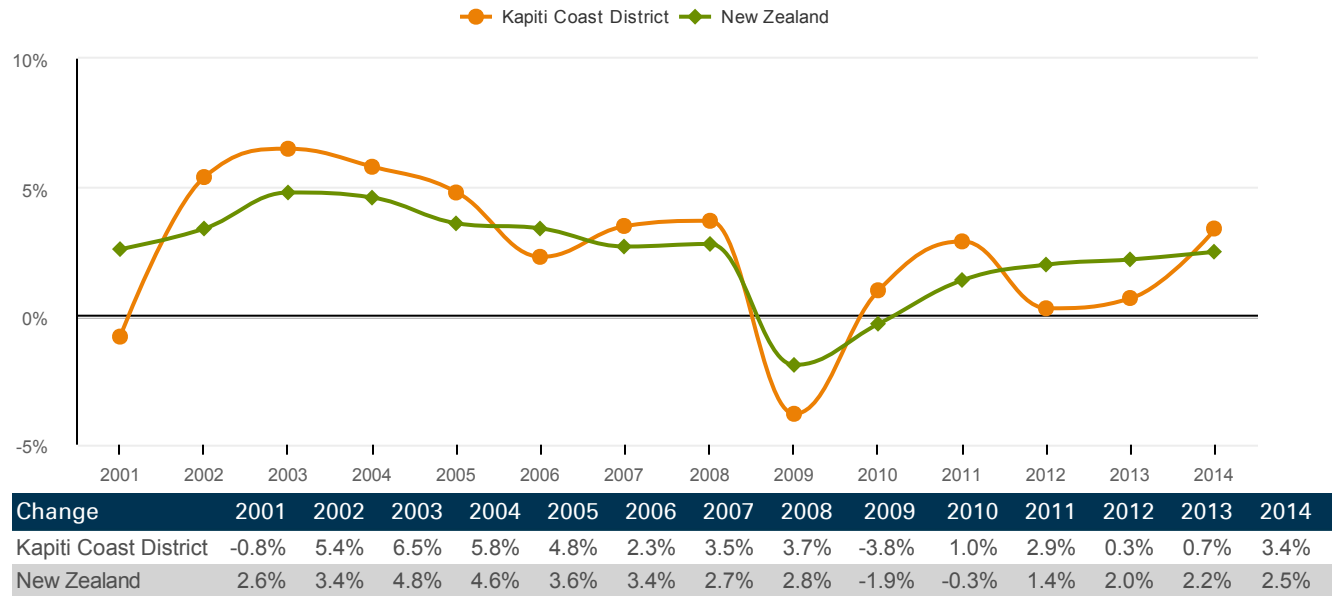
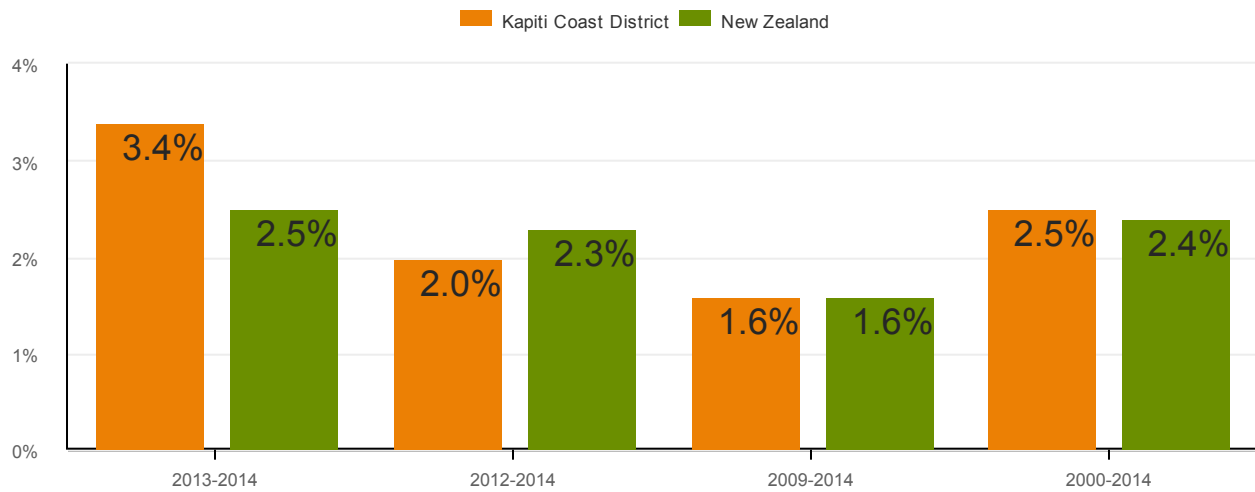


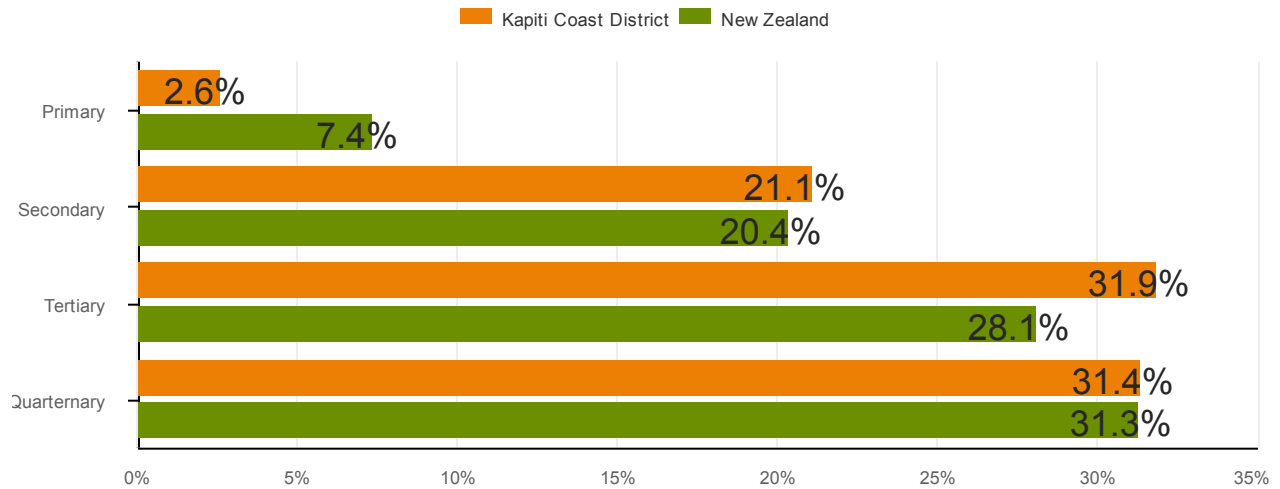
Figure 3: GDP growth last 1,2,5 and 10 years



What is the industrial structure of Kapiti Coast District's economy?

This section describes the structure of the economy in terms of the broad sectors: primary, secondary, tertiary and quaternary. The primary sector makes direct use of natural resources. It extracts or harvests products from the earth. The secondary sector produces manufactured and other processed goods. The tertiary sector includes the lower value-adding service industries while the quaternary sector includes the higher value-adding, knowledge-based service industries. A full definition of the sectors is given in the technical appendix.

Figure 4: Share of total GDP (2014)



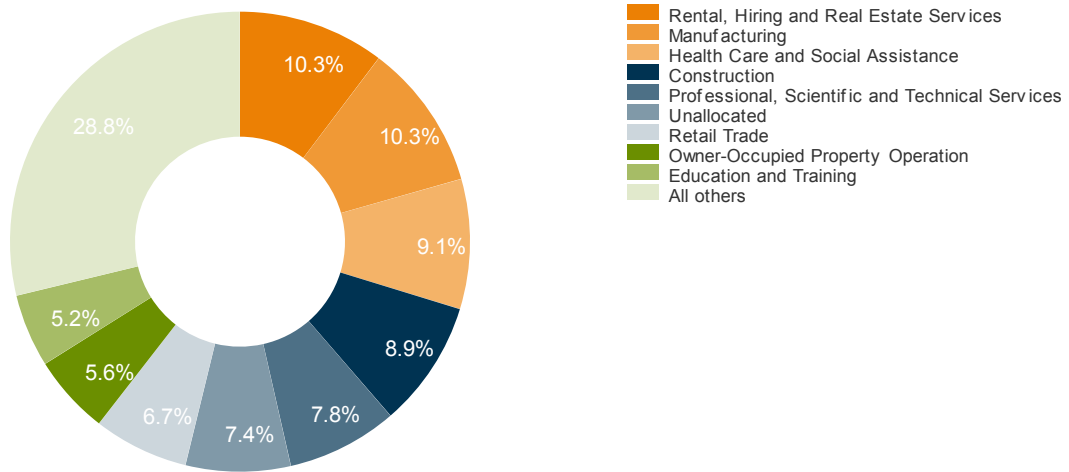
- Primary industries accounted for the smallest proportion in Kapiti Coast District: 2.6% compared with 7.4% in the national economy.
- Secondary industries accounted for 21.1% compared with 20.4% in the national economy.
- Tertiary industries accounted for the largest proportion of GDP (31.9%) in Kapiti Coast District, which is higher than in the national economy (28.1%).
- Quarternary industries accounted for 31.4% compared with 31.3% in the national economy.

Table 1: 1-digit industries ranked by contribution to GDP (2014)

Industry	Kapiti Coast District		New Zealand	
	Level	Share of total	Level	Share of total
Rental, Hiring and Real Estate Services	\$148m	10.3%	\$13,409m	6.4%
Manufacturing	\$148m	10.3%	\$23,388m	11.2%
Health Care and Social Assistance	\$131m	9.1%	\$12,922m	6.2%
Construction	\$128m	8.9%	\$13,052m	6.2%
Professional, Scientific and Technical Services	\$112m	7.8%	\$15,227m	7.3%
Retail Trade	\$95.7m	6.7%	\$9,430m	4.5%
Education and Training	\$73.7m	5.1%	\$9,343m	4.5%
Other Services	\$50.1m	3.5%	\$4,098m	2.0%
Financial and Insurance Services	\$49.7m	3.5%	\$12,147m	5.8%
Information Media and Telecommunications	\$42.1m	2.9%	\$6,695m	3.2%
Public Administration and Safety	\$41.8m	2.9%	\$9,069m	4.3%
Accommodation and Food Services	\$40.6m	2.8%	\$4,393m	2.1%
Transport, Postal and Warehousing	\$36.9m	2.6%	\$9,102m	4.4%
Agriculture, Forestry and Fishing	\$35.2m	2.5%	\$11,811m	5.6%
Arts and Recreation Services	\$35.0m	2.4%	\$2,944m	1.4%
Wholesale Trade	\$30.1m	2.1%	\$10,875m	5.2%
Electricity, Gas, Water and Waste Services	\$28.0m	2.0%	\$6,180m	3.0%
Administrative and Support Services	\$21.3m	1.5%	\$4,462m	2.1%
Mining	\$2.37m	0.2%	\$3,588m	1.7%
Owner-Occupied Property Operation	\$79.8m	5.6%	\$11,490m	5.5%
Unallocated	\$106m	7.4%	\$15,461m	7.4%
Total	\$1,435m	100%	\$209,086m	100%

- Among broad industries Rental, Hiring and Real Estate Services was the largest in Kapiti Coast District in 2014 accounting for 10.3% of total.
- The second largest was Manufacturing (10.3%) followed by Health Care and Social Assistance (9.1%)

Figure 5: Share of total GDP (2014)



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 Property Operators & Real Estate Services was the largest in Kapiti Coast District in 2014 accounting for 9.4% of total.
- The second largest was Health Care & Social Assistance (9.1%) followed by Professional, Scientific & Tech Services (7.8%)

Table 2: 54 industries ranked by contribution to GDP (2014)

Industry	Kapiti Coast District		New Zealand	
	Level	Share of total	Level	Share of total
Property Operators & Real Estate Services	\$135m	9.4%	\$10,941m	5.2%
Health Care & Social Assistance	\$131m	9.1%	\$12,922m	6.2%
Professional, Scientific & Tech Services	\$112m	7.8%	\$15,227m	7.3%
Construction Services	\$87.3m	6.1%	\$6,438m	3.1%
Education & Training	\$73.7m	5.1%	\$9,343m	4.5%
Other Store & Non Store Retailing	\$52.7m	3.7%	\$5,296m	2.5%
Other Services	\$50.1m	3.5%	\$4,098m	2.0%
Accommodation & Food Services	\$40.6m	2.8%	\$4,393m	2.1%
Arts & Recreation Services	\$35.0m	2.4%	\$2,944m	1.4%
Finance	\$33.9m	2.4%	\$7,902m	3.8%
Supermarket & Specialised Food Retailing	\$33.2m	2.3%	\$2,783m	1.3%
Wholesale Trade	\$30.1m	2.1%	\$10,875m	5.2%
Building Construction	\$28.3m	2.0%	\$2,513m	1.2%
Central Gov Admin, Defence & Safety	\$25.2m	1.8%	\$8,031m	3.8%
Telecomms, Internet & Library Services	\$23.6m	1.6%	\$4,831m	2.3%
Administrative & Support Services	\$21.3m	1.5%	\$4,462m	2.1%
Dairy Product Manufacturing	\$20.4m	1.4%	\$1,108m	0.5%
Information Media Services	\$18.5m	1.3%	\$1,864m	0.9%
Non-Metallic Mineral Product Manu	\$17.6m	1.2%	\$1,018m	0.5%
Beverage & Tobacco Product Manu	\$17.1m	1.2%	\$2,191m	1.0%
Local Government Administration	\$16.6m	1.2%	\$1,038m	0.5%
Fabricated Metal Product Manufacturing	\$16.2m	1.1%	\$1,819m	0.9%
Fruit, Cereal & Other Food Product Manu	\$15.8m	1.1%	\$1,993m	1.0%
Road Transport	\$15.0m	1.0%	\$3,162m	1.5%
Electricity & Gas Supply	\$14.8m	1.0%	\$5,148m	2.5%
Postal, Courier & Warehousing Services	\$14.8m	1.0%	\$4,035m	1.9%
Forestry & Logging	\$14.1m	1.0%	\$1,457m	0.7%
Basic Chemical & Chemical Product Manu	\$13.5m	0.9%	\$1,497m	0.7%
Water, Sewerage & Waste Services	\$13.2m	0.9%	\$1,032m	0.5%
Machinery & Other Equipment Manu	\$12.6m	0.9%	\$3,055m	1.5%
Rental & Hiring Services	\$12.6m	0.9%	\$2,468m	1.2%
Heavy & Civil Engineering Construction	\$12.1m	0.8%	\$4,101m	2.0%
Auxiliary Finance & Insurance Services	\$12.1m	0.8%	\$1,837m	0.9%
Motor Vehicle, Parts & Fuel Retailing	\$9.78m	0.7%	\$1,351m	0.6%
Wood Product Manufacturing	\$8.82m	0.6%	\$1,224m	0.6%
Horticulture & Fruit Growing	\$7.25m	0.5%	\$1,089m	0.5%
Rail, Water, Air & Other Transport	\$7.11m	0.5%	\$1,905m	0.9%
Dairy Cattle Farming	\$6.50m	0.5%	\$4,936m	2.4%
Textile, Leather, Clothing, Footwear Manu	\$5.80m	0.4%	\$690m	0.3%
Printing	\$4.60m	0.3%	\$565m	0.3%
Furniture & Other Manufacturing	\$4.31m	0.3%	\$602m	0.3%
Polymer Product & Rubber Product Manu	\$3.92m	0.3%	\$1,234m	0.6%
Insurance & Superannuation Funds	\$3.75m	0.3%	\$2,407m	1.2%
Sheep, Beef Cattle & Grain Farming	\$3.07m	0.2%	\$2,535m	1.2%
Primary Metal & Metal Product Manu	\$2.86m	0.2%	\$964m	0.5%
Transport Equipment Manufacturing	\$2.40m	0.2%	\$982m	0.5%
Mining	\$2.37m	0.2%	\$3,588m	1.7%
Poultry, Deer & Other Livestock Farming	\$1.91m	0.1%	\$291m	0.1%
Agric Support Services & Hunting	\$1.73m	0.1%	\$1,322m	0.6%
Seafood Processing	\$0.93m	0.1%	\$446m	0.2%
Pulp & Paper Product Manufacturing	\$0.74m	0.1%	\$791m	0.4%
Fishing & Aquaculture	\$0.60m	0.0%	\$181m	0.1%
Meat & Meat Product Manufacturing	\$0.00m	0.0%	\$2,196m	1.1%
Petroleum & Coal Product Manufacturing	\$0.00m	0.0%	\$1,013m	0.5%
Owner-Occupied Property Operation	\$79.8m	5.6%	\$11,490m	5.5%
Unallocated	\$106m	7.4%	\$15,461m	7.4%
Total	\$1,435m	100%	\$209,086m	100%

Which broad industries made the largest contribution to economic growth?

Although an industry may be growing rapidly, if it is small relative to a region's total economy its contribution to overall GDP growth may also be small. This section therefore investigates which broad industries made the largest contribution to the overall growth of Kapiti Coast District's economy taking into account their relative sizes.

- Construction made the largest contribution to overall growth in Kapiti Coast District between 2013 and 2014. The industry grew by 12% over the year and contributed 0.99 percentage points to the district's total growth of 3.4%.
- The next largest contributor was health care and social assistance (0.74 percentage points) followed by manufacturing (0.50 percentage points).
- The largest detractor from growth over the year was Financial and Insurance Services which declined by 5.7% and contributed -0.22 percentage points to the total growth of 3.4%. Agriculture, Forestry and Fishing (-0.11 percentage points) was the next largest detractor.

Table 3: 1-digit industries ranked by % point contribution to GDP growth

Industry	2013	2014	% point contribution to growth	Annual Growth
Construction	113.9	127.7	1.0%	12.1%
Health Care and Social Assistance	120.4	130.6	0.7%	8.5%
Manufacturing	140.7	147.6	0.5%	4.9%
Information Media and Telecommunications	36.4	42.1	0.4%	15.6%
Electricity, Gas, Water and Waste Services	23.9	28.0	0.3%	17.2%
Arts and Recreation Services	31.5	35.0	0.3%	11.1%
Retail Trade	92.5	95.7	0.2%	3.5%
Accommodation and Food Services	38.5	40.6	0.1%	5.4%
Professional, Scientific and Technical Services	110.5	112.4	0.1%	1.8%
Other Services	48.4	50.1	0.1%	3.6%
Public Administration and Safety	41.8	41.8	0.0%	0.1%
Administrative and Support Services	21.9	21.3	0.0%	-2.5%
Mining	3.3	2.4	-0.1%	-28.6%
Rental, Hiring and Real Estate Services	148.7	147.7	-0.1%	-0.7%
Transport, Postal and Warehousing	38.4	36.9	-0.1%	-3.7%
Education and Training	75.2	73.7	-0.1%	-1.9%
Wholesale Trade	31.6	30.1	-0.1%	-4.7%
Agriculture, Forestry and Fishing	36.7	35.2	-0.1%	-4.2%
Financial and Insurance Services	52.7	49.7	-0.2%	-5.7%
Owner-Occupied Property Operation	79.0	79.8	0.1%	1.0%
Unallocated	102.2	106.1	0.3%	3.8%
Total	1,388	1,435	3.4%	3.4%

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.

- Construction Services made the largest contribution to overall growth in Kapiti Coast District between 2013 and 2014. The industry grew by 14% over the year and contributed 0.75 percentage points to the district's total growth of 3.4%.
- The next largest contributor was electricity & gas supply (0.75 percentage points) followed by health care & social assistance (0.74 percentage points).
- The largest detractor from growth over the year was Water, Sewerage & Waste Services which declined by 32% and contributed -0.45 percentage points to the total growth of 3.4%. Rental & Hiring Services (-0.20 percentage points) was the next largest detractor.

Table 4: 54 industries ranked by percentage point contribution to growth

Industry	2013	2014	% point contribution to growth	Annual Growth
Construction Services	76.8	87.3	0.8%	13.6%
Electricity & Gas Supply	4.4	14.8	0.7%	233.6%
Health Care & Social Assistance	120.4	130.6	0.7%	8.5%
Beverage & Tobacco Product Manu	11.4	17.1	0.4%	49.9%
Telecomms, Internet & Library Services	19.3	23.6	0.3%	22.1%
Arts & Recreation Services	31.5	35.0	0.3%	11.1%
Basic Chemical & Chemical Product Manu	10.2	13.5	0.2%	32.2%
Supermarket & Specialised Food Retailing	30.4	33.2	0.2%	9.0%
Building Construction	26.2	28.3	0.2%	8.1%
Accommodation & Food Services	38.5	40.6	0.1%	5.4%
Professional, Scientific & Tech Services	110.5	112.4	0.1%	1.8%
Property Operators & Real Estate Services	133.4	135.2	0.1%	1.4%
Other Services	48.4	50.1	0.1%	3.6%
Information Media Services	17.1	18.5	0.1%	8.2%
Heavy & Civil Engineering Construction	11.0	12.1	0.1%	10.5%
Printing	3.8	4.6	0.1%	20.7%
Local Government Administration	16.0	16.6	0.0%	4.0%
Other Store & Non Store Retailing	52.2	52.7	0.0%	0.9%
Wood Product Manufacturing	8.4	8.8	0.0%	5.6%
Transport Equipment Manufacturing	1.9	2.4	0.0%	23.4%
Seafood Processing	0.6	0.9	0.0%	45.5%
Agric Support Services & Hunting	1.5	1.7	0.0%	14.0%
Poultry, Deer & Other Livestock Farming	1.8	1.9	0.0%	9.1%
Fruit, Cereal & Other Food Product Manu	15.7	15.8	0.0%	0.9%
Primary Metal & Metal Product Manu	2.8	2.9	0.0%	3.6%
Horticulture & Fruit Growing	7.2	7.3	0.0%	1.0%
Non-Metallic Mineral Product Manu	17.5	17.6	0.0%	0.4%
Fishing & Aquaculture	0.6	0.6	0.0%	1.6%
Motor Vehicle, Parts & Fuel Retailing	9.8	9.8	0.0%	0.0%
Meat & Meat Product Manufacturing	0.0	0.0	0.0%	NaN
Petroleum & Coal Product Manufacturing	0.0	0.0	0.0%	NaN
Textile, Leather, Clothing, Footwear Manu	5.8	5.8	0.0%	-0.3%
Dairy Product Manufacturing	20.6	20.4	0.0%	-0.7%
Auxiliary Finance & Insurance Services	12.3	12.1	0.0%	-2.0%
Sheep, Beef Cattle & Grain Farming	3.3	3.1	0.0%	-8.0%
Rail, Water, Air & Other Transport	7.5	7.1	0.0%	-5.3%
Road Transport	15.5	15.0	0.0%	-3.1%
Polymer Product & Rubber Product Manu	4.4	3.9	0.0%	-11.3%
Postal, Courier & Warehousing Services	15.3	14.8	0.0%	-3.4%
Pulp & Paper Product Manufacturing	1.3	0.7	0.0%	-42.4%
Administrative & Support Services	21.9	21.3	0.0%	-2.5%
Dairy Cattle Farming	7.1	6.5	0.0%	-8.6%
Central Gov Admin, Defence & Safety	25.8	25.2	0.0%	-2.4%
Fabricated Metal Product Manufacturing	17.0	16.2	-0.1%	-4.4%
Mining	3.3	2.4	-0.1%	-28.6%
Furniture & Other Manufacturing	5.4	4.3	-0.1%	-20.4%
Forestry & Logging	15.2	14.1	-0.1%	-7.3%
Finance	35.0	33.9	-0.1%	-3.2%
Machinery & Other Equipment Manu	13.9	12.6	-0.1%	-9.6%
Education & Training	75.2	73.7	-0.1%	-1.9%
Wholesale Trade	31.6	30.1	-0.1%	-4.7%
Insurance & Superannuation Funds	5.4	3.8	-0.1%	-30.1%
Rental & Hiring Services	15.3	12.6	-0.2%	-18.2%
Water, Sewerage & Waste Services	19.5	13.2	-0.5%	-32.2%
Owner-Occupied Property Operation	79.0	79.8	0.1%	1.0%
Unallocated	102.2	106.1	0.3%	3.8%
Total	1,388	1,435	3.4%	3.4%

In which industries does Kapiti Coast 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 Kapiti Coast District has the largest comparative advantages are Dairy Product Manufacturing (location quotient = 2.7), Non-Metallic Mineral Product Manu (2.5), and Local Government Administration (2.3).

Table 5: Location Quotient 2014

Industry	Kapiti Coast District		New Zealand
	Location Quotient	Share of total GDP	Share of total GDP
Dairy Product Manufacturing	2.7	1.4%	0.5%
Non-Metallic Mineral Product Manu	2.5	1.2%	0.5%
Local Government Administration	2.3	1.2%	0.5%
Construction Services	2.0	6.1%	3.1%
Water, Sewerage & Waste Services	1.9	0.9%	0.5%
Property Operators & Real Estate Services	1.8	9.4%	5.2%
Other Services	1.8	3.5%	2.0%
Supermarket & Specialised Food Retailing	1.7	2.3%	1.3%
Arts & Recreation Services	1.7	2.4%	1.4%
Building Construction	1.6	2.0%	1.2%
Health Care & Social Assistance	1.5	9.1%	6.2%
Other Store & Non Store Retailing	1.5	3.7%	2.5%
Information Media Services	1.4	1.3%	0.9%
Forestry & Logging	1.4	1.0%	0.7%
Accommodation & Food Services	1.3	2.8%	2.1%
Basic Chemical & Chemical Product Manu	1.3	0.9%	0.7%
Fabricated Metal Product Manufacturing	1.3	1.1%	0.9%
Textile, Leather, Clothing, Footwear Manu	1.2	0.4%	0.3%
Printing	1.2	0.3%	0.3%
Fruit, Cereal & Other Food Product Manu	1.2	1.1%	1.0%
Education & Training	1.2	5.1%	4.5%
Beverage & Tobacco Product Manu	1.1	1.2%	1.0%
Professional, Scientific & Tech Services	1.1	7.8%	7.3%
Motor Vehicle, Parts & Fuel Retailing	1.1	0.7%	0.6%
Wood Product Manufacturing	1.1	0.6%	0.6%
Furniture & Other Manufacturing	1.0	0.3%	0.3%
Horticulture & Fruit Growing	1.0	0.5%	0.5%
Poultry, Deer & Other Livestock Farming	1.0	0.1%	0.1%
Auxiliary Finance & Insurance Services	1.0	0.8%	0.9%
Rental & Hiring Services	0.7	0.9%	1.2%
Telecomms, Internet & Library Services	0.7	1.6%	2.3%
Administrative & Support Services	0.7	1.5%	2.1%
Road Transport	0.7	1.0%	1.5%
Finance	0.6	2.4%	3.8%
Machinery & Other Equipment Manu	0.6	0.9%	1.5%
Rail, Water, Air & Other Transport	0.5	0.5%	0.9%
Postal, Courier & Warehousing Services	0.5	1.0%	1.9%
Fishing & Aquaculture	0.5	0.0%	0.1%
Polymer Product & Rubber Product Manu	0.5	0.3%	0.6%
Central Gov Admin, Defence & Safety	0.5	1.8%	3.8%
Primary Metal & Metal Product Manu	0.4	0.2%	0.5%
Heavy & Civil Engineering Construction	0.4	0.8%	2.0%
Electricity & Gas Supply	0.4	1.0%	2.5%
Wholesale Trade	0.4	2.1%	5.2%
Transport Equipment Manufacturing	0.4	0.2%	0.5%
Seafood Processing	0.3	0.1%	0.2%
Insurance & Superannuation Funds	0.2	0.3%	1.2%
Dairy Cattle Farming	0.2	0.5%	2.4%
Agric Support Services & Hunting	0.2	0.1%	0.6%
Sheep, Beef Cattle & Grain Farming	0.2	0.2%	1.2%
Pulp & Paper Product Manufacturing	0.1	0.1%	0.4%
Mining	0.1	0.2%	1.7%
Meat & Meat Product Manufacturing	0.0	0.0%	1.1%
Petroleum & Coal Product Manufacturing	0.0	0.0%	0.5%

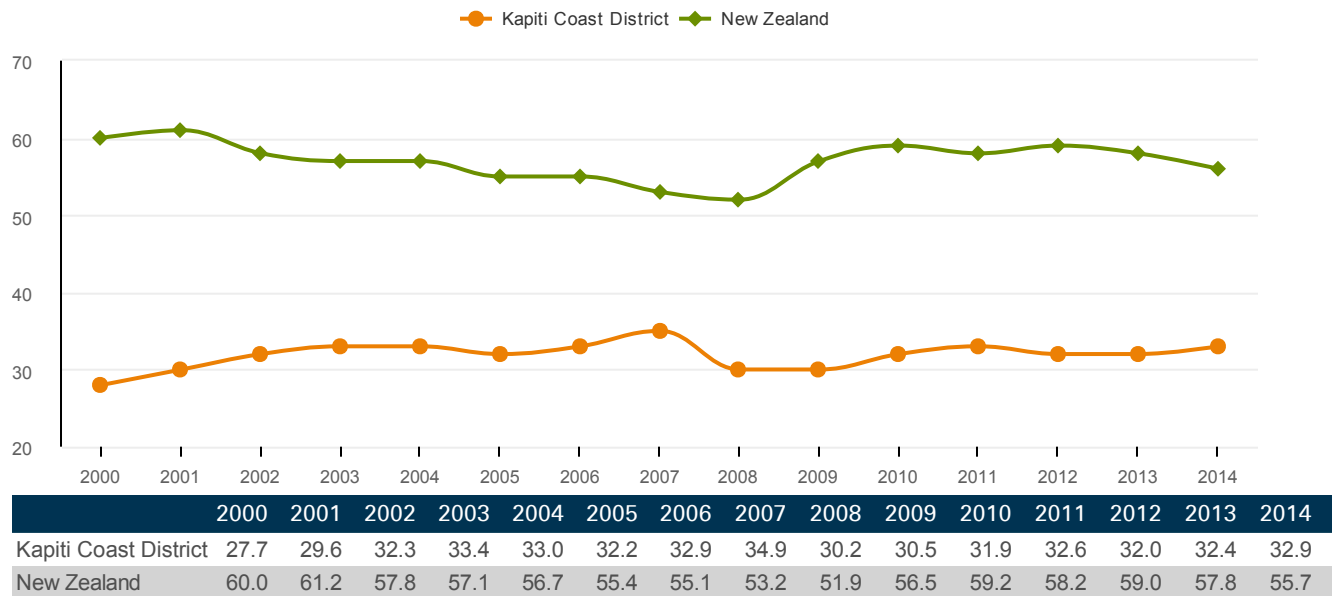
How diversified is Kapiti Coast District's economy?

The more concentrated a region's economy is in a few industries the more vulnerable it is to adverse events such as climatic conditions and commodity price fluctuations. This section presents the Herfindahl-Hirschman Index (HHI) which measures the level of diversification of Kapiti Coast District's economy. An index of 0 represents a diversified economy with economic activity evenly spread across all industries. The higher the index the more concentrated economic activity is in a few industries.

The HHI Index for New Zealand is measured as the average HHI across all 66 territorial authorities.

- Kapiti Coast District had a standardised HHI of 32.9 in 2014.
- Since 2000 Kapiti Coast District's HHI has increased from 27.7 indicating a decrease in industrial diversity. During the same period New Zealand's economy has become more diversified with the HHI decreasing from 60.0 to 55.7.

Figure 6: HHI Index in Kapiti Coast District and New Zealand (2000 - 2014)

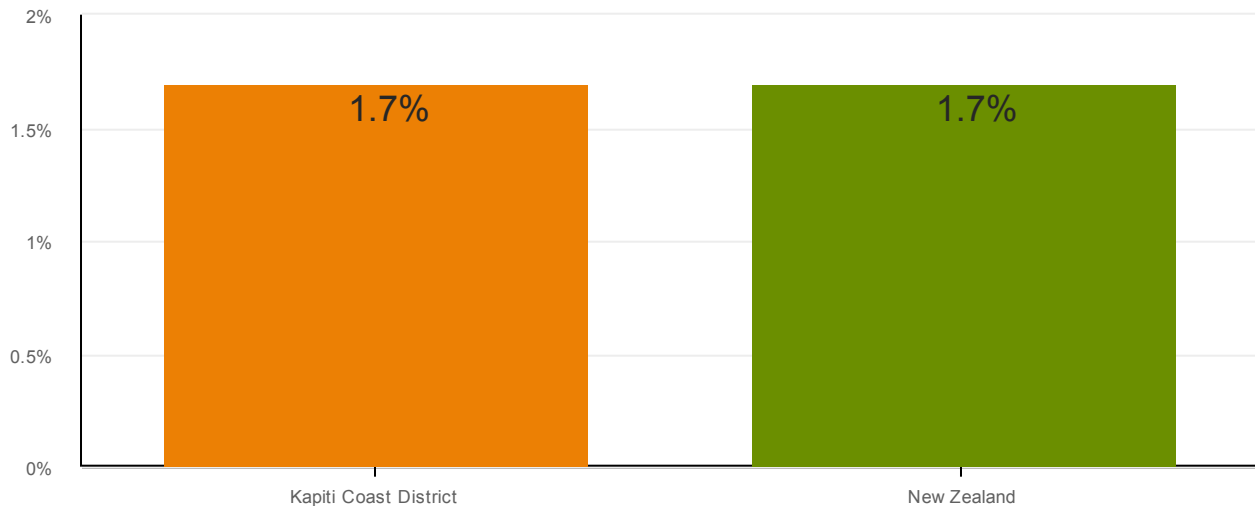


EMPLOYMENT

How fast has employment grown in Kapiti Coast District?

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

Figure 7: Employment growth (year to Mar 2014)



- Total employment in Kapiti Coast District averaged 15,671 in the year to March 2014, up 1.7% from a year earlier. Employment in New Zealand increased by 1.7% over the same period.
- Employment growth in Kapiti Coast District averaged 1.6%pa over the last 10 years compared with 1.2%pa in the national economy.
- Employment growth in Kapiti Coast District reached a high of 4.7% in 2005 and a low of -1.9% in 2010.

Figure 8: Annual average employment growth

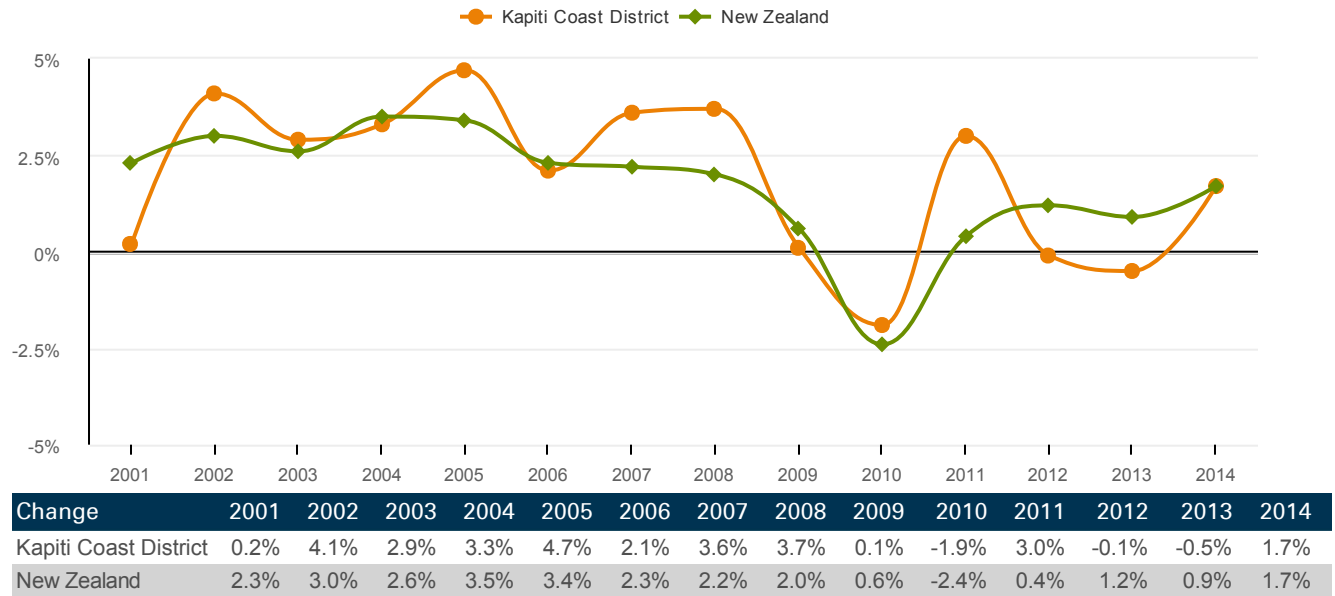
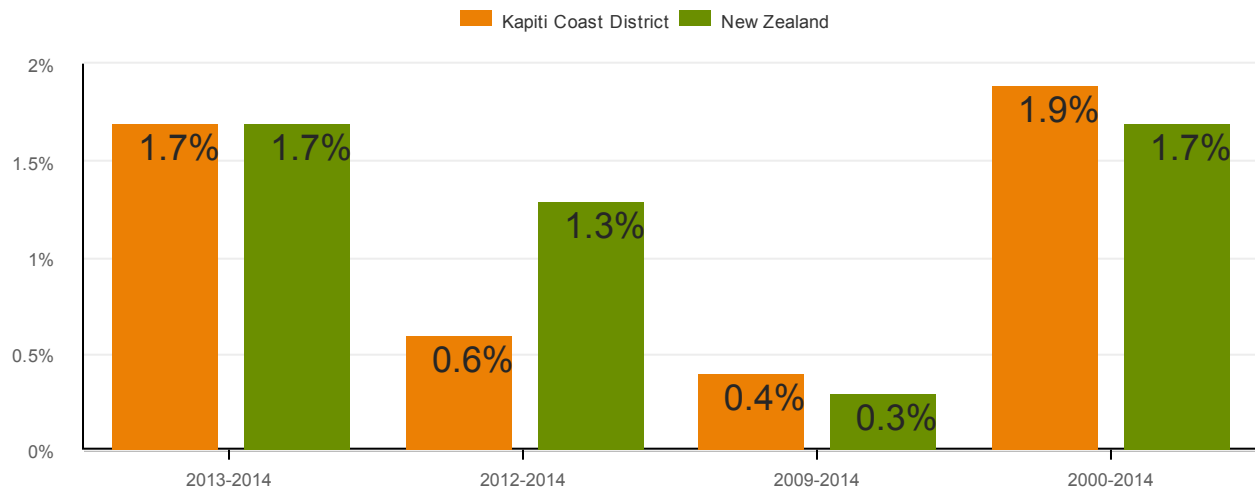


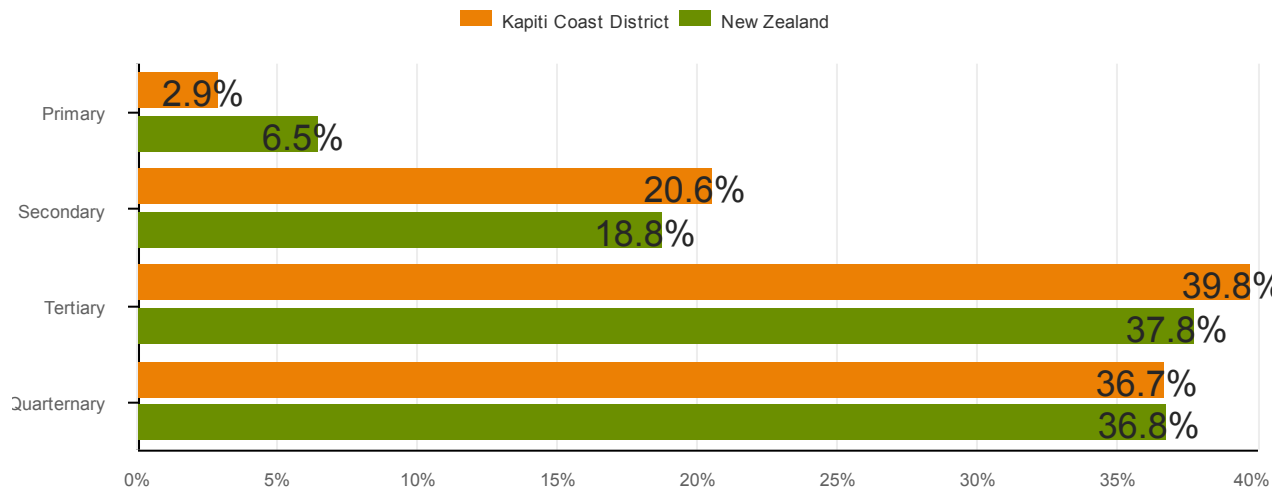
Figure 9: Employment growth over last 1,2,5 and 10 years



What is the industrial structure of employment in Kapiti Coast District?

This section describes the structure of the labour market in terms of the primary, secondary, tertiary and quaternary categories and the industries that fall within these categories. The primary sector makes direct use of natural resources. It extracts or harvests products from the earth. The secondary sector produces manufactured and other processed goods. The tertiary sector produces manufactured and other processed goods. The tertiary sector includes the lower value-adding service industries while the quaternary sector includes the higher value-adding, knowledge-based service industries. A list of industries making up the quaternary sector is given in the technical appendix.

Figure 10: Employment by broad sector (2014)



- Primary accounted for 2.9% in Kapiti Coast District compared with 6.5% in New Zealand.
- Secondary accounted for 20.6% in Kapiti Coast District compared with 18.8% in New Zealand.
- Tertiary industries accounted for the largest proportion of employment (39.8%) in Kapiti Coast District, which is higher than in New Zealand (37.8%).
- Quaternary accounted for 36.7% in Kapiti Coast District compared with 36.8% in New Zealand.

Which are the largest employing industries in Kapiti Coast District?

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

Table 6: 1-digit industries ranked by size of employment (2014)

Industry	Kapiti Coast District		New Zealand	
	Level	Share of total	Level	Share of total
Retail Trade	2,247.0	14.3%	207,889.0	9.3%
Construction	2,154.3	13.7%	184,400.8	8.3%
Health Care and Social Assistance	2,003.3	12.8%	222,038.3	10.0%
Education and Training	1,428.3	9.1%	178,002.5	8.0%
Professional, Scientific and Technical Services	1,351.3	8.6%	207,516.0	9.3%
Accommodation and Food Services	1,259.8	8.0%	138,994.8	6.2%
Manufacturing	1,000.0	6.4%	221,599.5	9.9%
Other Services	731.3	4.7%	84,523.5	3.8%
Rental, Hiring and Real Estate Services	491.5	3.1%	51,861.3	2.3%
Public Administration and Safety	471.3	3.0%	107,236.8	4.8%
Agriculture, Forestry and Fishing	447.5	2.9%	139,516.3	6.3%
Administrative and Support Services	447.5	2.9%	108,073.5	4.8%
Transport, Postal and Warehousing	413.0	2.6%	95,252.0	4.3%
Arts and Recreation Services	356.0	2.3%	41,129.0	1.8%
Wholesale Trade	285.8	1.8%	114,756.3	5.1%
Information Media and Telecommunications	269.5	1.7%	43,729.5	2.0%
Financial and Insurance Services	223.8	1.4%	62,566.5	2.8%
Electricity, Gas, Water and Waste Services	76.3	0.5%	14,242.8	0.6%
Mining	14.3	0.1%	6,351.3	0.3%
Total	15,671.3	100%	2,229,679.3	100%

- Among broad industries Retail Trade was the largest in Kapiti Coast District in 2014 accounting for 14.3% of total.
- The second largest was Construction (13.7%) followed by Health Care and Social Assistance (12.8%)

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 Kapiti Coast District.

- Retail Trade was the largest 7-digit industry in Kapiti Coast District in 2014 employing 2,247 persons and accounting for 14.3% of total employment in the district. By contrast this industry accounted for 9.3% of total employment in New Zealand.
- The second largest employing industries were construction (2,154) followed by health care and social assistance (2,003).

Table 7: 50 largest employing 7-digit ANZSIC industries (2014)

Rank	Industry	Kapiti Coast District		New Zealand
		Jobs	% of total	% of total
1	Supermarket and Grocery Stores	704	4.5%	2.4%
2	Cafes and Restaurants	671	4.3%	2.6%
3	Aged Care Residential Services	658	4.2%	1.4%
4	House Construction	475	3.0%	1.6%
5	Primary Education	431	2.7%	2.2%
6	Computer Systems Design and Related Services	386	2.5%	1.6%
7	Management Advice and Other Consulting Services	364	2.3%	1.5%
8	Secondary Education	342	2.2%	1.6%
9	Other Social Assistance Services	286	1.8%	0.9%
10	Local Government Administration	256	1.6%	1.0%
11	Real Estate Services	253	1.6%	0.9%
12	Other Allied Health Services	249	1.6%	1.4%
13	Preschool Education	241	1.5%	1.1%
14	Higher Education	232	1.5%	1.5%
15	Electrical Services	231	1.5%	0.8%
16	Hardware and Building Supplies Retailing	226	1.4%	0.8%
17	Site Preparation Services	214	1.4%	0.4%
18	Other Residential Care Services	208	1.3%	0.7%
19	Takeaway Food Services	205	1.3%	1.0%
20	General Practice Medical Services	204	1.3%	0.7%
21	Department Stores	202	1.3%	0.7%
22	Painting and Decorating Services	187	1.2%	0.6%
23	Hairdressing and Beauty Services	180	1.2%	0.6%
24	Other Automotive Repair and Maintenance	176	1.1%	0.7%
25	Clothing Retailing	171	1.1%	0.7%
26	Accounting Services	160	1.0%	1.0%
27	Child Care Services	159	1.0%	0.6%
28	Accommodation	152	1.0%	1.3%
29	Plumbing Services	150	1.0%	0.5%
30	Cheese and Other Dairy Product Manufacturing	134	0.9%	0.4%
31	Catering Services	126	0.8%	0.4%
32	Road Freight Transport	126	0.8%	1.3%
33	Non-Residential Property Operators	115	0.7%	0.6%
34	Labour Supply Services	111	0.7%	1.2%
35	Pharmaceutical, Cosmetic and Toiletry Goods Retailing	106	0.7%	0.5%
36	Roofing Services	103	0.7%	0.2%
37	Engineering Design and Engineering Consulting Services	102	0.6%	1.0%
38	Other Store-Based Retailing n.e.c.	101	0.6%	0.5%
39	Plastering and Ceiling Services	99	0.6%	0.2%
40	Banking	97	0.6%	1.1%
41	Legal Services	95	0.6%	0.8%
42	Buildings Cleaning Services	94	0.6%	1.0%
43	Bakery Product Manufacturing (Non-factory-based)	90	0.6%	0.3%
44	Gardening Services	89	0.6%	0.3%
45	Motion Picture and Video Production	86	0.6%	0.2%
46	Tiling and Carpeting Services	85	0.5%	0.2%
47	Fuel Retailing	83	0.5%	0.3%
48	Postal Services	83	0.5%	0.4%
49	Wooden Structural Fittings and Components Manufacturing	81	0.5%	0.3%
50	Concreting Services	79	0.5%	0.2%
	All other industries total	5,220	33.3%	55.9%
	Total	15,671	100%	100%

Which industries have created the most jobs?

The section investigates which industries have created and lost the most number of jobs in Kapiti Coast 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: 1-digit industries ranked by number of jobs created

Industry	2013	2014	Change	Annual Growth
Construction	2,048	2,154	107	5.2%
Health Care and Social Assistance	1,903	2,003	100	5.3%
Accommodation and Food Services	1,218	1,260	42	3.4%
Arts and Recreation Services	324	356	32	9.9%
Professional, Scientific and Technical Services	1,328	1,351	23	1.7%
Public Administration and Safety	454	471	18	3.9%
Information Media and Telecommunications	253	270	16	6.5%
Agriculture, Forestry and Fishing	432	448	15	3.6%
Other Services	716	731	15	2.1%
Rental, Hiring and Real Estate Services	491	492	0	0.0%
Mining	16	14	-1	-8.4%
Retail Trade	2,251	2,247	-4	-0.2%
Transport, Postal and Warehousing	421	413	-8	-1.9%
Education and Training	1,439	1,428	-11	-0.7%
Administrative and Support Services	461	448	-14	-3.0%
Manufacturing	1,014	1,000	-14	-1.4%
Electricity, Gas, Water and Waste Services	91	76	-15	-16.0%
Wholesale Trade	302	286	-16	-5.4%
Financial and Insurance Services	244	224	-20	-8.3%
Total	15,406	15,671	266	1.7%

- Construction made the largest contribution to employment growth in Kapiti Coast District between 2013 and 2014 with the industry adding 107 jobs.
- The next largest contributor was Health Care and Social Assistance (100 jobs) followed by Accommodation and Food Services (42 jobs).
- The largest detractor from growth over the year was Financial and Insurance Services in which employment declined by 20.

The table on the next page shows the 50 industries (out of a total of approximately 500 industries of the ANZSIC 2006 industry classification¹) that created the most number of jobs over the past year. Table 15 shows the 50 detailed industries that made the lowest contribution to job creation over the same period.

- Site Preparation Services was the largest creator of jobs in Kapiti Coast District between 2013 and 2014 generating an additional 34 positions.
- This was followed by Cafes and Restaurants, which added 32 jobs over the same period.
- Other Store-Based Retailing n.e.c. was the largest detractor of jobs in Kapiti Coast District between 2013 and 2014 losing 30 positions.
- This was followed by Water Supply, which lost 23 jobs over the same period.

Table 9: Table 9. The 50 seven-digit industries that created the most jobs between 2013 and 2014

Rank	Industry	Jobs		Change 2013 - 2014	% of total 2014
		2013	2014		
1	Site Preparation Services	180	214	34	1.4%
2	Cafes and Restaurants	639	671	32	4.3%
3	Aged Care Residential Services	628	658	30	4.2%
4	Other Social Assistance Services	260	286	26	1.8%
5	Supermarket and Grocery Stores	679	704	25	4.5%
6	Local Government Administration	232	256	24	1.6%
7	Takeaway Food Services	187	205	17	1.3%
8	Management Advice and Other Consulting Services	346	364	17	2.3%
9	Child Care Services	143	159	16	1.0%
10	Horse and Dog Racing Administration and Track Operation	15	31	16	0.2%
11	Painting and Decorating Services	174	187	13	1.2%
12	Structural Steel Erection Services	6	19	13	0.1%
13	Nursery Production (Outdoors)	31	44	13	0.3%
14	Beer Manufacturing	22	34	12	0.2%
15	Concreting Services	68	79	12	0.5%
16	Other Construction Services n.e.c.	53	64	12	0.4%
17	House Construction	464	475	11	3.0%
18	Other Residential Care Services	197	208	11	1.3%
19	Electricity Distribution	5	15	11	0.1%
20	Sports and Physical Recreation Venues, Grounds and Facilities Operation	39	49	10	0.3%
21	Real Estate Services	243	253	10	1.6%
22	Fertiliser Manufacturing	21	31	10	0.2%
23	Plumbing Services	141	150	9	1.0%
24	Libraries and Archives	43	52	9	0.3%
25	Other Agriculture and Fishing Support Services	30	38	8	0.2%
26	Accommodation	143	152	8	1.0%
27	Hardware and Building Supplies Retailing	217	226	8	1.4%
28	Other Specialised Food Retailing	46	54	8	0.3%
29	Newspaper Publishing	27	35	8	0.2%
30	General Practice Medical Services	197	204	7	1.3%
31	Roofing Services	96	103	7	0.7%
32	Preschool Education	235	241	7	1.5%
33	Primary Education	424	431	6	2.7%
34	Hairdressing and Beauty Services	174	180	6	1.2%
35	Printing	48	54	6	0.3%
36	Road and Bridge Construction	42	48	6	0.3%
37	Accounting Services	154	160	6	1.0%
38	Creative Artists, Musicians, Writers and Performers	49	55	6	0.3%
39	Poultry Farming (Meat)	0	5	5	0.0%
40	Other Personal Services n.e.c.	50	56	5	0.4%
41	Liquor Retailing	21	26	5	0.2%
42	Labour Supply Services	106	111	5	0.7%
43	Advertising Services	15	20	5	0.1%
44	Sport and Camping Equipment Retailing	50	54	5	0.3%
45	Houseware Retailing	3	8	5	0.0%
46	Other Fruit and Tree Nut Growing	30	34	4	0.2%
47	Residential Property Operators	59	63	4	0.4%
48	Other Electrical and Electronic Goods Wholesaling	27	31	4	0.2%
49	Laundry and Dry-Cleaning Services	34	38	4	0.2%
50	Secondary Education	338	342	4	2.2%
	All other industries	7,977	7,700	-277	49.1%
	Total	15,406	15,671	266	100%

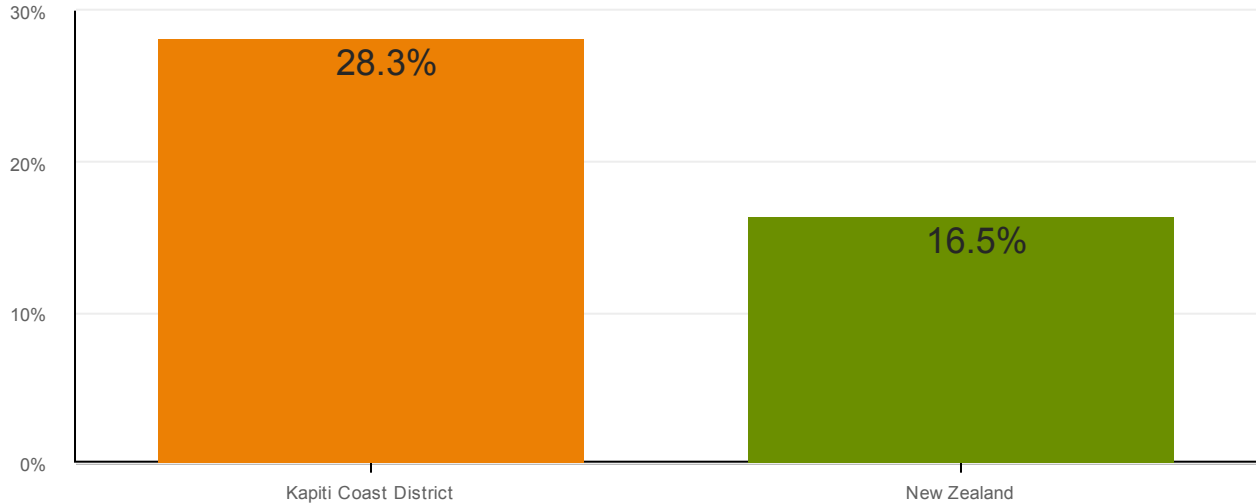
Table 10: Table 9. The 50 seven-digit industries that lost the most jobs between 2013 and 2014

Rank	Industry	Jobs		Change 2013 - 2014	% of total 2014
		2013	2014		
1	Other Store-Based Retailing n.e.c.	131	101	-30	0.6%
2	Water Supply	40	17	-23	0.1%
3	Other Manufacturing n.e.c.	28	8	-20	0.1%
4	Pubs, Taverns and Bars	67	48	-19	0.3%
5	Higher Education	245	232	-13	1.5%
6	Adult, Community and Other Education n.e.c.	68	56	-12	0.4%
7	Other Administrative Services n.e.c.	61	51	-10	0.3%
8	Other Grocery Wholesaling	29	20	-9	0.1%
9	Video and Other Electronic Media Rental	33	25	-8	0.2%
10	Banking	105	97	-8	0.6%
11	General Insurance	16	8	-8	0.1%
12	Architectural Aluminium Product Manufacturing	64	57	-7	0.4%
13	Floor Coverings Retailing	34	28	-6	0.2%
14	Other Automotive Repair and Maintenance	181	176	-6	1.1%
15	Nature Reserves and Conservation Parks Operation	8	2	-6	0.0%
16	Postal Services	88	83	-6	0.5%
17	Police Services	63	58	-6	0.4%
18	Electrical, Electronic and Gas Appliance Retailing	64	59	-5	0.4%
19	Apple and Pear Growing	18	14	-5	0.1%
20	Sheep Farming (Specialised)	8	3	-5	0.0%
21	Timber Wholesaling	6	2	-5	0.0%
22	Machine Tool and Parts Manufacturing	8	4	-5	0.0%
23	Fuel Retailing	87	83	-5	0.5%
24	Employment Placement and Recruitment Services	22	17	-5	0.1%
25	Clothing Manufacturing	47	43	-4	0.3%
26	Rigid and Semi Rigid Polymer Product Manufacturing	16	12	-4	0.1%
27	Garden Supplies Retailing	24	20	-4	0.1%
28	Plastering and Ceiling Services	103	99	-4	0.6%
29	Veterinary Services	67	63	-4	0.4%
30	Logging	11	8	-4	0.0%
31	Other Machinery and Equipment Manufacturing n.e.c.	54	50	-4	0.3%
32	Auxiliary Insurance Services	40	36	-4	0.2%
33	Air and Space Transport	24	21	-4	0.1%
34	Gardening Services	93	89	-4	0.6%
35	Other Goods and Equipment Rental and Hiring n.e.c.	27	24	-3	0.2%
36	Other Professional, Scientific and Technical Services n.e.c.	18	14	-3	0.1%
37	Educational Support Services	46	43	-3	0.3%
38	Travel Agency and Tour Arrangement Services	41	38	-3	0.2%
39	Spring and Wire Product Manufacturing	15	12	-3	0.1%
40	Other Hardware Goods Wholesaling	20	17	-3	0.1%
41	Telecommunication Goods Wholesaling	6	3	-3	0.0%
42	Newspaper and Book Retailing	46	43	-3	0.3%
43	Urban Bus Transport (Including Tramway)	44	41	-3	0.3%
44	Deer Farming	13	11	-3	0.1%
45	Concrete Product Manufacturing	41	38	-3	0.2%
46	Agricultural and Construction Machinery Wholesaling	10	8	-3	0.0%
47	Confectionery Manufacturing	34	32	-3	0.2%
48	Other Heavy and Civil Engineering Construction	49	47	-3	0.3%
49	Watch and Jewellery Retailing	24	21	-3	0.1%
50	Forestry Support Services	4	2	-2	0.0%
	All other industries	13,016	13,594	578	86.7%
	Total	15,406	15,671	266	100%

What proportion of the workforce is self-employed in Kapiti Coast District?

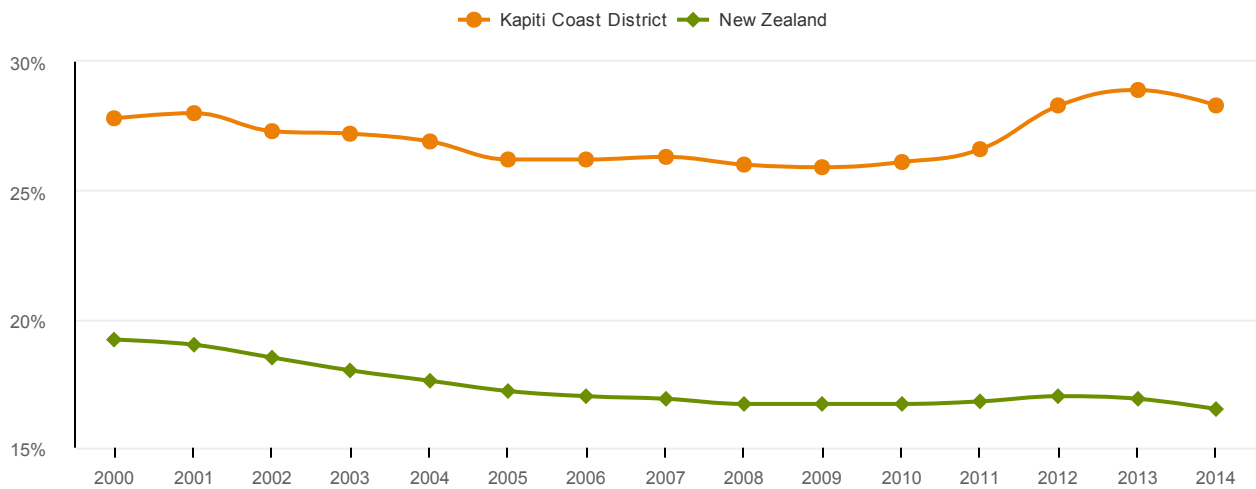
Self-employment makes up a sizeable proportion of total employment in New Zealand although it declined through the economic boom years and stabilised since the recession. This section contrasts self-employment in Kapiti Coast District with the national economy.

Figure 11: Self employment rate, 2014



- Self-employed workers accounted for 28.3% of the workforce in Kapiti Coast District in 2014, which was a higher rate than in the national economy (16.5%)
- A total of 4,434.8 workers were self-employed in Kapiti Coast District in 2014.

Figure 12: Self employment rate



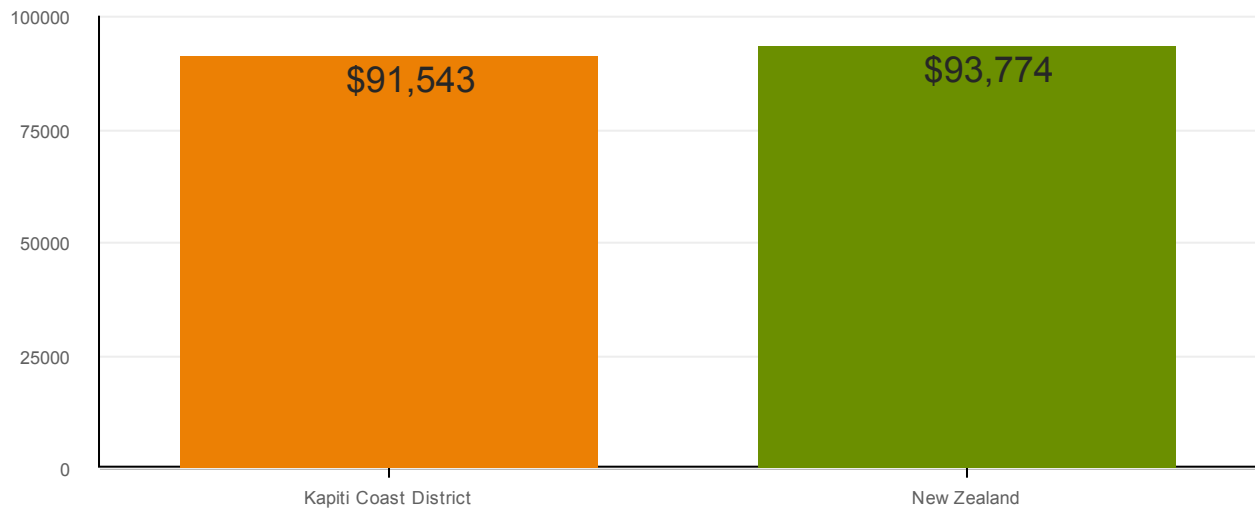
Level	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Kapiti Coast District	28.0%	27.3%	27.2%	26.9%	26.2%	26.2%	26.3%	26.0%	25.9%	26.1%	26.6%	28.3%	28.9%	28.3%
New Zealand	19.0%	18.5%	18.0%	17.6%	17.2%	17.0%	16.9%	16.7%	16.7%	16.7%	16.8%	17.0%	16.9%	16.5%

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.

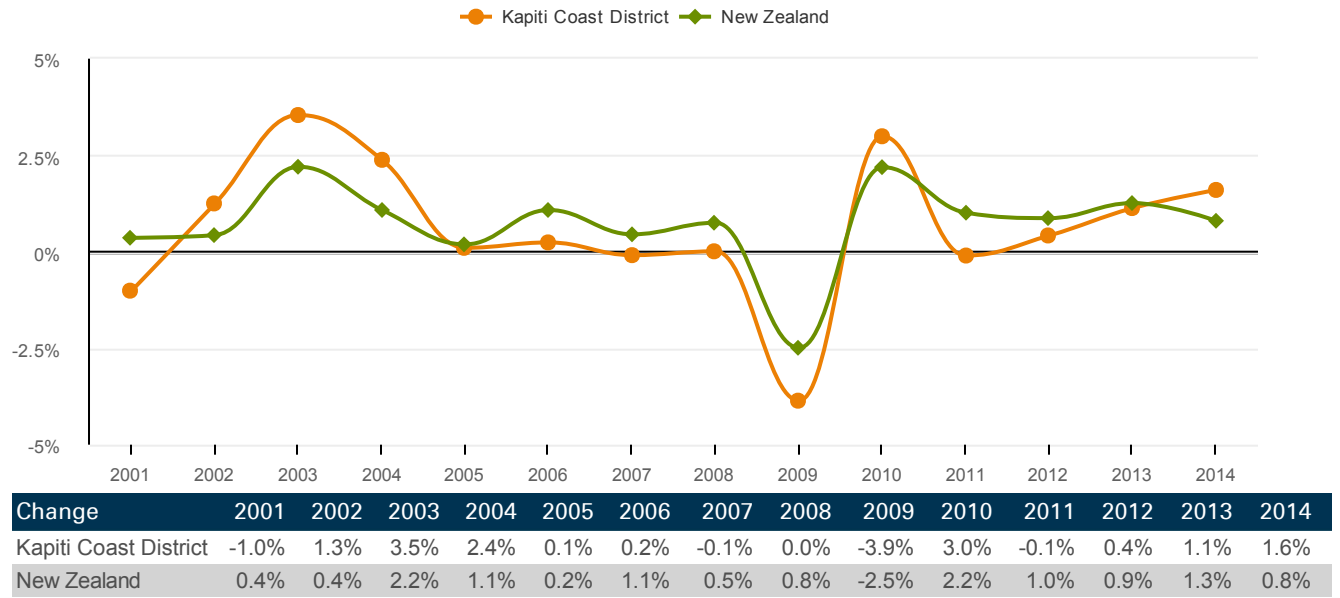
This section describes Kapiti Coast District's productivity level during the year to March 2014 and previous years. Productivity is measured by GDP per employee (in constant 2010 prices).

Figure 13: Productivity 2014



- GDP per employee in Kapiti Coast District measured \$91,543 in the year to March 2014, which was 2.4% lower than in New Zealand.
- Productivity in Kapiti Coast District increased by 1.6% from a year earlier compared with an increase of 0.8% in New Zealand).
- Productivity growth in Kapiti Coast District averaged 0.2%pa over the last ten years compared with an average of 0.6%pa in New Zealand.

Figure 14: Productivity growth



What are the most productive industries in Kapiti Coast District

This section ranks industries according to their level of GDP per employee in Kapiti Coast 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 17 below ranks broad industries by GDP per employee in Kapiti Coast 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: 1-digit industries ranked by productivity (2014)

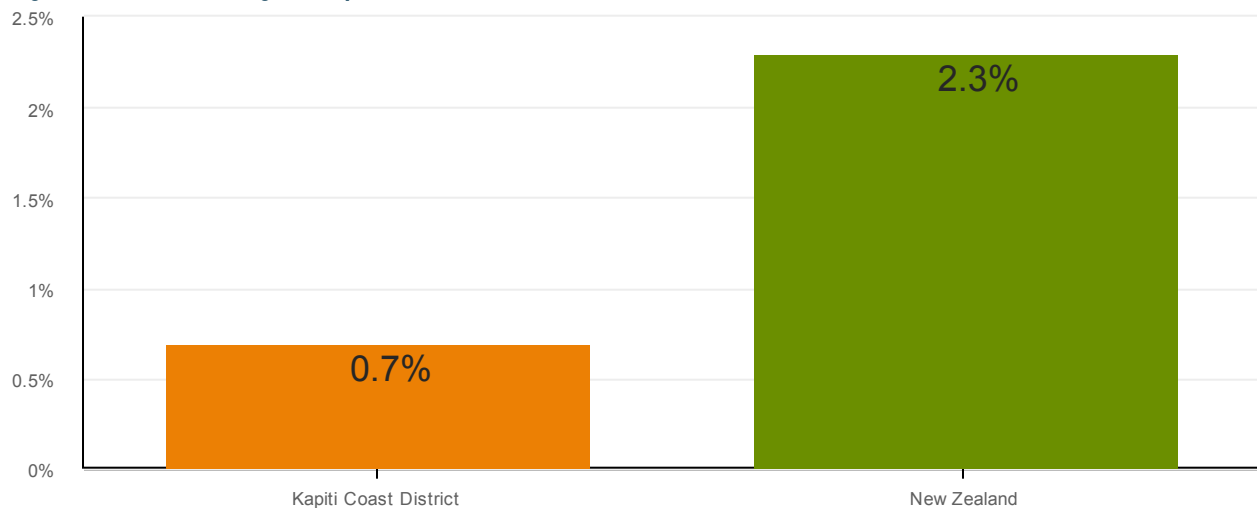
Industry	Productivity		Capital intensity
	Kapiti Coast District	New Zealand	New Zealand
Electricity, Gas, Water and Waste Services	367,539	433,905	0.81
Rental, Hiring and Real Estate Services	300,601	258,555	0.83
Financial and Insurance Services	222,135	194,145	0.47
Mining	166,565	564,928	0.84
Information Media and Telecommunications	156,228	153,100	0.58
Manufacturing	147,617	105,542	0.36
Wholesale Trade	105,422	94,766	0.38
Arts and Recreation Services	98,321	71,580	0.44
Transport, Postal and Warehousing	89,451	95,557	0.41
Public Administration and Safety	88,711	84,570	0.15
Professional, Scientific and Technical Services	83,212	73,377	0.18
Agriculture, Forestry and Fishing	78,595	84,656	0.59
Other Services	68,507	48,484	0.23
Health Care and Social Assistance	65,200	58,197	0.12
Construction	59,264	70,781	0.22
Education and Training	51,632	52,488	0.18
Administrative and Support Services	47,706	41,287	0.15
Retail Trade	42,589	45,361	0.27
Accommodation and Food Services	32,194	31,606	0.31
Total	91,543	93,774	

BUSINESS GROWTH

How fast did the number of business units grow in Kapiti Coast District?

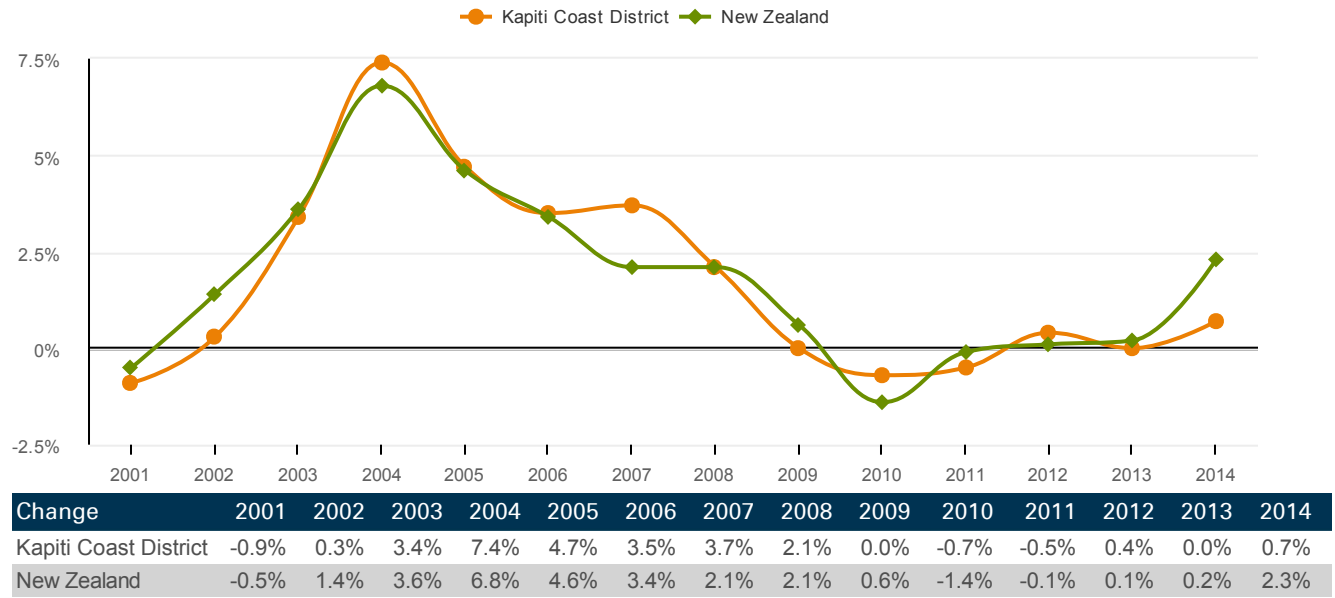
Growth in the number of business units is an indicator of entrepreneurial activity. It indicates an environment in which entrepreneurs are prepared to take risks to start new ventures. This section contrasts Kapiti Coast District's recent performance in business unit growth with other regions in the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

Figure 15: Business unit growth (year to Mar 2014)



- A total of 4,880 business units were recorded in Kapiti Coast District in 2014, up 0.7% from a year earlier.
- The number of business units in New Zealand increased by 2.3% over the same period.
- Growth in the number of business units in Kapiti Coast District averaged 1.4%pa over the past 10 years compared with 1.4%pa in the national economy.
- Business unit growth in Kapiti Coast District varied from a high of 7.4% in 2004 to a low of -0.9% in 2001.

Figure 16: Annual average business unit growth

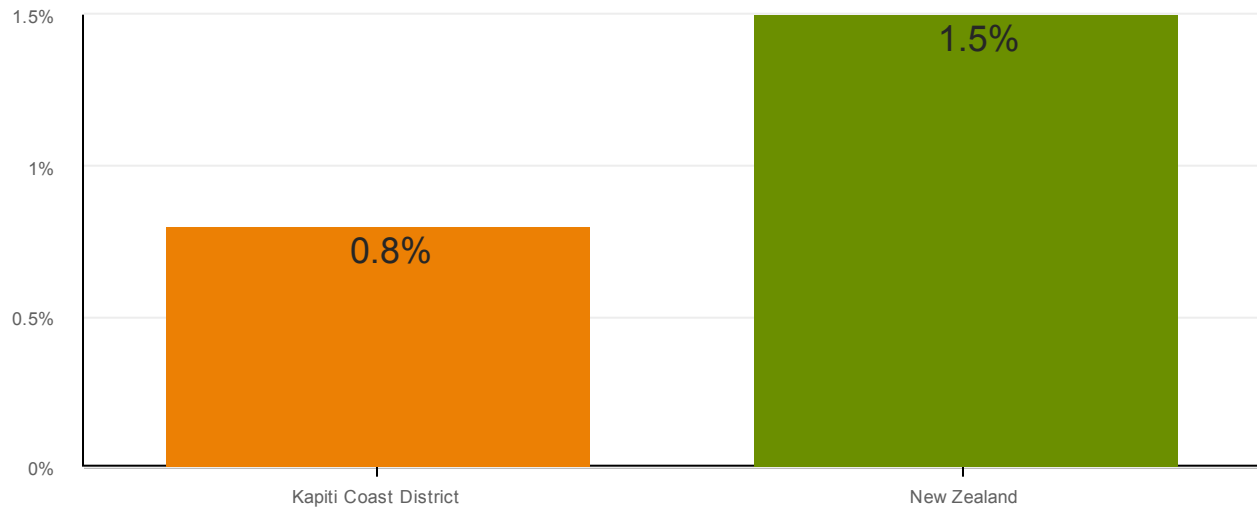


POPULATION GROWTH

How fast has Kapiti Coast 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 Kapiti Coast District's recent population growth with other districts and the country as a whole.

Figure 17: Population growth (year to Mar 2014)



- Kapiti Coast District's population was 51,100 in 2014, up 0.8% from a year earlier. New Zealand's total population grew by 1.5% over the same period.
- Population growth in Kapiti Coast District averaged 1.1%pa over the last 10 years compared with 1.0%pa in New Zealand.
- Since 2000 growth in Kapiti Coast District reached a high of 2.1%pa in 2001 and a low of 0.4%pa in 2012.

Figure 18: Annual population growth

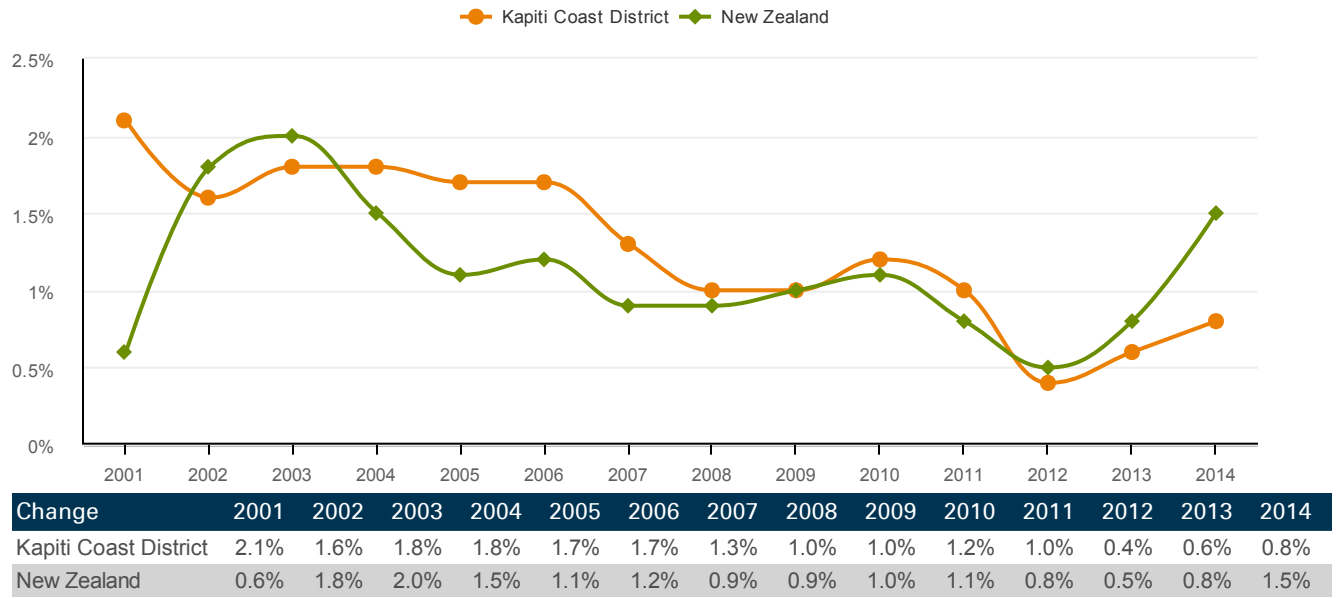
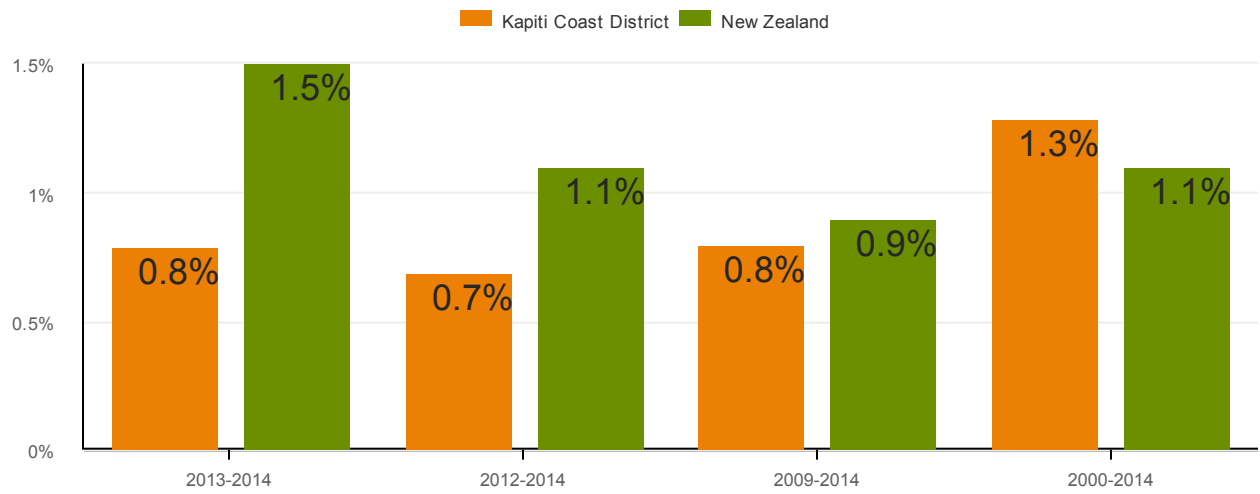


Figure 19: Population growth last 1,2,5 and 10 years

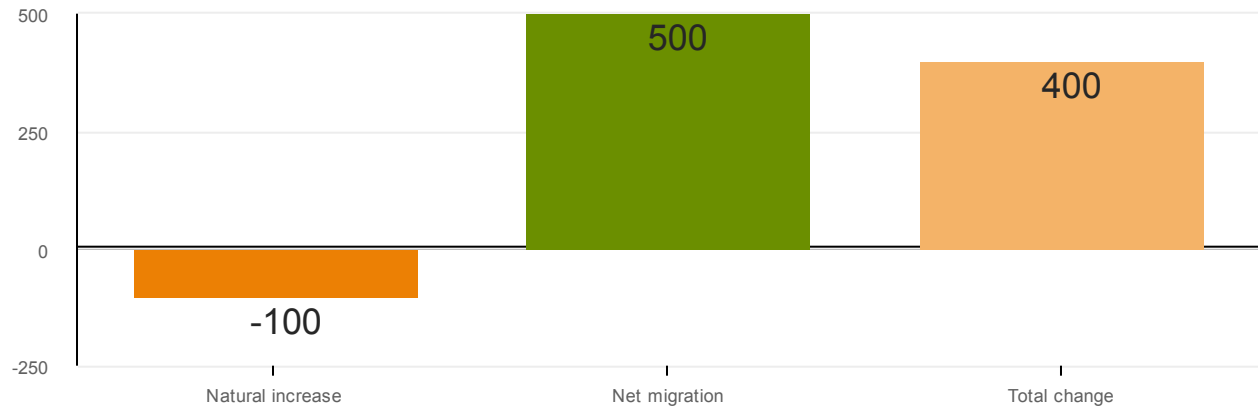


What is the source of Kapiti Coast District's population growth?

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 Kapiti Coast District.

- Kapiti Coast District's population increased by 400 people in the year to June 2014. This net increase was made up of net migration of 500 and natural decrease of -100.

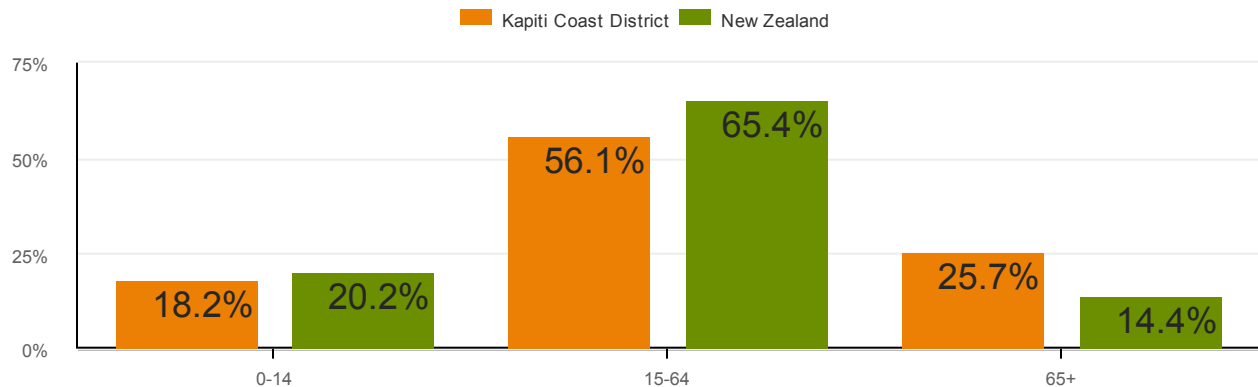
Figure 20: Source of population growth (year to June 2014)



What is the age structure of Kapiti Coast District's population?

- In 2014, 56.1% of Kapiti Coast District's population was of working age (15-64). This was significantly lower than the proportion of the national population (65.4%).
- Kapiti Coast District had a slightly lower proportion (18.2%) of young people (0-14) than the country as a whole (20.2%) and a significantly higher proportion (25.7%) of people 65 years and older compared with New Zealand (14.4%).
- Overall the dependency ratio in Kapiti Coast District (78.1%) was higher than in the national economy (53.0%). 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 2014)



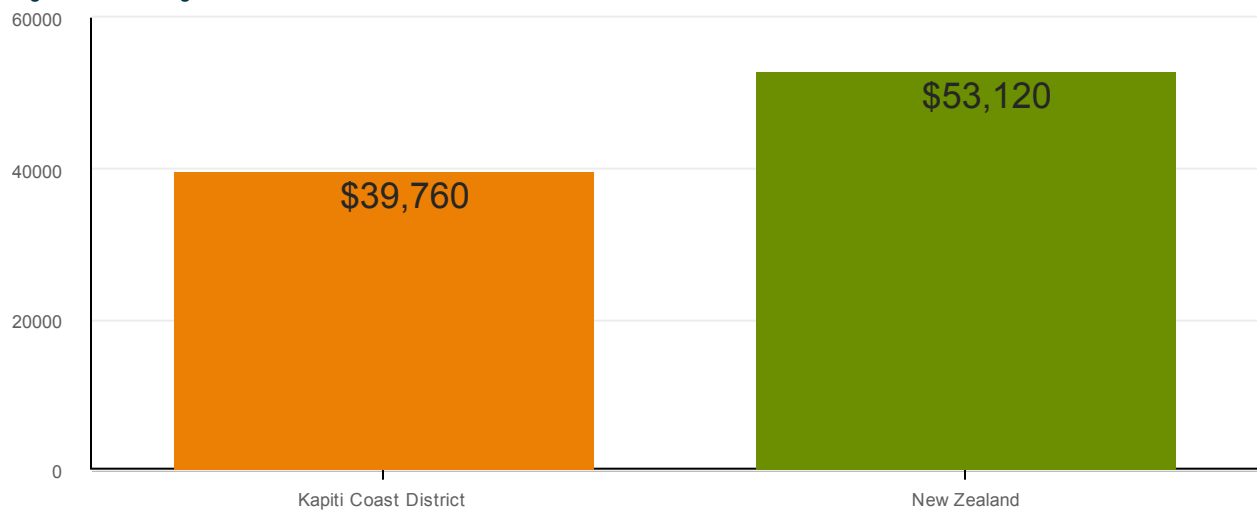
STANDARD OF LIVING

This section describes a few indicators of economic standard of living. It investigates average earnings, house prices and housing affordability. Note that due to data constraints earnings data are provided for the year to March 2013.

What are the mean earnings in Kapiti Coast District?

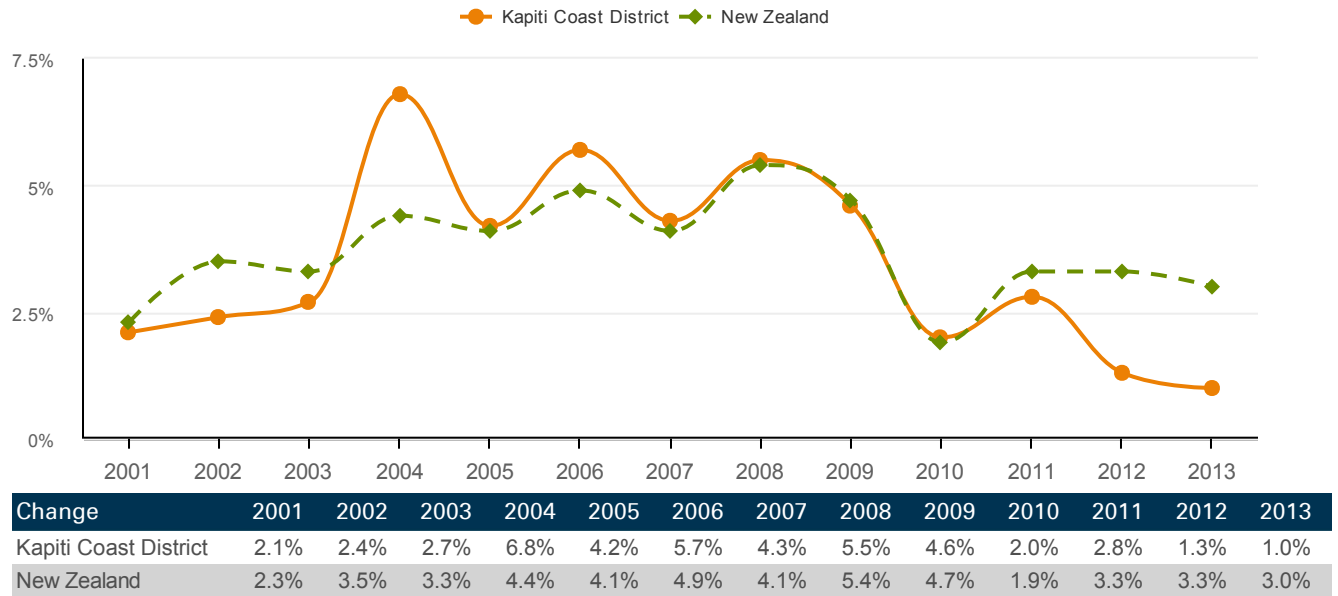
Income earned in the labour market is an important source of household income. This section contrasts Kapiti Coast District's mean annual earnings with the country as a whole.

Figure 22: Earnings, 2013



- Mean annual earnings in Kapiti Coast District was \$39,760 in the year to March 2013, which was lower than the New Zealand mean of \$53,120.
- Mean earnings in Kapiti Coast District increased by 1.0% over the year to March 2013 compared with an increase of 3.0% in New Zealand.
- Over the last ten years earnings growth in Kapiti Coast District reached a maximum of 6.8% in 2004 and a minimum of 1.0% in 2013.

Figure 23: Annual earnings growth

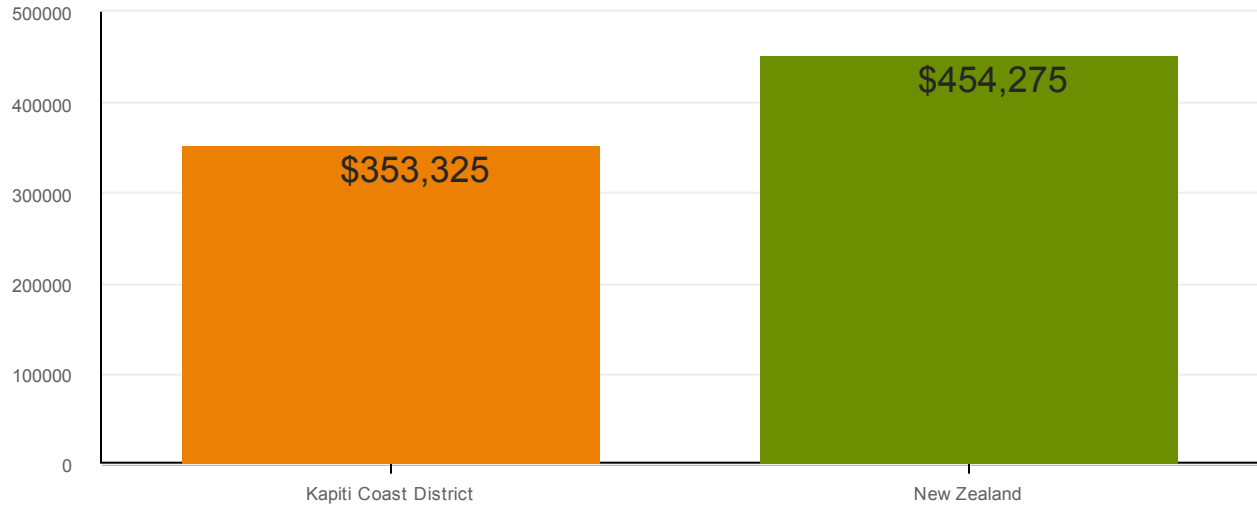


- Mean annual earnings in Kapiti Coast District was \$39,760 in the year to March 2013, which was lower than the New Zealand mean of \$53,120.
- Mean earnings in Kapiti Coast District increased by 1.0% over the year to March 2013 compared with an increase of 3.0% in New Zealand.
- Over the last ten years earnings growth in Kapiti Coast District reached a maximum of 6.8% in 2004 and a minimum of 1.0% in 2013.

How do house prices in Kapiti Coast District compare?

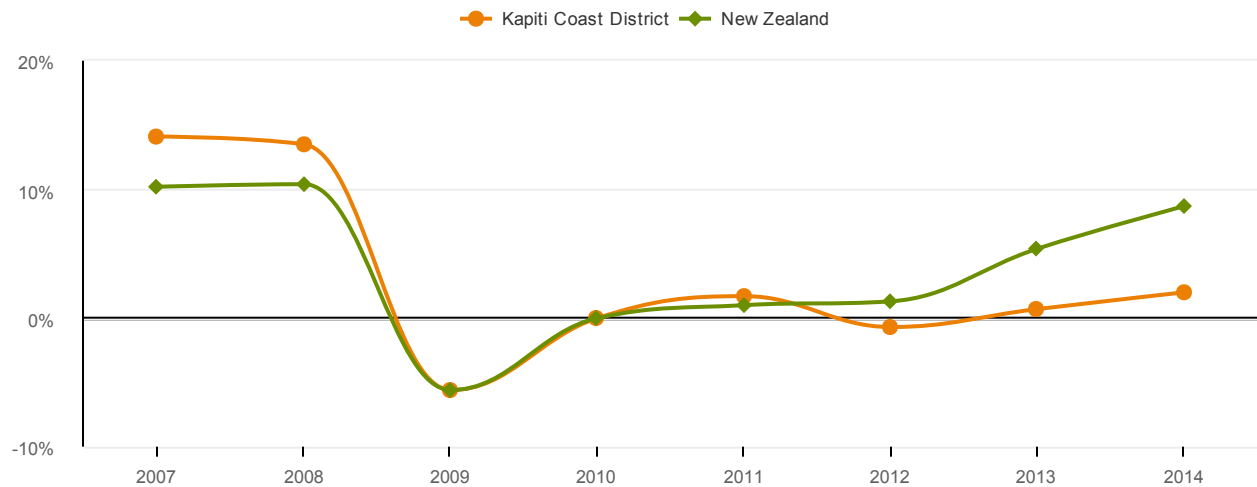
The cost of housing is a major component of household spending. This section describes the cost of housing in Kapiti Coast District relative to the rest of the country.

Figure 24: Median house price, 2014



- The median house price in Kapiti Coast District was \$353,325 in 2014, which was lower than the New Zealand median of \$454,275.
- House price growth in Kapiti Coast District was 2.0% for the year to March 2014. Growth was weaker than in New Zealand (8.7%).

Figure 25: Annual median house price growth

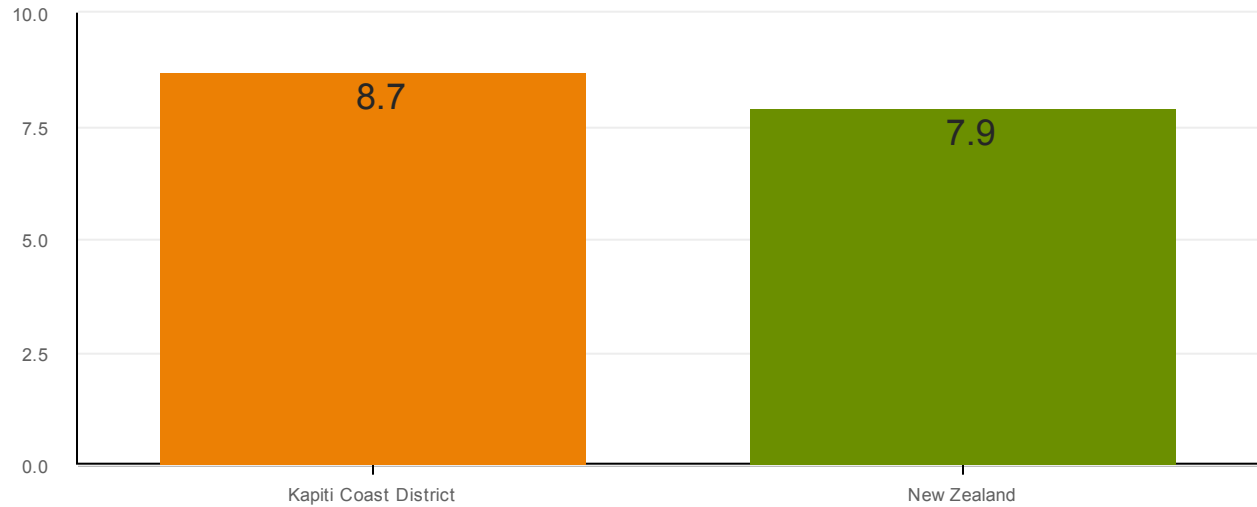


Change	2007	2008	2009	2010	2011	2012	2013	2014
Kapiti Coast District	14.1%	13.5%	-5.6%	0.0%	1.7%	-0.7%	0.7%	2.0%
New Zealand	10.2%	10.4%	-5.6%	0.0%	1.0%	1.3%	5.4%	8.7%

How affordable is housing in Kapiti Coast District?

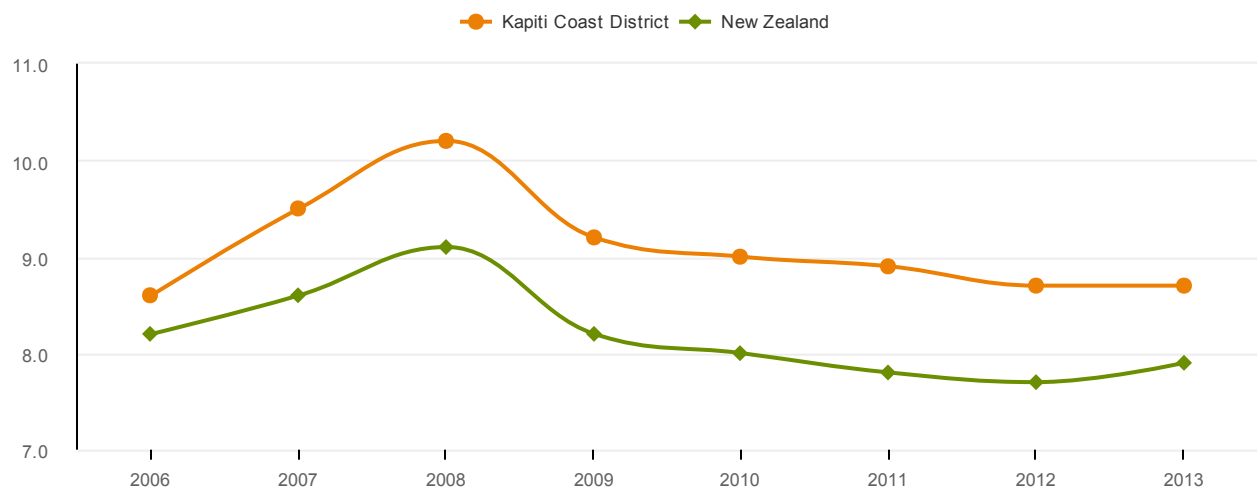
This section investigates the affordability of housing by comparing median house prices with average earnings. We have estimated a housing affordability index which is the ratio of the median house price to annual average earnings measured in the Linked Employer Employee Data. A higher ratio therefore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

Figure 26: Housing affordability index 2013



- The housing affordability index in Kapiti Coast District was 8.7 in the year to March 2013, which was higher than New Zealand's index of 7.9. This means that housing is less affordable in Kapiti Coast District than in New Zealand.

Figure 27: Housing affordability



Level	2007	2008	2009	2010	2011	2012	2013
Kapiti Coast District	9.5	10.2	9.2	9.0	8.9	8.7	8.7
New Zealand	8.6	9.1	8.2	8.0	7.8	7.7	7.9

WORKFORCE AND SKILLS

How do skill levels in Kapiti Coast District compare with New Zealand?

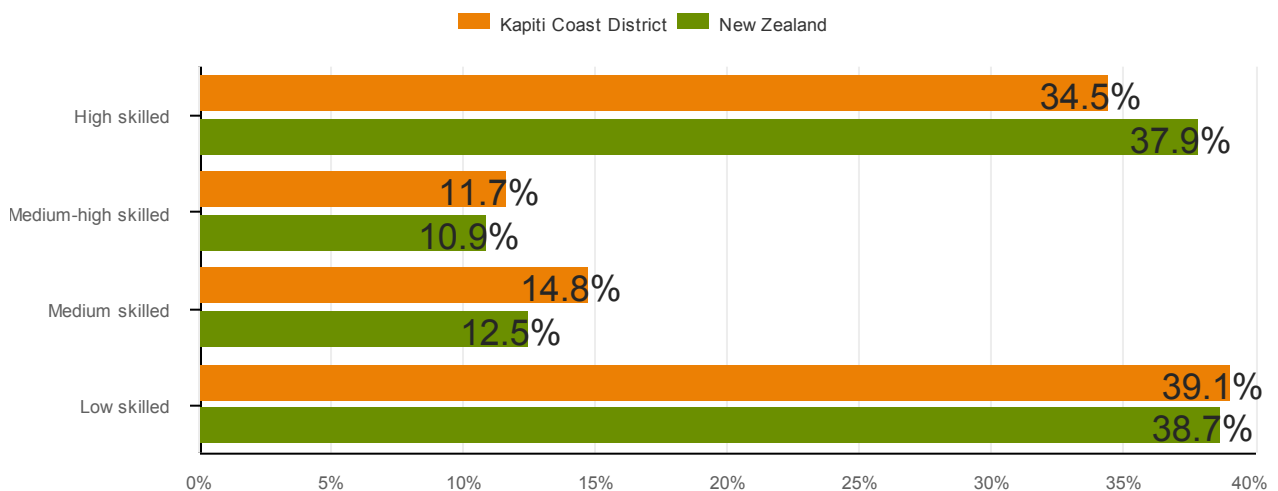
A region that can offer high skilled jobs can generally offer a higher standard of living to its residents. It is also has a better chance of retaining its residents and attracting new skills. This section contrasts the skill levels required by jobs in Kapiti Coast District with those required in the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

Table 12: Employment by broad skill level 2014

Skill level	Kapiti Coast District		New Zealand	
	Jobs	% of total	Jobs	% of total
High skilled	5,400	34.5%	845,120	37.9%
Medium-high skilled	1,828	11.7%	243,212	10.9%
Medium skilled	2,323	14.8%	279,414	12.5%
Low skilled	6,121	39.1%	861,933	38.7%
Total	15,671	100%	2,229,679	100%

- Approximately 34% of Kapiti Coast District's workforce was employed in highly skilled occupations in 2014. This is lower than in New Zealand (38%).
- Approximately 39% of Kapiti Coast District's workforce was employed in low-skilled occupations in 2014. This is higher than in New Zealand 39%.

Figure 28: Employment by broad skill level, 2014



What is the occupational structure of employment in Kapiti Coast District?

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

- Professionals accounted for the largest share of employment (22%) in Kapiti Coast District, which is lower than New Zealand (23%).
- Managers accounted for the second largest share of employment (17%) in Kapiti Coast District, which is lower than New Zealand (19%).
- Machinery operators and drivers accounted for the lowest share of employment (4%) in Kapiti Coast District, which is lower than New Zealand (6%).

Figure 29: Employment by broad occupation, 2014

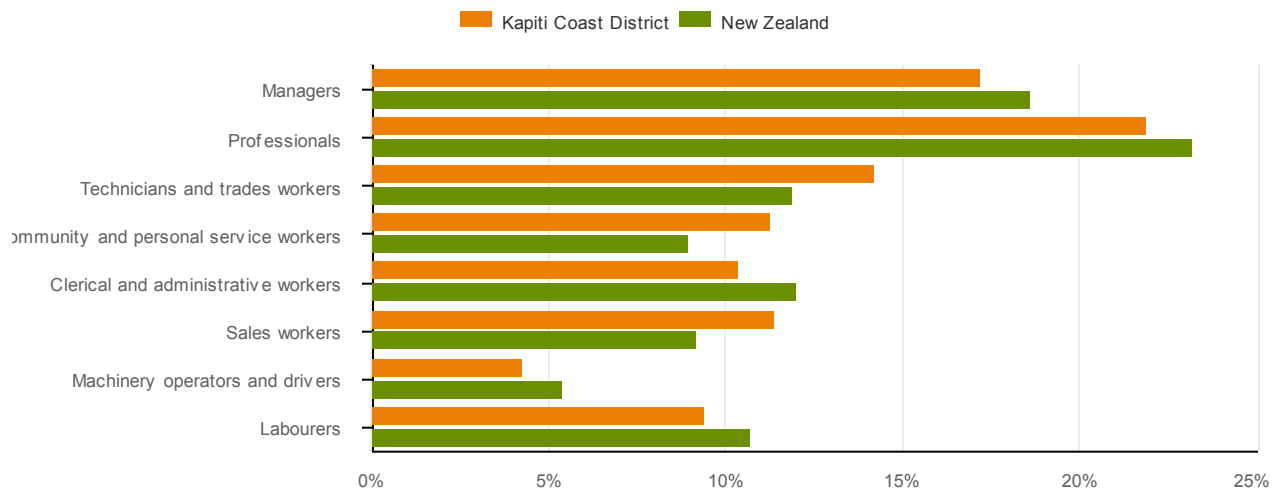


Table 13: Employment by 2-digit occupation (2014)

Occupation	Kapiti Coast District		New Zealand	
	Employment	% of total	Employment	% of total
Chief Execs, General Managers, Legislators	568	3.6%	83,804	3.8%
Farmers & Farm Managers	207	1.3%	65,015	2.9%
Specialist Managers	1,215	7.8%	184,692	8.3%
Hospitality, Retail & Service Managers	704	4.5%	81,231	3.6%
Arts & Media Professionals	173	1.1%	20,365	0.9%
Business, HR & Marketing Professionals	628	4.0%	111,447	5.0%
Design, Engineering, Science Professionals	391	2.5%	69,536	3.1%
Education Professionals	1,108	7.1%	131,485	5.9%
Health Professionals	506	3.2%	87,624	3.9%
ICT Professionals	323	2.1%	48,035	2.2%
Legal, Social & Welfare Professionals	303	1.9%	48,167	2.2%
Engineering, ICT & Science Technicians	234	1.5%	41,268	1.9%
Automotive & Engineering Trades Workers	320	2.0%	56,306	2.5%
Construction Trades Workers	657	4.2%	49,115	2.2%
Electrotech & Telecoms Trades Workers	200	1.3%	26,042	1.2%
Food Trades Workers	329	2.1%	34,904	1.6%
Skilled Animal & Horticultural Workers	213	1.4%	22,773	1.0%
Other Technicians & Trades Workers	276	1.8%	34,145	1.5%
Health & Welfare Support Workers	201	1.3%	21,452	1.0%
Carers & Aides	797	5.1%	73,375	3.3%
Hospitality Workers	374	2.4%	42,256	1.9%
Protective Service Workers	118	0.8%	30,066	1.3%
Sports & Personal Service Workers	279	1.8%	33,796	1.5%
Office Managers & Program Administrators	420	2.7%	61,535	2.8%
Personal Assistants & Secretaries	128	0.8%	21,042	0.9%
General Clerical Workers	310	2.0%	51,182	2.3%
Inquiry Clerks & Receptionists	247	1.6%	34,411	1.5%
Numerical Clerks	234	1.5%	43,637	2.0%
Clerical & Office Support Workers	102	0.7%	18,096	0.8%
Other Clerical & Administrative Workers	184	1.2%	37,904	1.7%
Sales Representatives & Agents	465	3.0%	67,801	3.0%
Sales Assistants & Salespersons	1,071	6.8%	112,141	5.0%
Sales Support Workers	251	1.6%	25,699	1.2%
Machine & Stationary Plant Operators	171	1.1%	31,609	1.4%
Mobile Plant Operators	121	0.8%	19,941	0.9%
Road & Rail Drivers	286	1.8%	48,167	2.2%
Storepersons	91	0.6%	20,589	0.9%
Cleaners & Laundry Workers	295	1.9%	46,964	2.1%
Construction & Mining Labourers	202	1.3%	20,574	0.9%
Factory Process Workers	189	1.2%	43,698	2.0%
Farm, Forestry & Garden Workers	222	1.4%	50,169	2.3%
Food Preparation Assistants	178	1.1%	17,053	0.8%
Other Labourers	381	2.4%	60,570	2.7%
Total employment	15,671	100%	2,229,679	100%

Employment in knowledge intensive industries in Kapiti Coast District

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

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

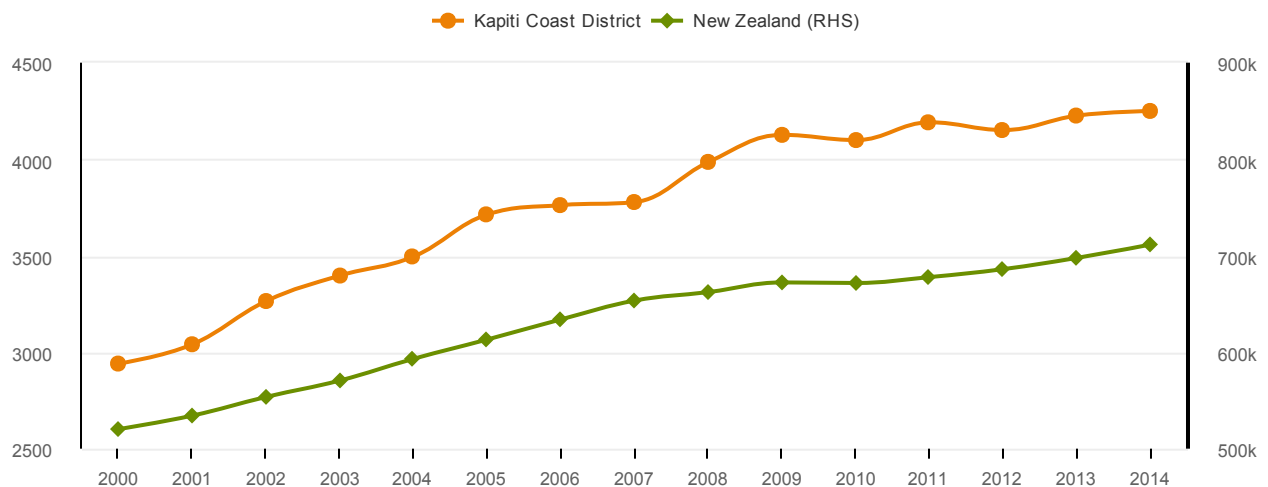
This section describes employment in knowledge intensive industries in Kapiti Coast District.

Table 14: Employment in knowledge intensive industries (2014)

	Employment in KI industries 2014	KI employment as share of total employment 2014	Annual growth in KI employment 2014	Annual average growth in KI employment 2004-2014
Kapiti Coast District	4,251	27%	0.6%	2.0%
New Zealand	711,655	32%	2.0%	1.8%

- During 2014, there were 4,251 jobs in Kapiti Coast District's knowledge intensive industries. At 27% of total employment, this was lower than in New Zealand (32%).
- During the year March 2014, growth in employment in knowledge intensive industries was 0.6%, compared with a change of 2.0% in New Zealand.

Figure 30: Employment in knowledge intensive industries



What are the top knowledge intensive industries in Kapiti Coast District?

Table 15: Top 30 knowledge intensive industries in Kapiti Coast District, 2014

Rank	Industry	Kapiti Coast District		New Zealand	
		Employment	% of total employment	Employment	% of total employment
1	Primary Education	431	2.7%	48,342	2.2%
2	Computer Systems Design and Related Services	386	2.5%	35,807	1.6%
3	Management Advice and Other Consulting Services	364	2.3%	34,300	1.5%
4	Secondary Education	342	2.2%	35,749	1.6%
5	Local Government Administration	256	1.6%	21,358	1.0%
6	Other Allied Health Services	249	1.6%	30,252	1.4%
7	Higher Education	232	1.5%	33,716	1.5%
8	General Practice Medical Services	204	1.3%	14,685	0.7%
9	Accounting Services	160	1.0%	22,650	1.0%
10	Pharmaceutical, Cosmetic and Toiletry Goods Retailing	106	0.7%	10,211	0.5%
11	Engineering Design and Engineering Consulting Services	102	0.6%	22,610	1.0%
12	Legal Services	95	0.6%	17,355	0.8%
13	Motion Picture and Video Production	86	0.6%	5,218	0.2%
14	Central Government Administration	67	0.4%	29,641	1.3%
15	Dental Services	66	0.4%	6,751	0.3%
16	Veterinary Services	63	0.4%	5,269	0.2%
17	Architectural Services	61	0.4%	7,418	0.3%
18	Other Interest Group Services n.e.c.	60	0.4%	11,389	0.5%
19	Adult, Community and Other Education n.e.c.	56	0.4%	11,623	0.5%
20	Creative Artists, Musicians, Writers and Performers	55	0.3%	3,252	0.1%
21	Other Auxiliary Finance and Investment Services	54	0.3%	8,615	0.4%
22	Libraries and Archives	52	0.3%	3,834	0.2%
23	Religious Services	52	0.3%	9,220	0.4%
24	Other Administrative Services n.e.c.	51	0.3%	13,078	0.6%
25	Hospitals (except Psychiatric Hospitals)	47	0.3%	65,527	2.9%
26	Educational Support Services	43	0.3%	2,626	0.1%
27	Physiotherapy Services	32	0.2%	3,008	0.1%
28	Combined Primary and Secondary Education	25	0.2%	5,153	0.2%
29	Radio Broadcasting	25	0.2%	2,549	0.1%
30	Optometry and Optical Dispensing	24	0.2%	2,144	0.10%

Which qualifications are in demand in Kapiti Coast District?

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

Table 16: Employment by level of qualification and field of study in Kapiti Coast District

Field of study	Certificate (level 1-3)	Certificate (level 4)	Diploma (level 5-6)	Degree (level 7+)	Total
Number					
Natural and Physical Sciences	248	47	89	293	677
Information Technology	234	24	62	220	540
Engineering and Related Technologies	962	677	219	648	2,505
Architecture and Building	351	570	93	465	1,479
Agriculture, Environmental and Related Studies	268	102	38	156	565
Health	548	85	181	633	1,446
Education	330	53	77	830	1,291
Management and Commerce	1,312	251	445	929	2,938
Society and Culture	921	167	276	812	2,175
Creative Arts	442	94	102	322	959
Food, Hospitality and Personal Services	492	253	247	63	1,055
Totals	6,109	2,323	1,828	5,371	15,631
% of total					
Natural and Physical Sciences	1.6%	0.3%	0.6%	1.9%	4.3%
Information Technology	1.5%	0.2%	0.4%	1.4%	3.5%
Engineering and Related Technologies	6.2%	4.3%	1.4%	4.1%	16.0%
Architecture and Building	2.2%	3.6%	0.6%	3.0%	9.5%
Agriculture, Environmental and Related Studies	1.7%	0.7%	0.2%	1.0%	3.6%
Health	3.5%	0.5%	1.2%	4.0%	9.3%
Education	2.1%	0.3%	0.5%	5.3%	8.3%
Management and Commerce	8.4%	1.6%	2.8%	5.9%	18.8%
Society and Culture	5.9%	1.1%	1.8%	5.2%	13.9%
Creative Arts	2.8%	0.6%	0.7%	2.1%	6.1%
Food, Hospitality and Personal Services	3.2%	1.6%	1.6%	0.4%	6.8%
Totals	39.1%	14.9%	11.7%	34.4%	100%

- The greatest demand in Kapiti Coast District in 2014 was for qualifications at the level of Certificate (level 1-3). Approximately 39% of all positions in Kapiti Coast District required this level of qualification.
- By field of study, the highest demand was for Management and Commerce. Approximately 19% of all positions in Kapiti Coast District required this field of study.

Table 17: Change in employment by level of qualification and field of study in Kapiti Coast District 2004 - 2014

Field of study	Certificate (level 1-3)	Certificate (level 4)	Diploma (level 5-6)	Degree (level 7+)	Total
Absolute change					
Natural and Physical Sciences	13	2	15	61	91
Information Technology	15	0	15	92	122
Engineering and Related Technologies	48	18	42	143	251
Architecture and Building	42	25	23	47	137
Agriculture, Environmental and Related Studies	-10	-1	9	-4	-7
Health	71	14	67	230	382
Education	35	4	25	195	259
Management and Commerce	64	-24	128	202	370
Society and Culture	111	11	86	145	353
Creative Arts	36	0	27	77	140
Food, Hospitality and Personal Services	61	51	85	11	207
Totals	486	102	522	1,198	2,307
annual average % change					
Natural and Physical Sciences	0.5%	0.5%	1.8%	2.4%	1.5%
Information Technology	0.7%	0.0%	2.7%	5.6%	2.6%
Engineering and Related Technologies	0.5%	0.3%	2.1%	2.5%	1.1%
Architecture and Building	1.3%	0.4%	2.9%	1.1%	1.0%
Agriculture, Environmental and Related Studies	-0.4%	-0.1%	2.7%	-0.3%	-0.1%
Health	1.4%	1.8%	4.8%	4.6%	3.1%
Education	1.1%	0.8%	4.1%	2.7%	2.3%
Management and Commerce	0.5%	-0.9%	3.5%	2.5%	1.4%
Society and Culture	1.3%	0.7%	3.8%	2.0%	1.8%
Creative Arts	0.8%	0.0%	3.2%	2.8%	1.6%
Food, Hospitality and Personal Services	1.3%	2.3%	4.3%	1.8%	2.2%
Totals	0.8%	0.4%	3.4%	2.6%	100%

- The number of positions in Kapiti Coast District requiring a Degree (level 7+) increased by 1,198 between 2004 and 2014, ranking it as the qualification level with the largest absolute increase in demand.
- By field of study, Health experienced the highest increase in demand between 2004 and 2014. The number of positions requiring this field of study increased by 382 over the 10 year period.

PERFORMANCE OF KEY INDUSTRIES

How well has the building and construction industry performed?

The section describes the performance of the first key industry in Kapiti Coast District: building and construction. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

A definition of the building and construction industry is provided at the end of this report.

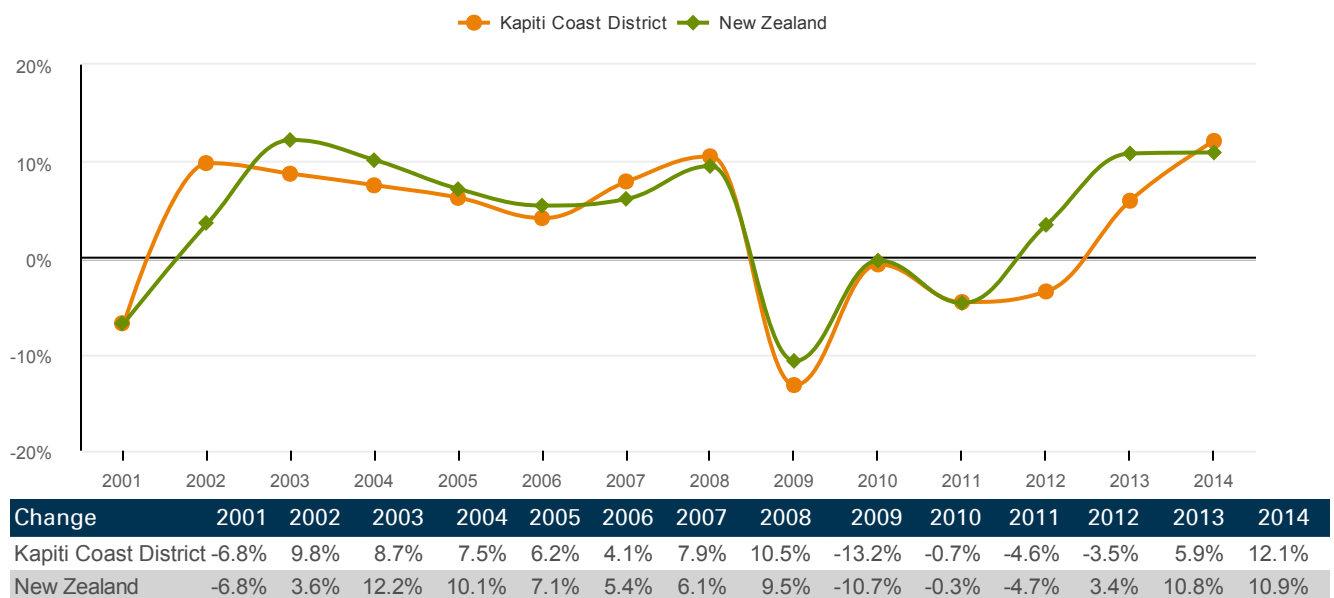
Table 18: Economic indicators for the building and construction industry

Indicator	2014	Industry share of regional economy	Regional share of national industry	Growth 2013 - 2014	
				Kapiti Coast District	New Zealand
GDP	\$128m	8.9%	1.0%	12%	11%
Employment	2,154	14%	1.2%	5.2%	4.4%
Business units	751	15%	1.4%	-0.9%	2.7%

Economic output

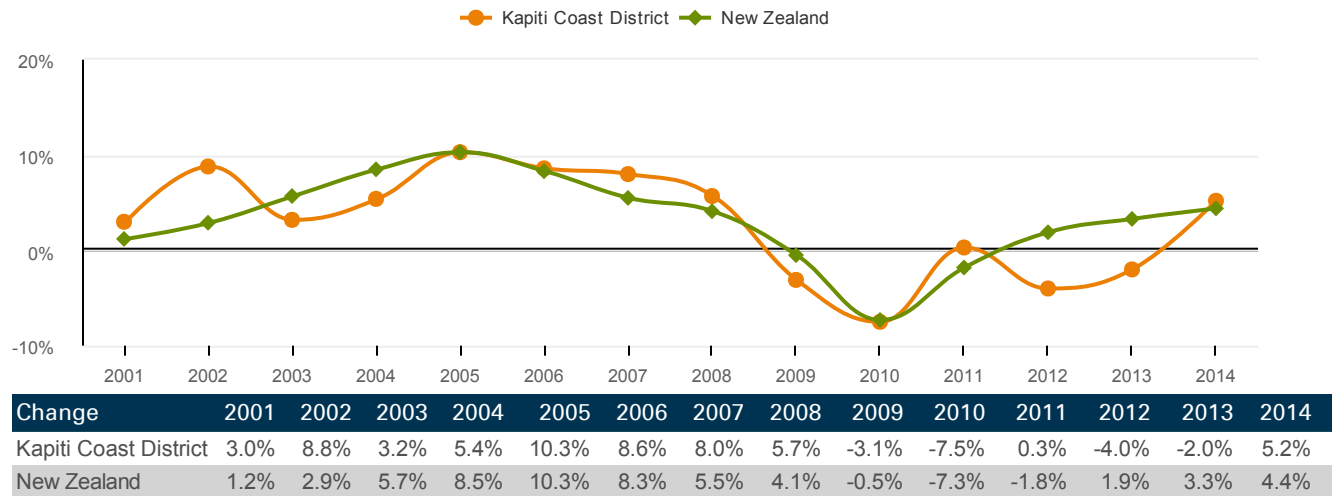
- The Building and construction industry contributed \$128m towards GDP in Kapiti Coast District in the year to March 2014. This amounted to 8.9% of Kapiti Coast District's total economic output in 2014, up from 8.6% in ten years prior.
- Economic output in Kapiti Coast District's Building and construction industry grew by 12% in the year to March 2014 compared with growth of 11% in the industry nationally.
- Growth in the Building and construction industry in Kapiti Coast District has averaged 2.9% since 2000. Growth peaked at 12% in 2014.

Figure 31: Output growth in the building and construction industry



Employment

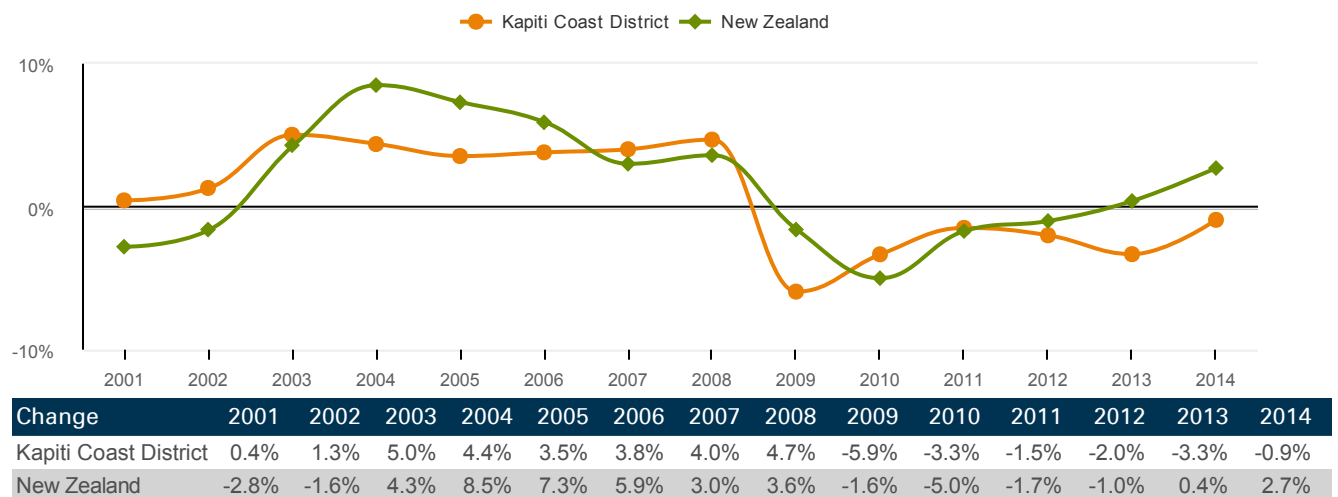
Figure 32: Employment growth in the building and construction industry



- The Building and construction industry employed 128 persons in Kapiti Coast District in the year to March 2014 which was up from 103 in ten years prior.
- Employment growth in Kapiti Coast District's Building and construction industry averaged 12% in the year to March 2014, compared with growth of 11% in the industry nationally.
- Employment growth in the Building and construction industry in Kapiti Coast District has averaged 2.9% since 2000. Growth peaked at 12% in 2014.

Business units

Figure 33: Growth in business units in the building and construction industry



How well has the retail and hospitality services industry performed?

The section describes the performance of the first key industry in Kapiti Coast District: retail and hospitality services. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

A definition of the retail and hospitality services industry is provided at the end of this report.

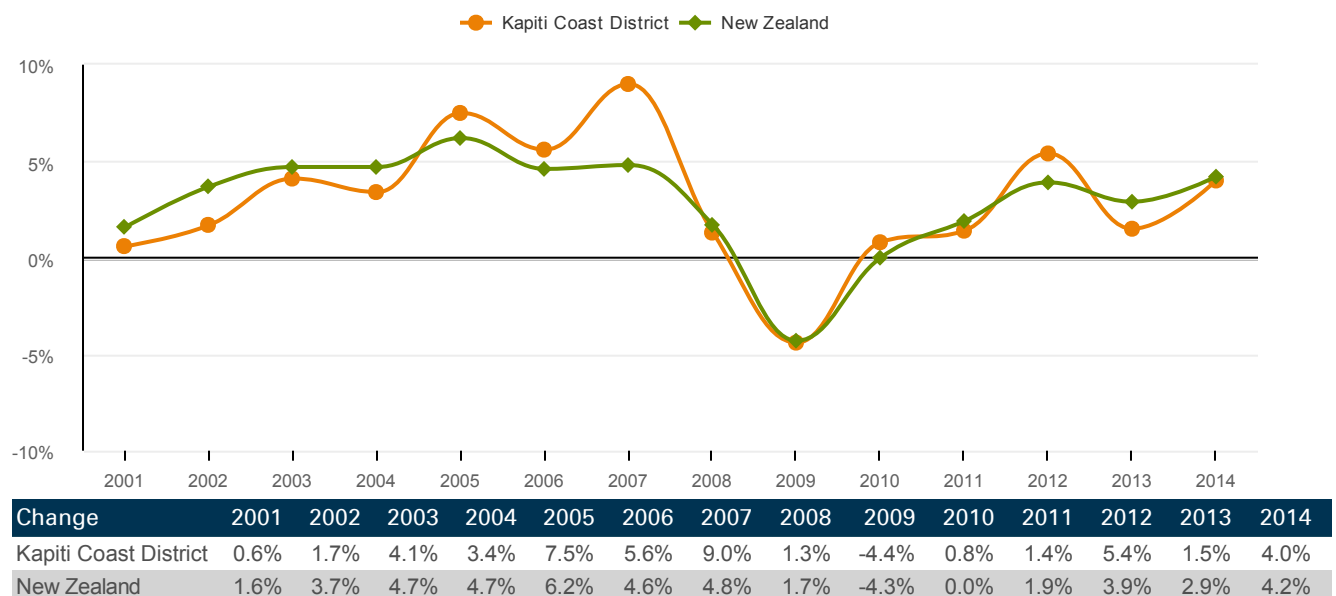
Table 19: Economic indicators for the retail and hospitality services industry

Indicator	2014	Industry share of regional economy	Regional share of national industry	Growth 2013 - 2014	
				Kapiti Coast District	New Zealand
GDP	\$136m	9.5%	1.0%	4.0%	4.2%
Employment	3,507	22%	1.0%	1.1%	0.8%
Business units	541	11%	1.0%	2.9%	1.4%

Economic output

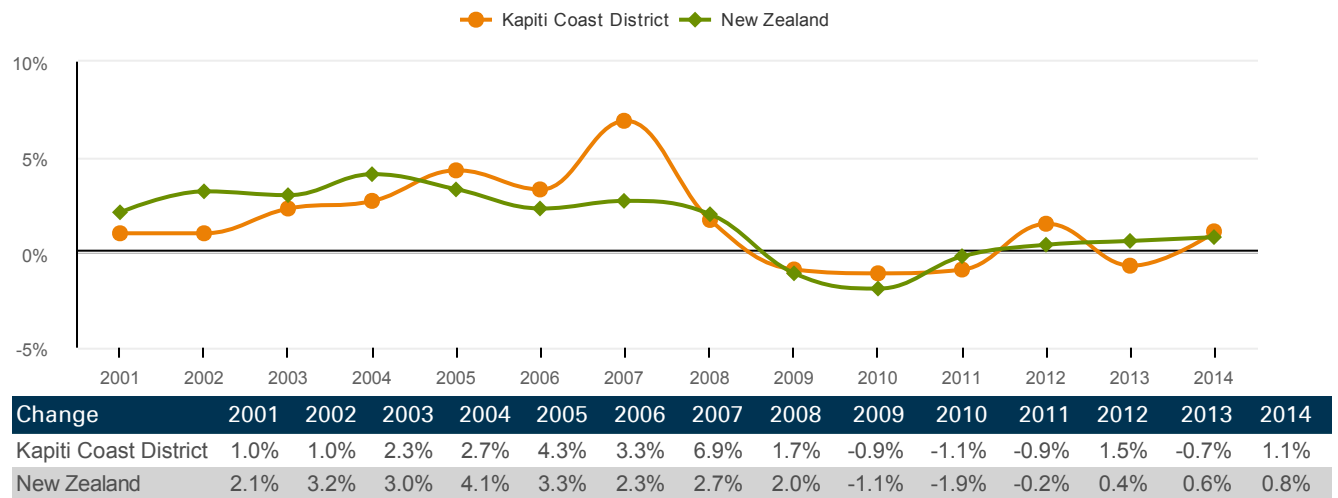
- The Retail and hospitality services industry contributed \$136m towards GDP in Kapiti Coast District in the year to March 2014. This amounted to 9.5% of Kapiti Coast District's total economic output in 2014, up from 8.4% in ten years prior.
- Economic output in Kapiti Coast District's Retail and hospitality services industry grew by 4.0% in the year to March 2014 compared with growth of 4.2% in the industry nationally.
- Growth in the Retail and hospitality services industry in Kapiti Coast District has averaged 2.9% since 2000. Growth peaked at 9.0% in 2007.

Figure 34: Output growth in the retail and hospitality services industry



Employment

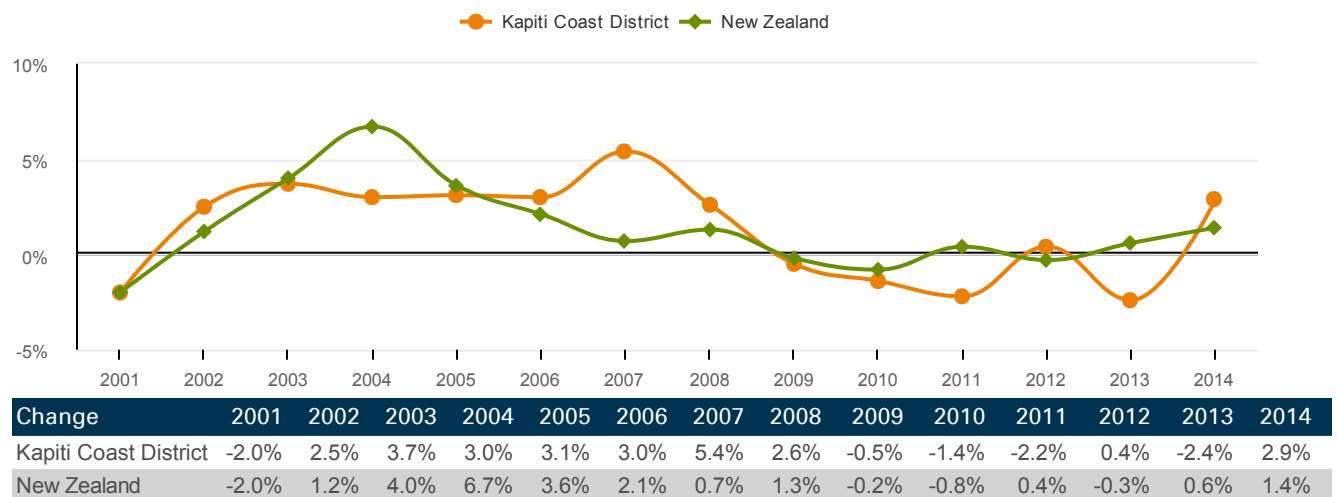
Figure 35: Employment growth in the retail and hospitality services industry



- The Retail and hospitality services industry employed 136 persons in Kapiti Coast District in the year to March 2014 which was up from 100 in ten years prior.
- Employment growth in Kapiti Coast District's Retail and hospitality services industry averaged 4.0% in the year to March 2014, compared with growth of 4.2% in the industry nationally.
- Employment growth in the Retail and hospitality services industry in Kapiti Coast District has averaged 2.9% since 2000. Growth peaked at 9.0% in 2007.

Business units

Figure 36: Growth in business units in the retail and hospitality services industry



How well has the education and health industry performed?

The section describes the performance of the first key industry in Kapiti Coast District: education and health. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

A definition of the education and health industry is provided at the end of this report.

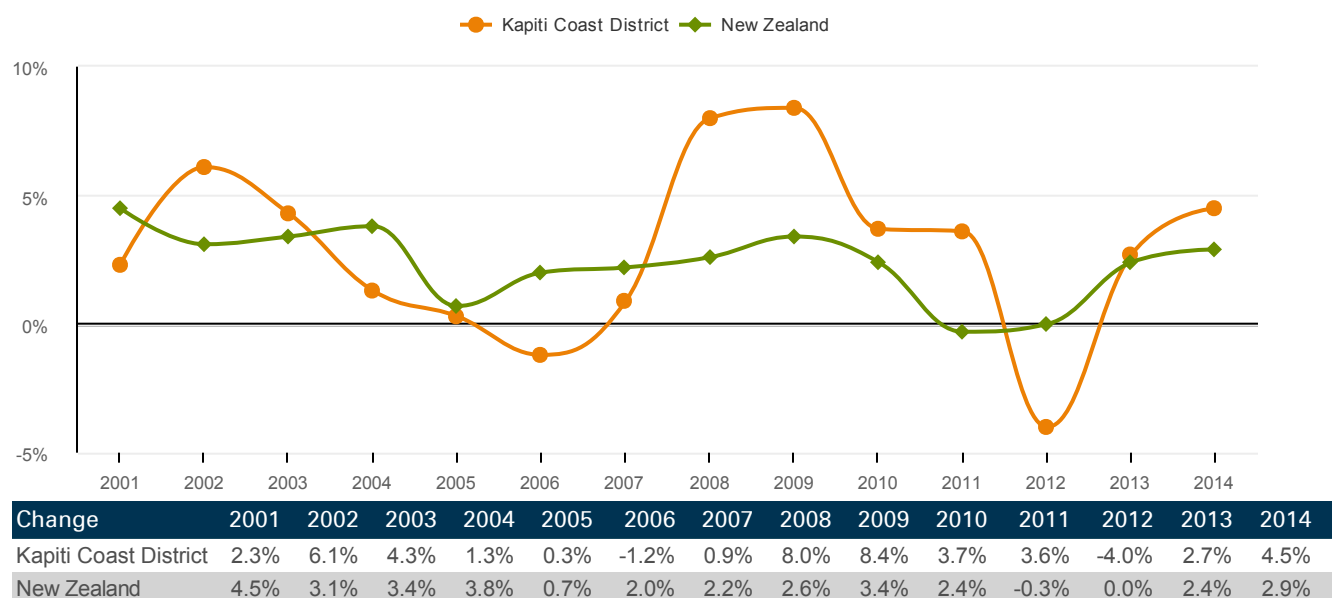
Table 20: Economic indicators for the education and health industry

Indicator	2014	Industry share of regional economy	Regional share of national industry	Growth 2013 - 2014	
				Kapiti Coast District	New Zealand
GDP	\$204m	14%	0.9%	4.5%	2.9%
Employment	3,432	22%	0.9%	2.7%	1.5%
Business units	326	6.7%	1.1%	2.2%	1.0%

Economic output

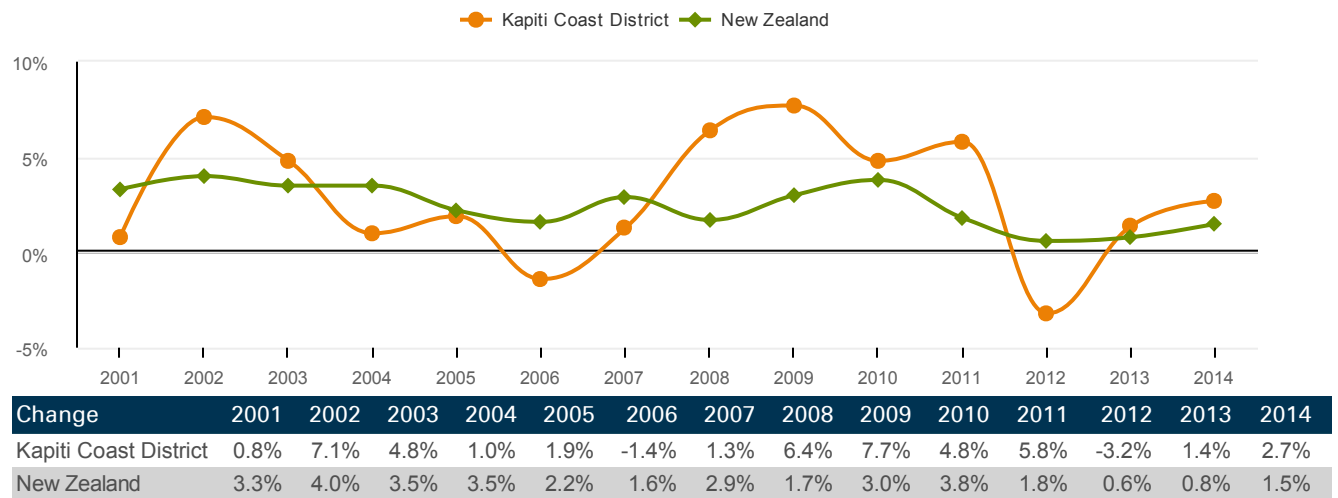
- The Education and health industry contributed \$204m towards GDP in Kapiti Coast District in the year to March 2014. This amounted to 14% of Kapiti Coast District's total economic output in 2014, up from 13% in ten years prior.
- Economic output in Kapiti Coast District's Education and health industry grew by 4.5% in the year to March 2014 compared with growth of 2.9% in the industry nationally.
- Growth in the Education and health industry in Kapiti Coast District has averaged 2.9% since 2000. Growth peaked at 8.4% in 2009.

Figure 37: Output growth in the education and health industry



Employment

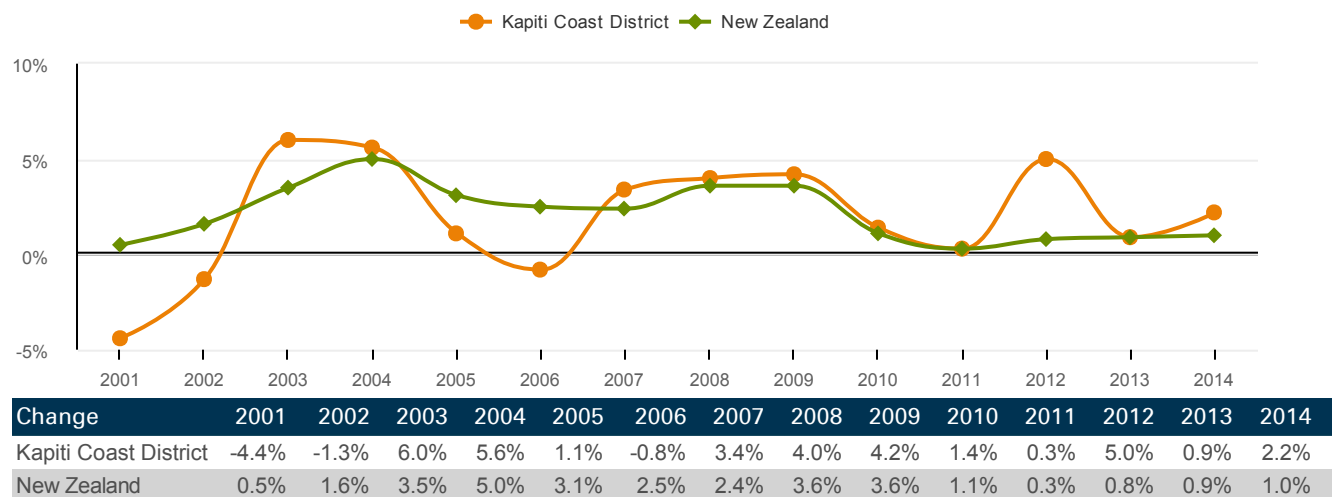
Figure 38: Employment growth in the education and health industry



- The Education and health industry employed 204 persons in Kapiti Coast District in the year to March 2014 which was up from 158 in ten years prior.
- Employment growth in Kapiti Coast District's Education and health industry averaged 4.5% in the year to March 2014, compared with growth of 2.9% in the industry nationally.
- Employment growth in the Education and health industry in Kapiti Coast District has averaged 2.9% since 2000. Growth peaked at 8.4% in 2009.

Business units

Figure 39: Growth in business units in the education and health industry



How well has the agrifoods industry performed?

The section describes the performance of the first key industry in Kapiti Coast District: agrifoods. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

A definition of the agrifoods industry is provided at the end of this report.

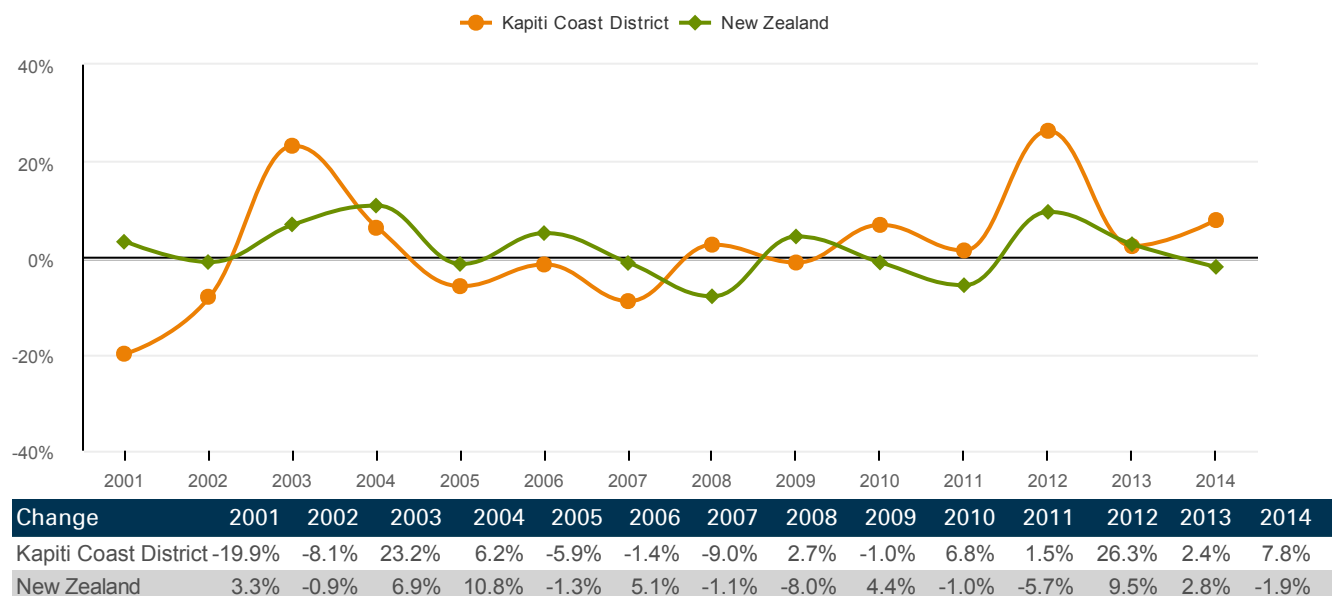
Table 21: Economic indicators for the agrifoods industry

Indicator	2014	Industry share of regional economy	Regional share of national industry	Growth 2013 - 2014	
				Kapiti Coast District	New Zealand
GDP	\$72.0m	5.0%	0.4%	7.8%	-1.9%
Employment	640	4.1%	0.3%	3.4%	1.4%
Business units	222	4.5%	0.3%	-4.7%	-0.7%

Economic output

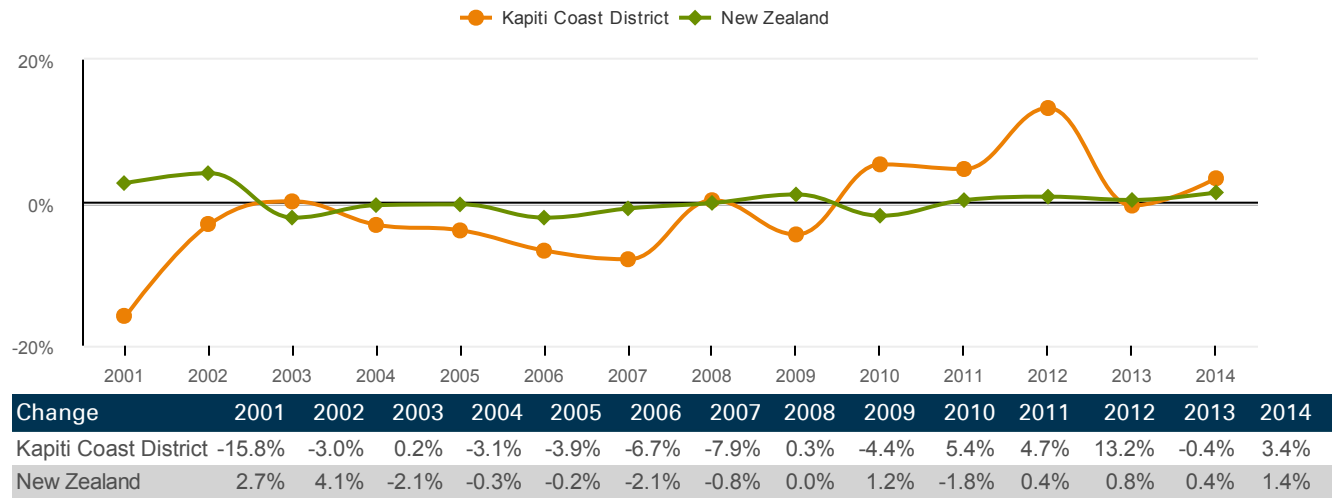
- The Agrifoods industry contributed \$72.0m towards GDP in Kapiti Coast District in the year to March 2014. This amounted to 5.0% of Kapiti Coast District's total economic output in 2014, up from 4.6% in ten years prior.
- Economic output in Kapiti Coast District's Agrifoods industry grew by 7.8% in the year to March 2014 compared with growth of -1.9% in the industry nationally.
- Growth in the Agrifoods industry in Kapiti Coast District has averaged 1.6% since 2000. Growth peaked at 26% in 2012.

Figure 40: Output growth in the agrifoods industry



Employment

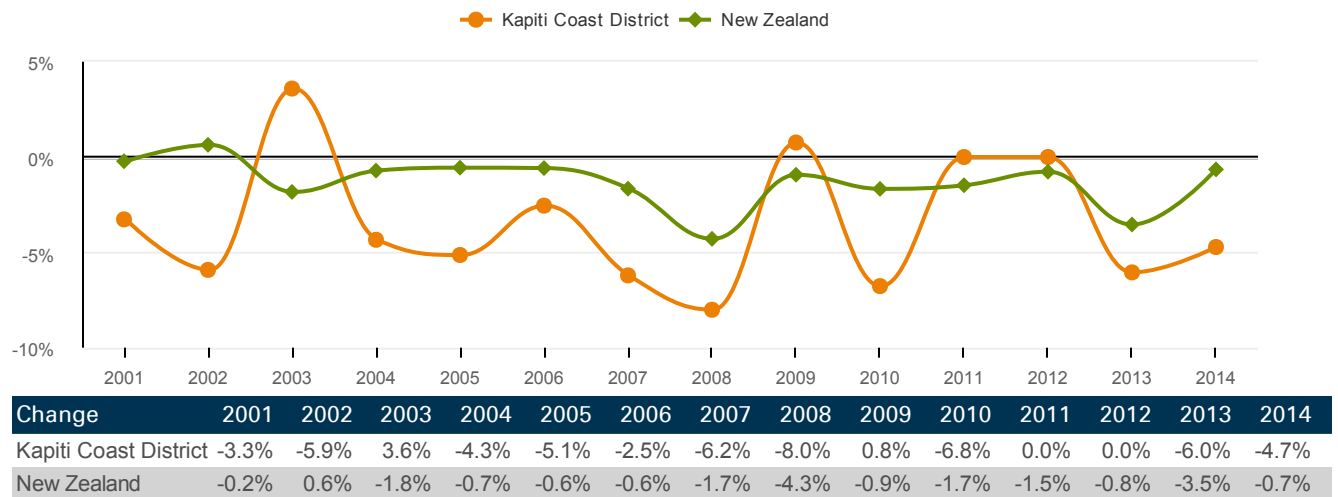
Figure 41: Employment growth in the agrifoods industry



- The Agrifoods industry employed 72 persons in Kapiti Coast District in the year to March 2014 which was up from 55 in ten years prior.
- Employment growth in Kapiti Coast District's Agrifoods industry averaged 7.8% in the year to March 2014, compared with growth of -1.9% in the industry nationally.
- Employment growth in the Agrifoods industry in Kapiti Coast District has averaged 1.6% since 2000. Growth peaked at 26% in 2012.

Business units

Figure 42: Growth in business units in the agrifoods industry



How well has the professional services industry performed?

The section describes the performance of the first key industry in Kapiti Coast District: professional services. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

A definition of the professional services industry is provided at the end of this report.

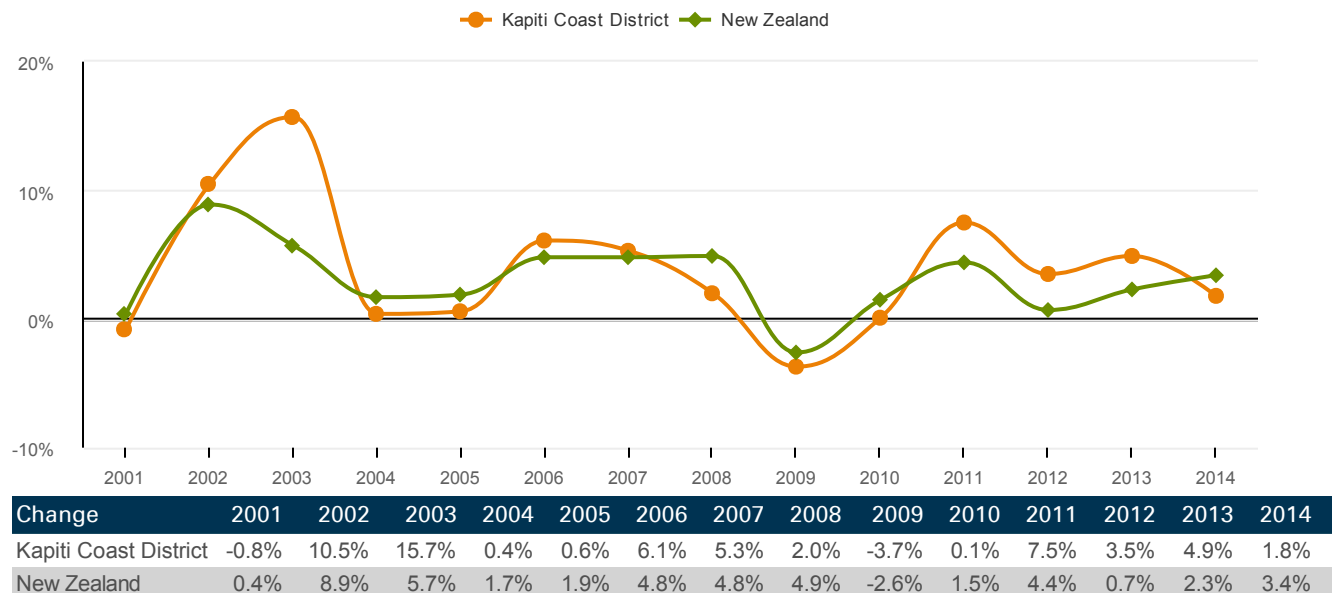
Table 22: Economic indicators for the professional services industry

Indicator	2014	Industry share of regional economy	Regional share of national industry	Growth 2013 - 2014	
				Kapiti Coast District	New Zealand
GDP	\$112m	7.8%	0.7%	1.8%	3.4%
Employment	1,351	8.6%	0.7%	1.7%	3.2%
Business units	709	15%	1.3%	1.7%	2.9%

Economic output

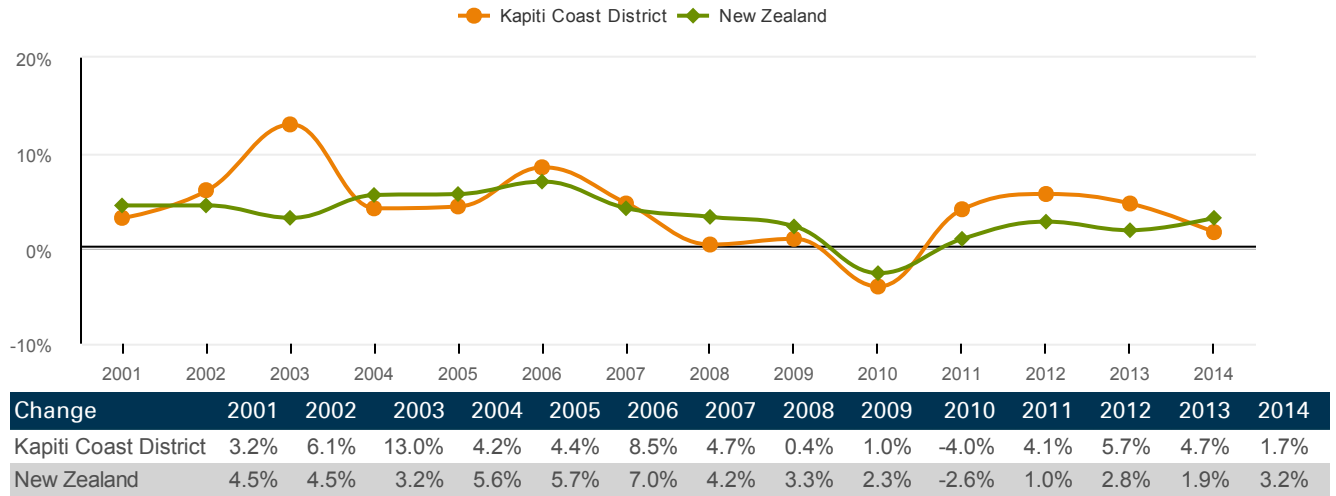
- The Professional services industry contributed \$112m towards GDP in Kapiti Coast District in the year to March 2014. This amounted to 7.8% of Kapiti Coast District's total economic output in 2014, up from 7.2% in ten years prior.
- Economic output in Kapiti Coast District's Professional services industry grew by 1.8% in the year to March 2014 compared with growth of 3.4% in the industry nationally.
- Growth in the Professional services industry in Kapiti Coast District has averaged 3.7% since 2000. Growth peaked at 16% in 2003.

Figure 43: Output growth in the professional services industry



Employment

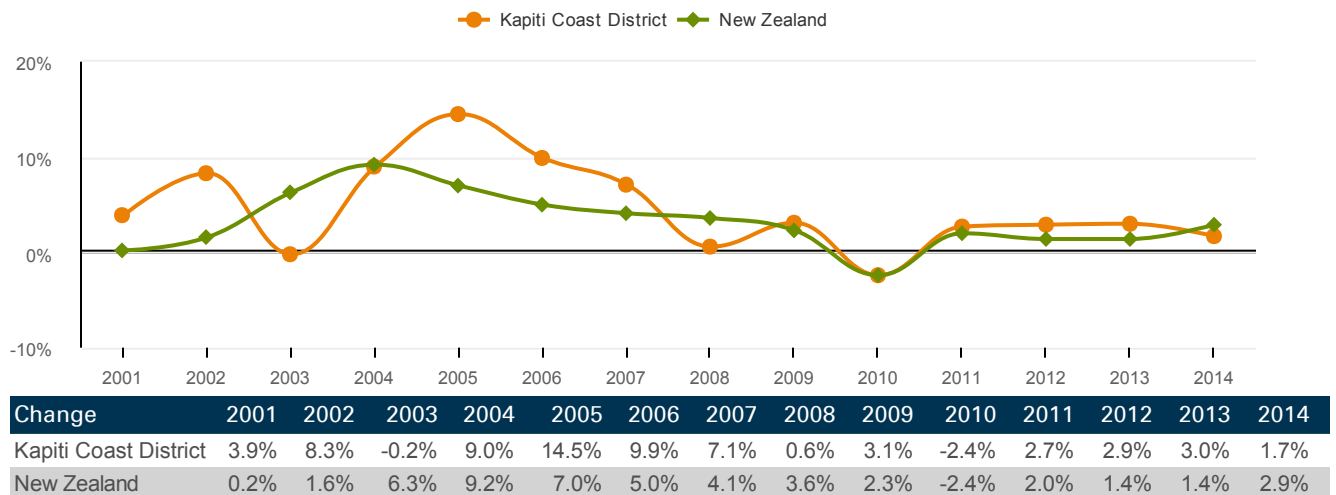
Figure 44: Employment growth in the professional services industry



- The Professional services industry employed 112 persons in Kapiti Coast District in the year to March 2014 which was up from 86 in ten years prior.
- Employment growth in Kapiti Coast District's Professional services industry averaged 1.8% in the year to March 2014, compared with growth of 3.4% in the industry nationally.
- Employment growth in the Professional services industry in Kapiti Coast District has averaged 3.7% since 2000. Growth peaked at 16% in 2003.

Business units

Figure 45: Growth in business units in the professional services industry



How well has the tourism and visitor services industry performed?

The section describes the performance of the first key industry in Kapiti Coast District: tourism and visitor services. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

A definition of the tourism and visitor services industry is provided at the end of this report.

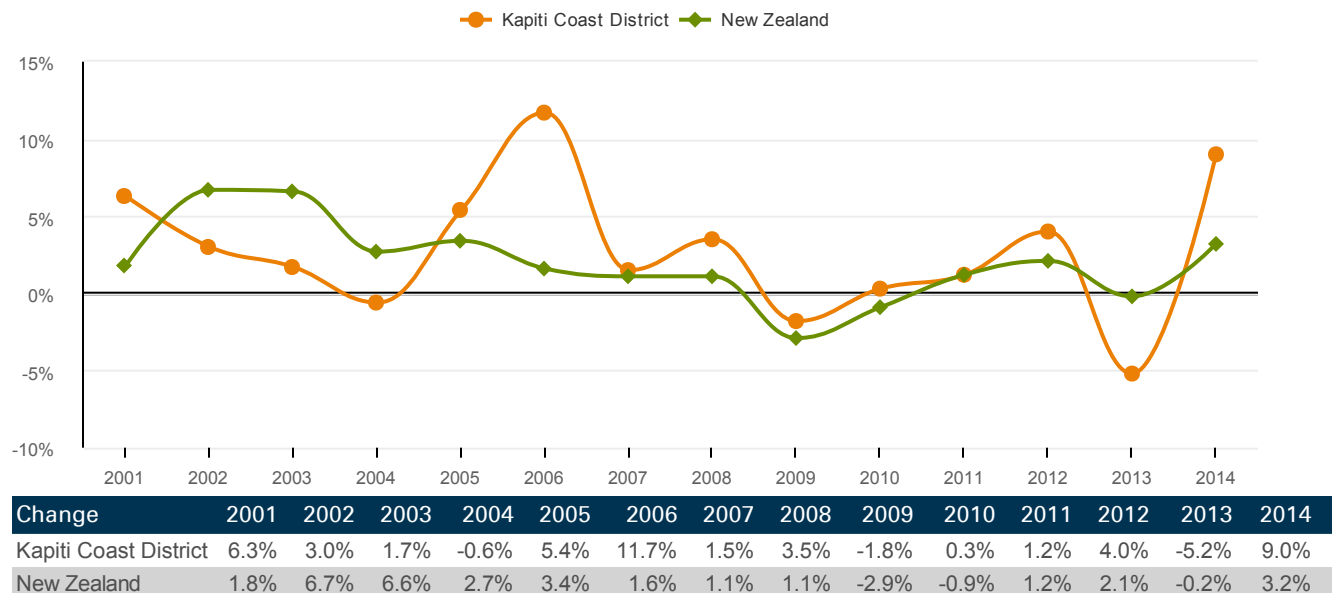
Table 23: Economic indicators for the tourism and visitor services industry

Indicator	2014	Industry share of regional economy	Regional share of national industry	Growth 2013 - 2014	
				Kapiti Coast District	New Zealand
GDP	\$44.8m	3.1%	0.8%	9.0%	3.2%
Employment	1,046	6.7%	0.8%	4.3%	2.0%
Business units	174	3.6%	0.8%	0.00%	1.5%

Economic output

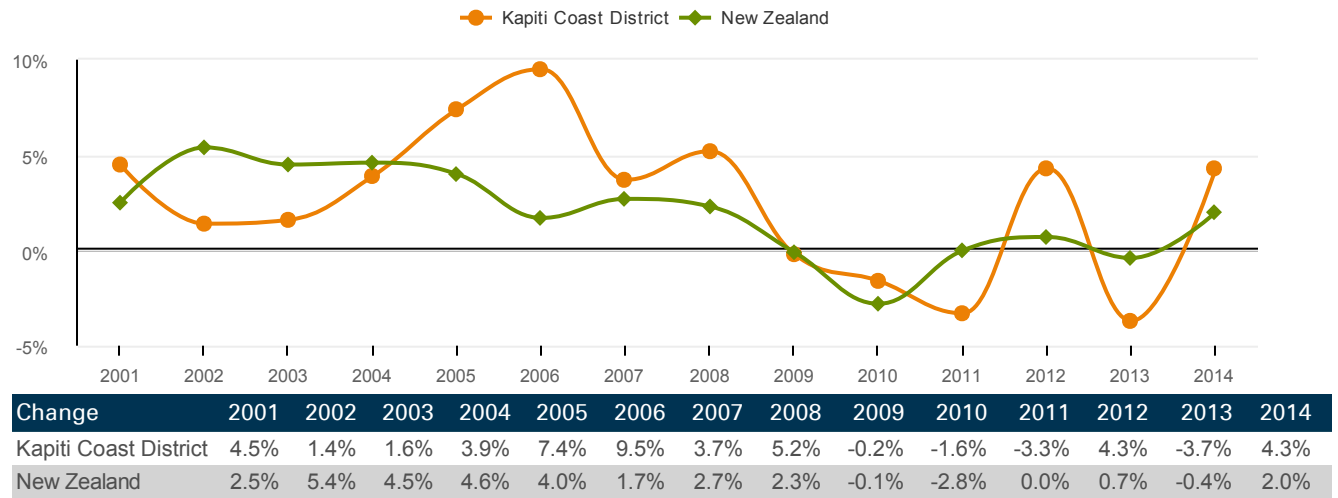
- The Tourism and visitor services industry contributed \$44.8m towards GDP in Kapiti Coast District in the year to March 2014. This amounted to 3.1% of Kapiti Coast District's total economic output in 2014, up from 2.8% in ten years prior.
- Economic output in Kapiti Coast District's Tourism and visitor services industry grew by 9.0% in the year to March 2014 compared with growth of 3.2% in the industry nationally.
- Growth in the Tourism and visitor services industry in Kapiti Coast District has averaged 2.8% since 2000. Growth peaked at 12% in 2006.

Figure 46: Output growth in the tourism and visitor services industry



Employment

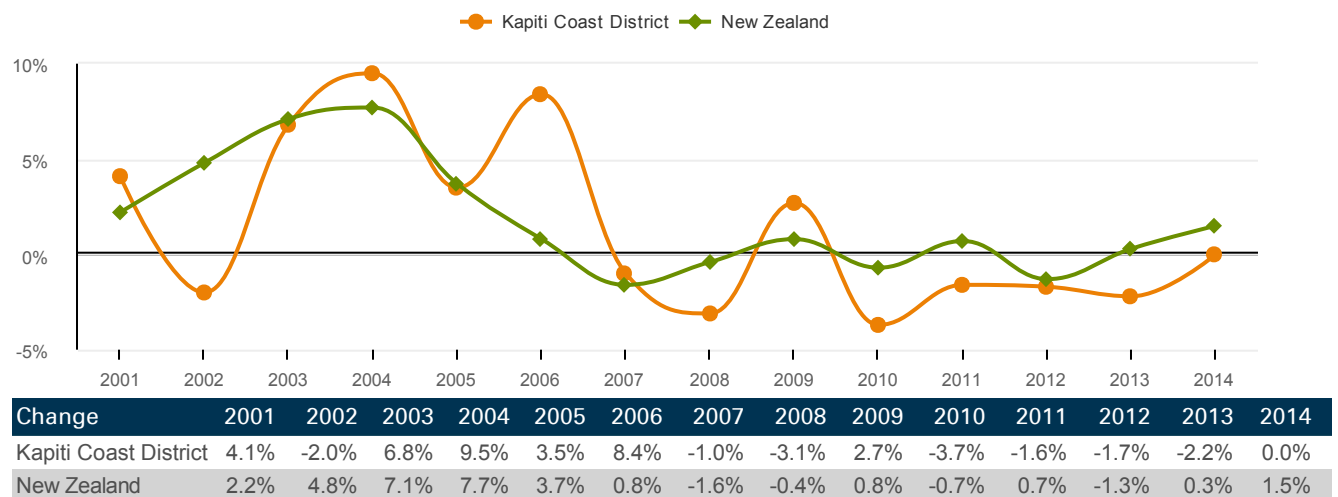
Figure 47: Employment growth in the tourism and visitor services industry



- The Tourism and visitor services industry employed 45 persons in Kapiti Coast District in the year to March 2014 which was up from 34 in ten years prior.
- Employment growth in Kapiti Coast District's Tourism and visitor services industry averaged 9.0% in the year to March 2014, compared with growth of 3.2% in the industry nationally.
- Employment growth in the Tourism and visitor services industry in Kapiti Coast District has averaged 2.8% since 2000. Growth peaked at 12% in 2006.

Business units

Figure 48: Growth in business units in the tourism and visitor services industry



How well has the health and caring services industry performed?

The section describes the performance of the first key industry in Kapiti Coast District: health and caring services. It compares how the sector has performed relative to the rest of the district's economy in terms of economic output, employment and business unit growth.

A definition of the health and caring services industry is provided at the end of this report.

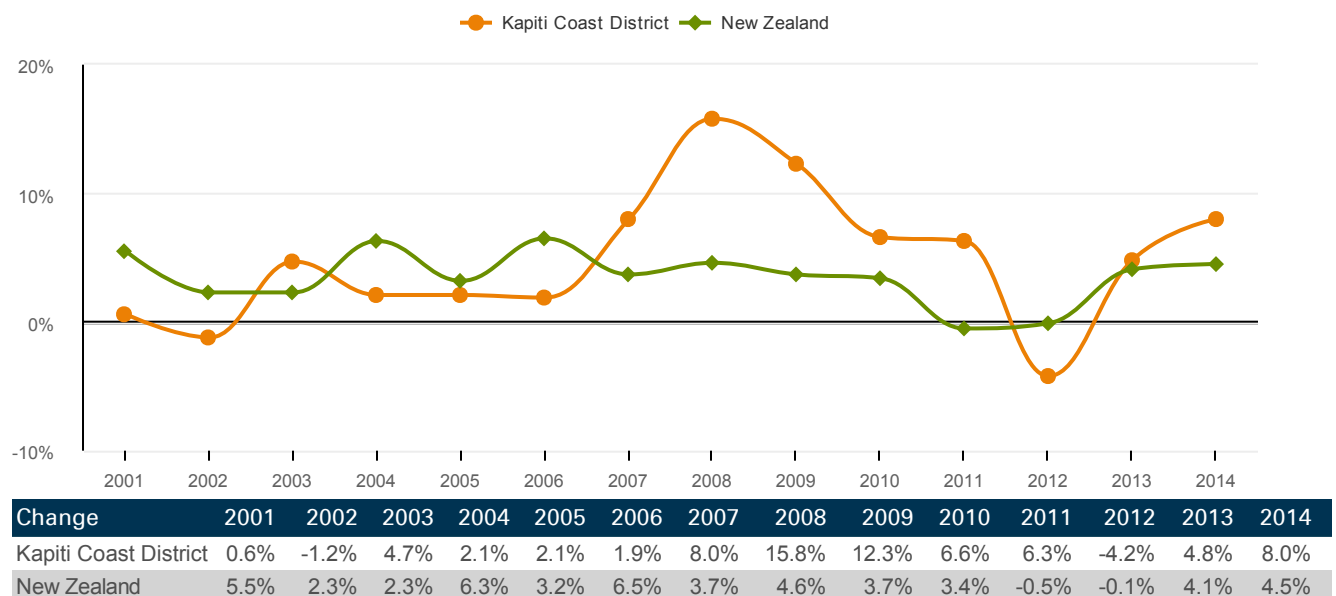
Table 24: Economic indicators for the health and caring services industry

Indicator	2014	Industry share of regional economy	Regional share of national industry	Growth 2013 - 2014	
				Kapiti Coast District	New Zealand
GDP	\$138m	9.6%	1.0%	8.0%	4.5%
Employment	2,079	13%	0.9%	5.0%	1.4%
Business units	229	4.7%	1.1%	4.1%	1.5%

Economic output

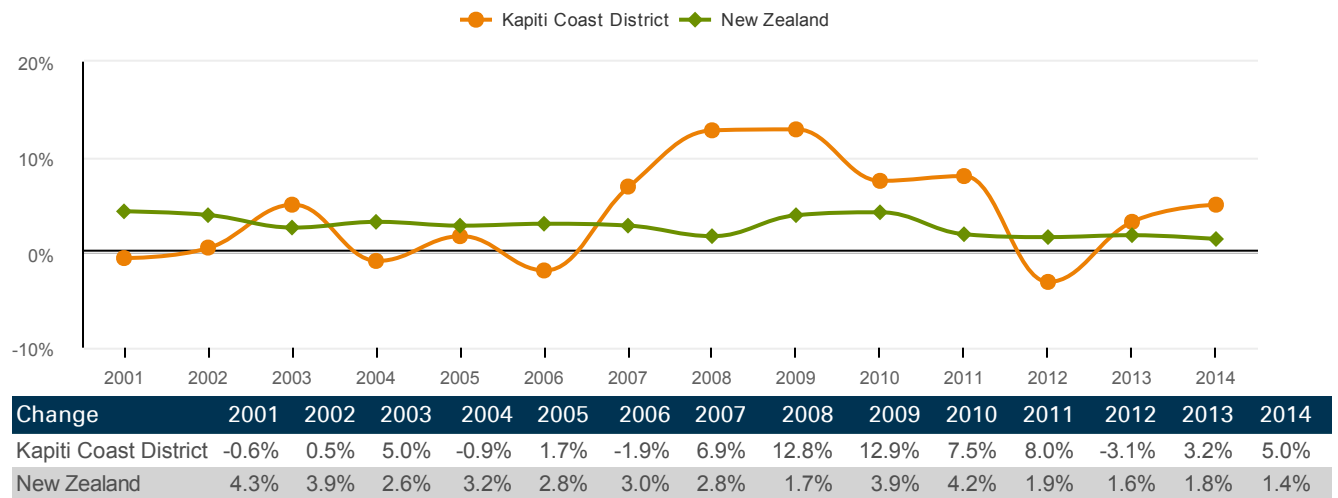
- The Health and caring services industry contributed \$138m towards GDP in Kapiti Coast District in the year to March 2014. This amounted to 9.6% of Kapiti Coast District's total economic output in 2014, up from 6.4% in ten years prior.
- Economic output in Kapiti Coast District's Health and caring services industry grew by 8.0% in the year to March 2014 compared with growth of 4.5% in the industry nationally.
- Growth in the Health and caring services industry in Kapiti Coast District has averaged 4.7% since 2000. Growth peaked at 16% in 2008.

Figure 49: Output growth in the health and caring services industry



Employment

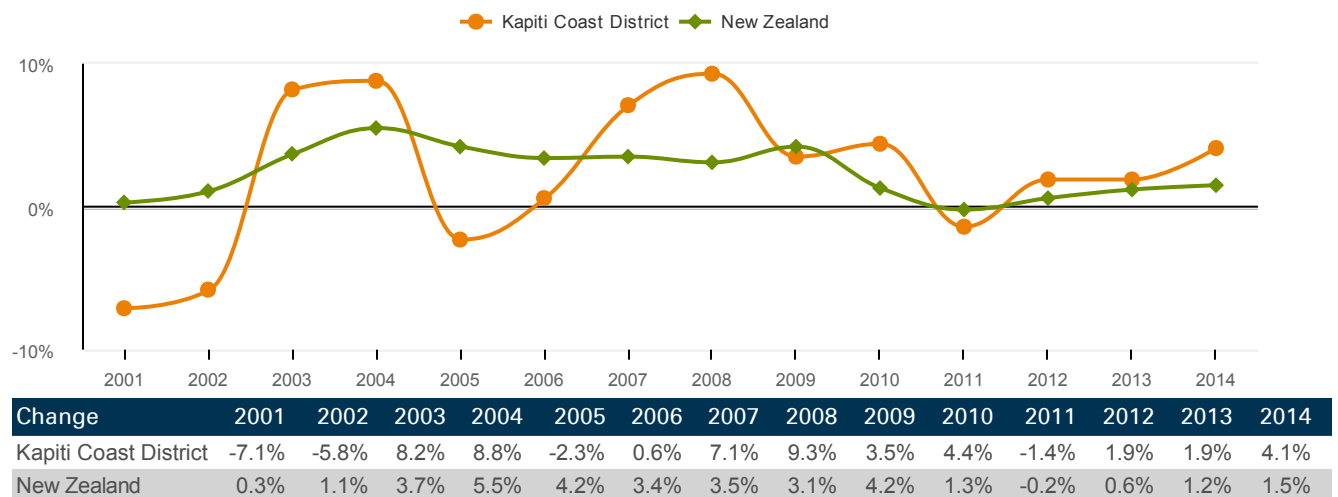
Figure 50: Employment growth in the health and caring services industry



- The Health and caring services industry employed 138 persons in Kapiti Coast District in the year to March 2014 which was up from 77 in ten years prior.
- Employment growth in Kapiti Coast District's Health and caring services industry averaged 8.0% in the year to March 2014, compared with growth of 4.5% in the industry nationally.
- Employment growth in the Health and caring services industry in Kapiti Coast District has averaged 4.7% since 2000. Growth peaked at 16% in 2008.

Business units

Figure 51: Growth in business units in the health and caring services industry



HOW DOES KAPITI COAST DISTRICT COMPARE?

This section contrasts the performance of Kapiti Coast District with five comparator districts according to a number of indicators. The selected comparator regions are: Lower Hutt City, Porirua City, Upper Hutt City, Waimakariri District, and Waipa District.

How does Kapiti Coast District's economic growth compare?

Figure 52: GDP growth (2013-2014)

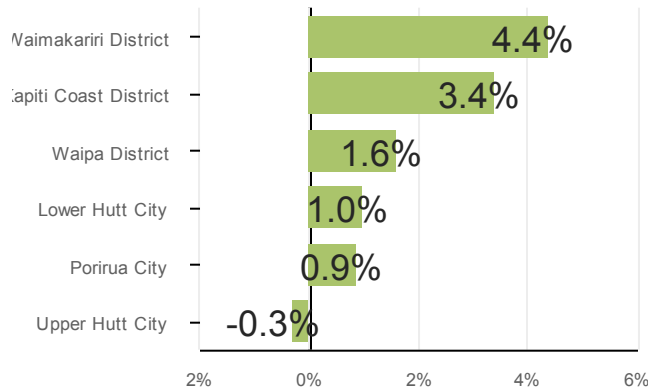


Figure 53: GDP growth (2012-2014)

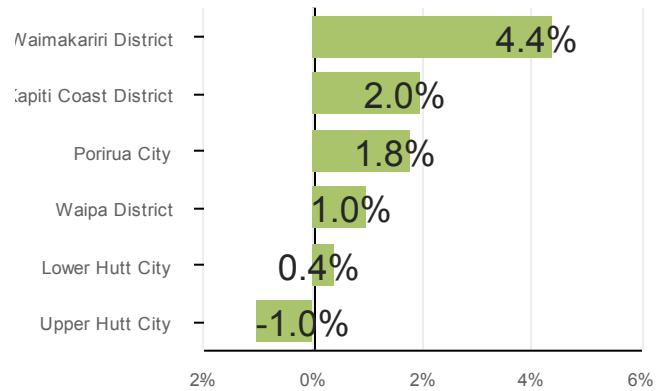


Figure 54: GDP growth (2009-2014)

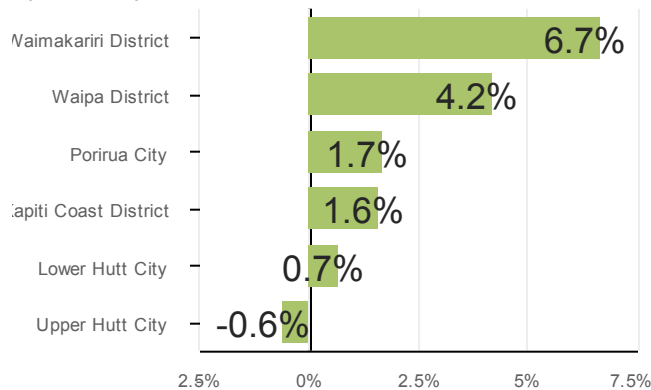
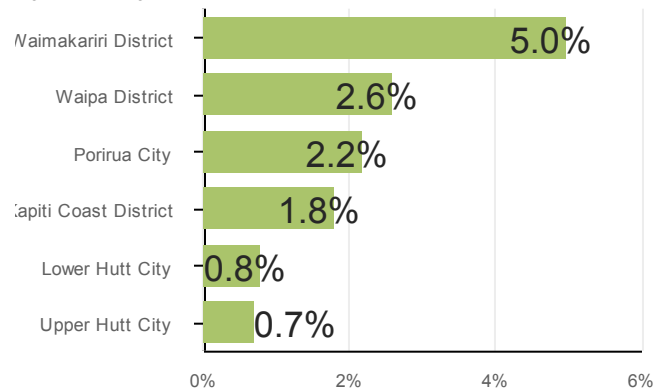


Figure 55: GDP growth (2004-2014)



- Over the last year (2013-2014) Kapiti Coast District's GDP increased by 3.4%, ranking it second among the six comparator districts.
- Kapiti Coast District's GDP increased by 2.0% over the last two years (2012-2014), ranking it second among the six comparator districts.
- Kapiti Coast District ranked fourth over the last five years (2009-2014), and fourth over the last ten years (2004-2014).

How does employment growth in Kapiti Coast District compare?

This section compares Kapiti Coast District's employment growth with the five comparator regions over the past one, two, five and 10 year periods.

Figure 56: Employment growth (2013-2014)

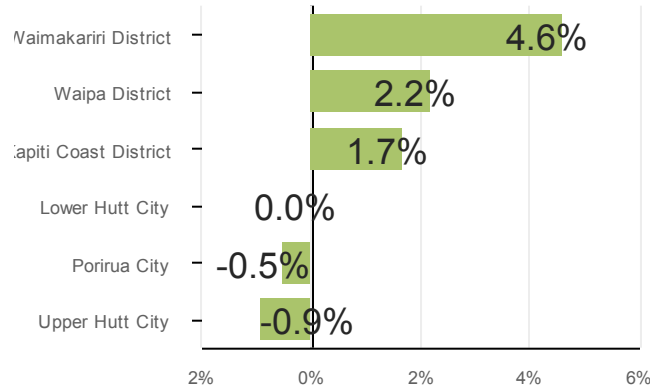


Figure 57: Employment growth (2012-2014)

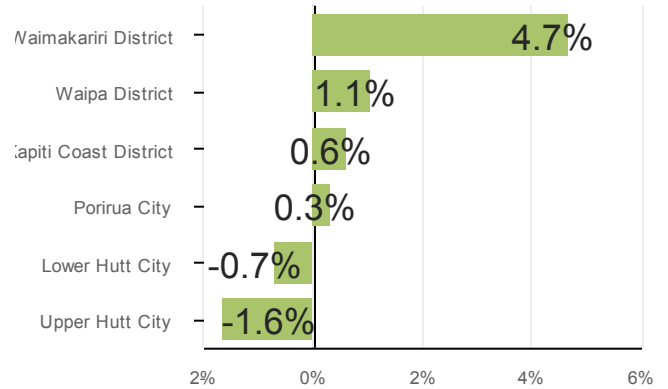


Figure 58: Employment growth (2009-2014)

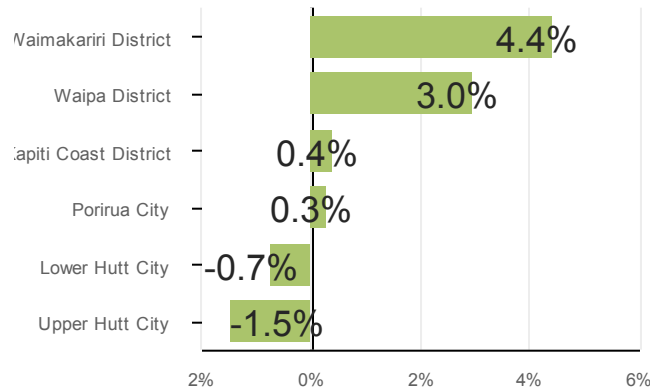
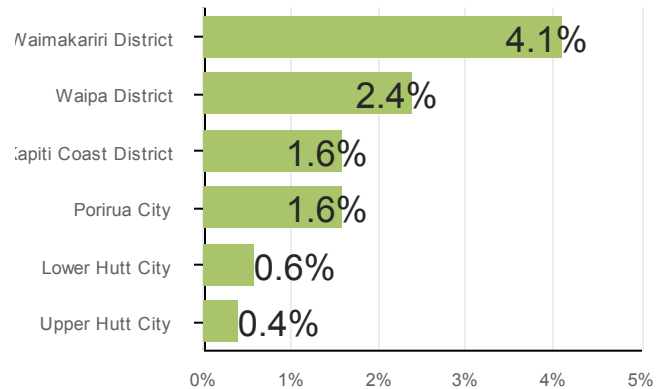


Figure 59: Employment growth (2004-2014)



- Over the last year (2013-2014) total employment in Kapiti Coast District increased by 1.7%, ranking it third among the six comparator districts.
- Employment in Kapiti Coast District increased by 0.6% over the last two years (2012-2014), ranking it third among the six comparator districts for employment growth.
- Kapiti Coast District was ranked third over the last five years (2009-2014), and third over the last ten years (2004-2014) for total employment growth.

How does Kapiti Coast District's productivity compare?

This section compares Kapiti Coast District's productivity with the five comparator regions. We use GDP per employee as a proxy for productivity. Productivity is a measure of the value created by each employee in the region's economy. Growth in productivity can lead to sustainable growth in real wages.

- Kapiti Coast District's GDP per employee was \$91,543 in 2014 ranking it third among the six districts being compared.
- Over the past decade Kapiti Coast District's GDP per employee has increased by 0.2% per annum, ranking it fifth among the comparator districts.

Figure 60: Gdp per employee (2014)

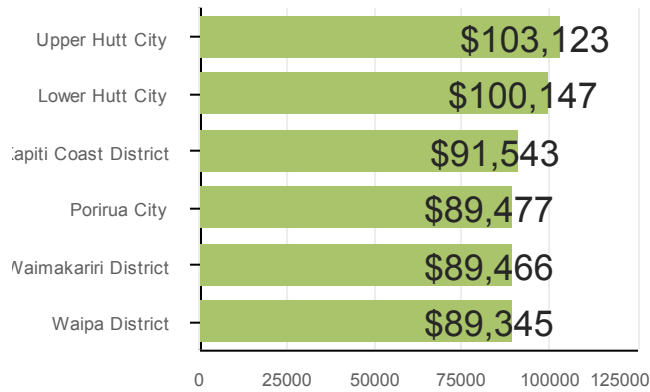
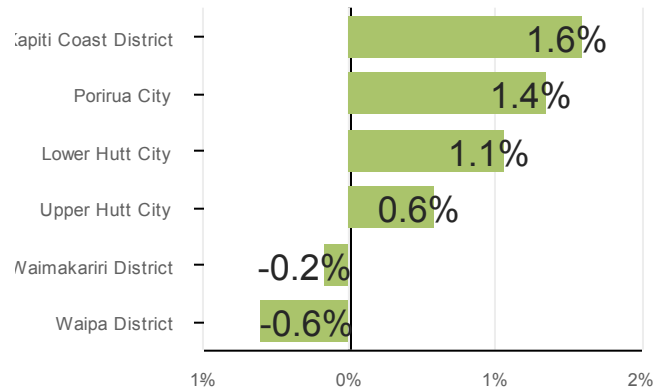


Figure 61: Growth in gdp per employee (2013-2014)



How does Kapiti Coast District's employment in knowledge intensive industries compare?

This section compares employment in knowledge intensive industries in Kapiti Coast District with the five comparator regions. Knowledge intensive industries are those in which the generation and exploitation of knowledge play the predominant part in the creation of wealth.

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

Figure 62: % employed in KI industries (2014)

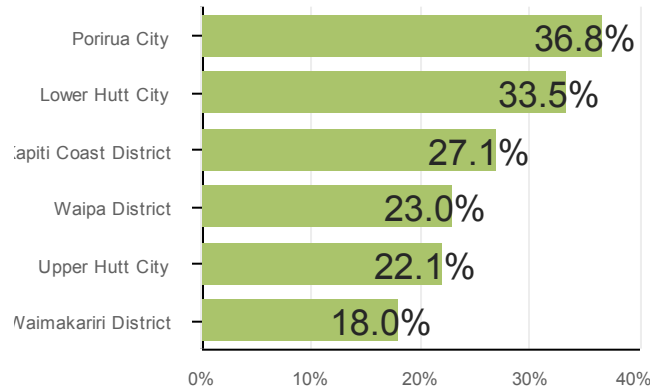
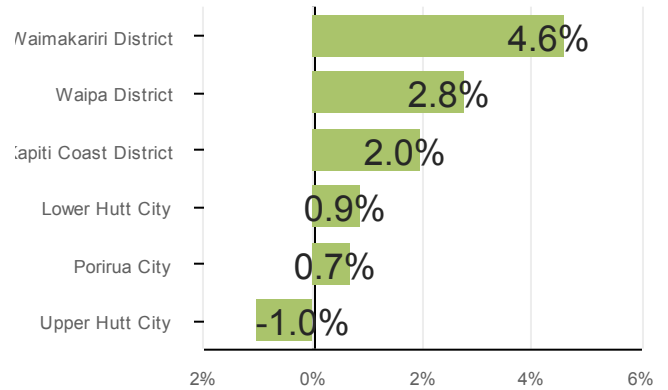


Figure 63: Growth in employment in KI industries (2004-2014)



- Approximately 27% of Kapiti Coast District's employment was in knowledge intensive industries in 2014. By comparison the weighted average of comparator districts was 29%.
- Over the past decade Kapiti Coast District's total employment in knowledge intensive industries increased by 2.0%pa, ranking it third among the comparator districts. By comparison the comparator districts increased by 1.3% on average.

How does Kapiti Coast District's population growth compare?

This section compares Kapiti Coast District's population growth with the five comparator regions.

Figure 64: Population growth (2013-2014)

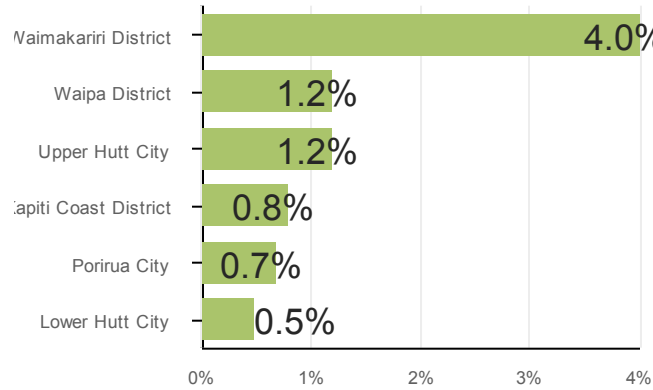


Figure 65: Population growth (2012-2014)

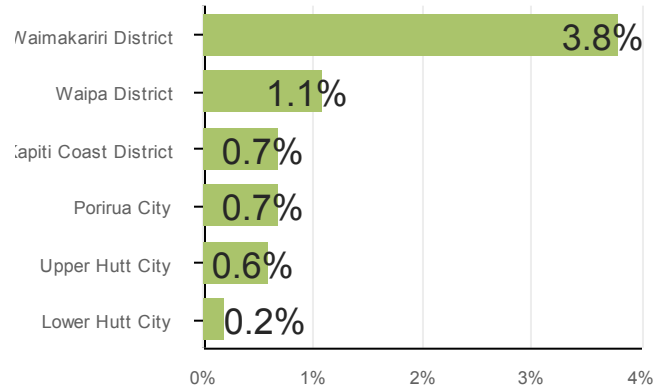


Figure 66: Population growth (2009-2014)

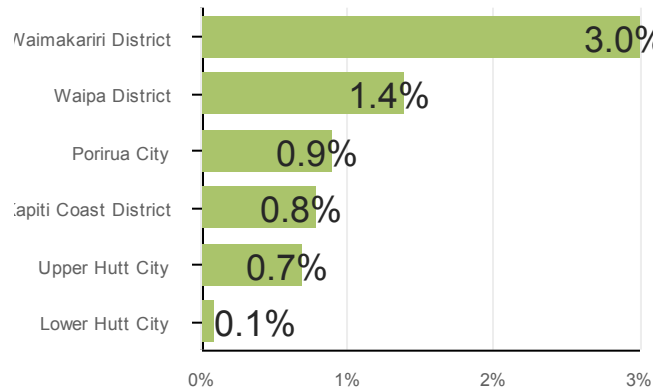
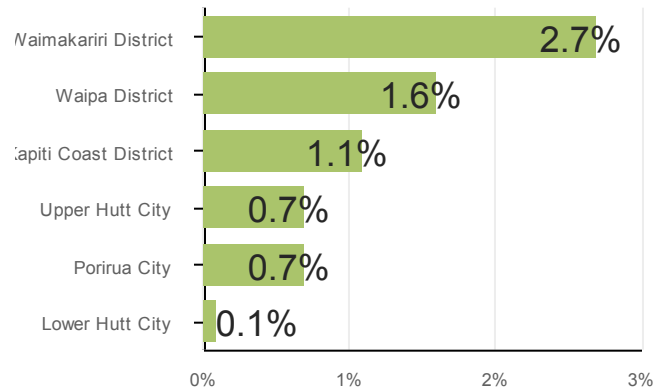


Figure 67: Population growth (2004-2014)



- Over the last year (2013-2014) Kapiti Coast District's population increased by 0.8%, ranking it fourth among the six comparator districts.
- Kapiti Coast District's population increased by 0.7% over the last two years (2012-2014), ranking it third among the six comparator districts.
- Kapiti Coast District ranked fourth over the last five years (2009-2014), and third over the last ten years (2004-2014) for population growth.

TECHNICAL NOTES

Time period

This economic profile reports on March years (eg. 2014 refers to the 12 months to March 2014) for all indicators except population (June year), dairy sector statistics (May year), and government social service expenditure and beneficiary data (June years).

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. A company's value adding is broadly equivalent to its sales revenue less the cost of materials (eg steel for making motor cars) and services (eg telecommunications) purchased from other firms.

Total GDP is calculated by summing the value added to all goods and services for final consumption – i.e. 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 (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 earnings measured in the Linked Employer Employee Data (LEED), which is, in turn, based on taxation data. This approach captures differences in productivity between TAs and changes in productivity over time. Our estimates are benchmarked on regional GDP published by Statistics New Zealand for the period 2007-2010.

GDP is measured in constant 2010 prices .

Prices

In this profile, we present all GDP estimates in constant 2010 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. Our GDP estimates differ from those published by Statistics New Zealand which are at 1995/6 prices.

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.

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.

Broad economic sectors

The primary sector extracts or harvests products from the earth and includes agriculture, forestry, fishing, and mining. The secondary sector produces manufactured and other processed goods and includes manufacturing, electricity, gas and water, and construction. The tertiary sector includes all service industries that are not knowledge intensive, such as retail trade, and food and accommodation services. The quaternary sector includes knowledge intensive service industries. 'Other' includes owner occupied property operation and unallocated activity.

HHI Index

Economic diversity is measured using the Herfindahl–Hirschman Index. It is calculated by squaring the share of each industry (at 54 industry level), and then summing the resulting numbers. The HHI number can theoretically range from close to zero (diversified economy) to 10,000 (concentrated economy). The HHI for New Zealand is calculated as the average for the 66 territorial authorities.

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.

Self-employment

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

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).

Productivity

Productivity measures the efficiency of production. In this profile, we measure productivity as GDP per employed person (ie. The amount of economic activity generated on average by each employee). One needs to be aware that 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.

Earnings

Earnings data are from the quarterly Linked Employer Employee Data published by Statistics New Zealand. LEED publishes the mean earnings of full quarter jobs for each quarter. We sum the mean earnings for the four quarters making up the year to arrive at an estimate of average annual earnings.

House prices

House price levels (dollar value) are sourced from REINZ. The levels are based on median sale prices for the month when the sale and purchase becomes unconditional. Median prices are influenced by both underlying housing values and the specifications (eg. size, number of bedrooms, age of home, etc) of the median house sold in a given year.

Population

Demographic statistics including age composition and source of growth (natural increase and net migration) are sourced from Statistics New Zealand. The population totals for territorial authorities are consistent with the sub-national population estimates published by Statistics New Zealand on 22 October 2013. These estimates were produced prior to the 2013 population census data being available so are not consistent with the census population counts. Statistics New Zealand will revise their subnational population estimates taking into account findings from census later in 2014.

The number of persons in five-year age, sex, and territorial authority groups are rounded by Statistics New Zealand, which means that the sum of persons in each group may be inconsistent with the published total for a territorial authority or region. Infometrics scales the disaggregated data on a pro rata basis to ensure that the sum of all five-year groups by sex is consistent with the published total for each territorial authority and region. Before publishing the data, Infometrics rounds the data to the nearest 10.

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).

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.

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

- working owners who don't 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).

Definition of key industries

Tourism and visitor services

The tourism and visitor services industry is made up of the following detailed industries: H440000: Accommodation, H451100: Cafes and Restaurants, H452000: Pubs, Taverns and Bars, I501000: Scenic and Sightseeing Transport, L661100: Passenger Car Rental and Hiring, N722000: Travel Agency and Tour Arrangement Services, R911300: Sports and Physical Recreation Venues, Grounds and Facilities Operation, R911400: Sport and Physical Recreation Administrative Service, R912100: Horse and Dog Racing Administration and Track Operation, R912900: Other Horse and Dog Racing Activities, R913100: Amusement Parks and Centres Operation, R913900: Amusement and Other Recreation Activities n.e.c., R920100: Casino Operation, R920200: Lottery Operation, R920900: Other Gambling Activities.

Professional services

The professional services industry is made up of the following detailed industries: M691000: Scientific Research Services, M692100: Architectural Services, M692200: Surveying and Mapping Services, M692300: Engineering Design and Engineering Consulting Services, M692400: Other Specialised Design Services, M692500: Scientific Testing and Analysis Services, M693100: Legal Services, M693200: Accounting Services, M694000: Advertising Services, M695000: Market Research and Statistical Services, M696100: Corporate Head Office Management Services, M696200: Management Advice and Other Consulting Services, M697000: Veterinary Services, M699100: Professional Photographic Services, M699900: Other Professional, Scientific and Technical Services n.e.c., M700000: Computer Systems Design and Related Services.

Health and caring services

The health and caring services industry is made up of the following detailed industries: Q840100: Hospitals (except Psychiatric Hospitals), Q840200: Psychiatric Hospitals, Q851100: General Practice Medical Services, Q851200: Specialist Medical Services, Q852000: Pathology and Diagnostic Imaging Services, Q853100: Dental Services, Q853200: Optometry and Optical Dispensing, Q853300: Physiotherapy Services, Q853400: Chiropractic and Osteopathic Services, Q853900: Other Allied Health Services, Q859100: Ambulance Services, Q859900: Other Health Care Services n.e.c., Q860100: Aged Care Residential Services, Q860900: Other Residential Care Services, Q871000: Child Care Services, Q879000: Other Social Assistance Services, R911100: Health and Fitness Centres and Gymnasias Operation, S951200: Diet and Weight Reduction Centre Operation.

Building and construction

The building and construction industry is made up of the following detailed industries: E301100: House Construction, E301900: Other Residential Building Construction, E302000: Non-Residential Building Construction, E310100: Road and Bridge Construction, E310900: Other Heavy and Civil Engineering Construction, E321100: Land Development and Subdivision, E321200: Site Preparation Services, E322100: Concreting Services, E322200: Bricklaying Services, E322300: Roofing Services, E322400: Structural Steel Erection Services, E323100: Plumbing Services, E323200: Electrical Services, E323300: Air Conditioning and Heating Services, E323400: Fire and Security Alarm Installation Services, E323900: Other Building Installation Services, E324100: Plastering and Ceiling Services, E324200: Carpentry Services, E324300: Tiling and Carpeting Services, E324400: Painting and Decorating Services, E324500: Glazing Services, E329100: Landscape Construction Services, E329200: Hire of Construction Machinery with Operator, E329900: Other Construction Services n.e.c..

Education and health

The education and health industry is made up of the following detailed industries: P801000: Preschool Education, P802100: Primary Education, P802200: Secondary Education, P802300: Combined Primary and Secondary Education, P802400: Special School Education, P810100: Technical and Vocational Education and Training, P810200: Higher Education, P821100: Sports and Physical Recreation Instruction, P821200: Arts Education, P821900: Adult, Community and Other Education n.e.c., P822000: Educational Support Services, Q840100: Hospitals (except Psychiatric Hospitals), Q840200: Psychiatric Hospitals, Q851100: General Practice Medical Services, Q851200: Specialist Medical Services, Q852000: Pathology and Diagnostic Imaging Services, Q853100: Dental Services, Q853200: Optometry and Optical Dispensing, Q853300: Physiotherapy Services, Q853400: Chiropractic and Osteopathic Services, Q853900: Other Allied Health Services, Q859100: Ambulance Services, Q859900: Other Health Care Services n.e.c., Q860100: Aged Care Residential Services, Q860900: Other Residential Care Services, Q871000: Child Care Services, Q879000: Other Social Assistance Services.

Retail and hospitality services

The retail and hospitality services industry is made up of the following detailed industries: G391100: Car Retailing, G391200: Motor Cycle Retailing, G391300: Trailer and Other Motor Vehicle Retailing, G392100: Motor Vehicle Parts Retailing, G392200: Tyre Retailing, G400000: Fuel Retailing, G411000: Supermarket and Grocery Stores, G412100: Fresh Meat, Fish and Poultry Retailing, G412200: Fruit and Vegetable Retailing, G412300: Liquor Retailing, G412900: Other Specialised Food Retailing, G421100: Furniture Retailing, G421200: Floor Coverings Retailing, G421300: Houseware Retailing, G421400: Manchester and Other Textile Goods Retailing, G422100: Electrical, Electronic and Gas Appliance Retailing, G422200: Computer and Computer Peripherals Retailing, G422900: Other Electrical and Electronic Goods Retailing, G423100: Hardware and Building Supplies Retailing, G423200: Garden Supplies Retailing, G424100: Sport and Camping Equipment Retailing, G424200: Entertainment Media Retailing, G424300: Toy and Game Retailing, G424400: Newspaper and Book Retailing, G424500: Marine Equipment Retailing, G425100: Clothing Retailing, G425200: Footwear Retailing, G425300: Watch and Jewellery Retailing, G425900: Other Personal Accessories Retailing, G426000: Department Stores, G427100: Pharmaceutical, Cosmetic and Toiletry Goods Retailing, G427200: Stationery Goods Retailing, G427300: Antique and Used Goods Retailing, G427400: Flower Retailing, G427900: Other Store-Based Retailing n.e.c., G431000: Non Store Retailing, G432000: Retail Commission Based Buying and/or Selling, H440000: Accommodation, H451100: Cafes and Restaurants, H451200: Takeaway Food Services, H451300: Catering Services, H452000: Pubs, Taverns and Bars, H453000: Clubs (Hospitality).

Agrifoods

The agrifoods industry is made up of the following detailed industries: A012100: Mushroom Growing, A012200: Vegetable Growing (Under Cover), A012300: Vegetable Growing (Outdoors), A013100: Grape Growing, A013200: Kiwifruit Growing, A013300: Berry Fruit Growing, A013400: Apple and Pear Growing, A013500: Stone Fruit Growing, A013600: Citrus Fruit Growing, A013700: Olive Growing, A013900: Other Fruit and Tree Nut Growing, A014100: Sheep Farming (Specialised), A014200: Beef Cattle Farming (Specialised), A014300: Beef Cattle Feedlots (Specialised), A014400: Sheep-Beef Cattle Farming, A014500: Grain-Sheep and Grain-Beef Cattle Farming, A014600: Rice Growing, A014900: Other Grain Growing, A015100: Sugar Cane Growing, A015200: Cotton Growing, A015900: Other Crop Growing n.e.c., A016000: Dairy Cattle Farming, A017100: Poultry Farming (Meat), A017200: Poultry Farming (Eggs), A018000: Deer Farming, A019200: Pig Farming, A019300: Beekeeping, A019900: Other Livestock Farming n.e.c., A020300: Onshore Aquaculture, A041100: Rock Lobster and Crab Potting, A041300: Line Fishing, A041400: Fish Trawling, Seining and Netting, A041900: Other Fishing, A042000: Hunting and Trapping, A052900: Other Agriculture and Fishing Support Services, C111100: Meat Processing, C111200: Poultry Processing, C111300: Cured Meat and Smallgoods Manufacturing, C112000: Seafood Processing, C113100: Milk and Cream Processing, C113200: Ice Cream Manufacturing, C113300: Cheese and Other Dairy Product Manufacturing, C114000: Fruit and Vegetable Processing, C115000: Oil and Fat Manufacturing, C116100: Grain Mill Product Manufacturing, C116200: Cereal, Pasta and Baking Mix Manufacturing, C117100: Bread Manufacturing (Factory-based), C117200: Cake and Pastry Manufacturing (Factory-based), C117300: Biscuit Manufacturing (Factory-based), C117400: Bakery Product Manufacturing (Non-factory-based), C118200: Confectionery Manufacturing, C119900: Other Food Products Manufacturing n.e.c., C121100: Soft Drink, Cordial and Syrup Manufacturing, C121200: Beer Manufacturing, C121300: Spirit Manufacturing, C121400: Wine and Other Alcoholic Beverage Manufacturing.