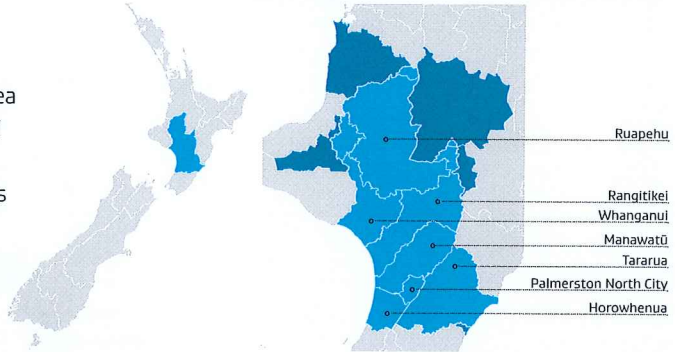




The Manawatū-Whanganui region is the second largest North Island region by land area with a diverse range of natural resources and economic activity. The region contributes 4 per cent of New Zealand's GDP, and 5.2 per cent of New Zealand's population.



Economy

The Manawatū-Whanganui economy is dominated by agriculture, with high concentrations of sheep and beef and dairy farming. The region accounts for 15 per cent of New Zealand's beef cattle and 18 per cent of the national sheep flock. There has been dairy farm expansion and intensification in the Manawatū and Horowhenua Districts.

Sheep farming employs relatively more people in the Tongariro, Taranaki and Rangitikei Districts than in other parts of the country. Rangitikei has also seen some sharp growth in its manufacturing sector over the past decade, particularly meat processing. Taranaki has also seen growth in manufacturing, and the emergence of some niche areas of specialisation within chemical and machinery manufacturing.

Manawatū, Horowhenua and Taranaki Districts have seen strong growth in dairy farming over the past decade. Horowhenua also has a substantial horticulture industry, particularly vegetable and mushroom growing.

Although the primary sector provides a solid foundation for the regional economy, there is increasing diversity. The main campus for Massey University is located in Palmerston

North City, along with a number of central government departments. Consequently, the city has high levels of employment in education and training and public administration. As the main population centre in the region, it also has strengths in health care and social assistance. Whanganui District has a diverse manufacturing sector, with relatively high levels of employment in other manufacturing (mainly clothing, leather and furniture manufacturing), and food and beverage manufacturing (predominately meat processing).

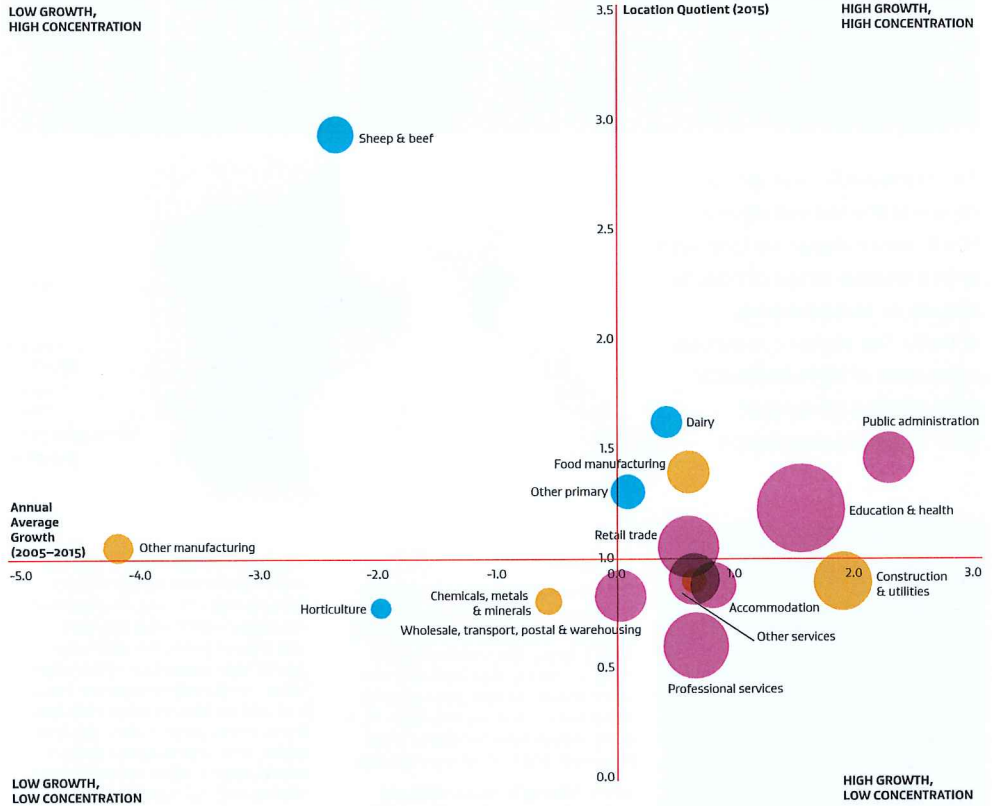
Natural Resources

Manawatū-Whanganui takes up a large portion of the lower half of the North Island, covering 22,215 square kilometres (8.1 per cent of New Zealand's land area). Around half the land area is used for agriculture, with semi-intensive sheep and beef farming across the hill country, particularly Rangitikei District, and concentrations of intensive dairy and sheep farming in the fertile plains of Manawatū and Horowhenua Districts.

Significant parts of the region are protected as part of the conservation estate, including the Tongariro and Whanganui National Parks.

EMPLOYMENT BY INDUSTRY

EMPLOYMENT GROWTH AND CONCENTRATION COMPARED TO THE NATIONAL AVERAGE



NOTE: Location Quotient is the proportion of total employment in a given industry and region, divided by the proportion in that industry at a national level

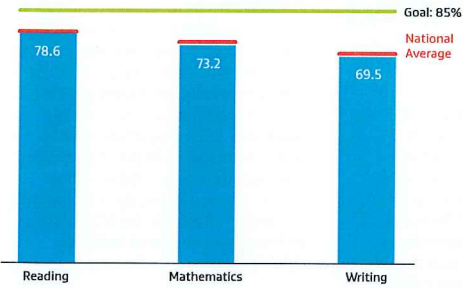
AREAS OF REGIONAL STRENGTH

INDUSTRY	SHARE OF TOTAL EMPLOYMENT			EMPLOYMENT GROWTH 2005-2015, ANNUAL AVERAGE	
	EMPLOYMENT COUNT	MANAWATŪ-WHANGANUI	NZ	MANAWATŪ-WHANGANUI	NZ
Grain, Sheep and Beef Cattle Farming	4,363	3.6%	1.2%	-2.3%	-2.1%
Dairy Cattle Farming	3,324	2.7%	1.7%	0.4%	1.0%
Other agriculture	3,288	2.7%	1.8%	-0.1%	1.4%
Public Administration and Safety	8,499	7.0%	4.8%	2.2%	3.6%
Other manufacturing	1,617	1.3%	0.9%	-4.9%	-4.7%

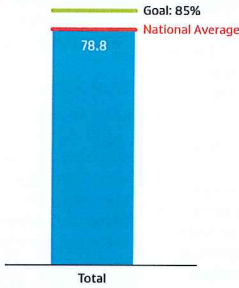
MANAWATŪ-WHANGANUI

SKILLS PIPELINE

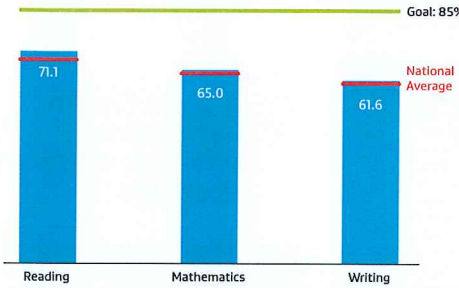
PERCENTAGE OF PRIMARY STUDENTS AT OR ABOVE NATIONAL STANDARDS, 2013



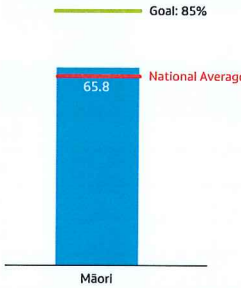
PERCENTAGE OF 18 YEAR OLDS WITH NCEA LEVEL 2 OR EQUIVALENT, 2013



PERCENTAGE OF MĀORI STUDENTS AT OR ABOVE NATIONAL STANDARDS, 2013

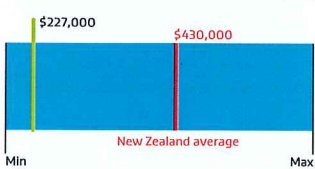


PERCENTAGE OF MĀORI 18 YEAR OLDS WITH NCEA LEVEL 2 OR EQUIVALENT, 2013



LIVING STANDARDS

AVERAGE HOUSE PRICE, MANAWATŪ-WHANGANUI, 2014



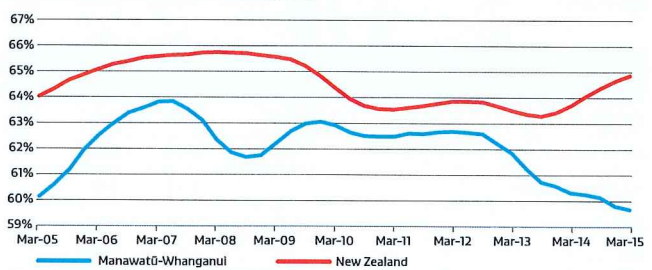
AVERAGE HOUSEHOLD INCOME, MANAWATŪ-WHANGANUI, 2014



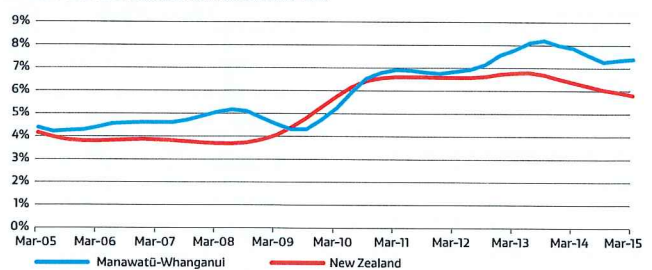
AVERAGE HOUSEHOLD WEEKLY RENT, MANAWATŪ-WHANGANUI, 2014



ANNUAL AVERAGE EMPLOYMENT RATES, 2005-2015



ANNUAL AVERAGE UNEMPLOYMENT RATES, 2005-2015



Living Standards and Jobs

Manawatū-Whanganui's mean annual household income of \$70,100 is below the national average. Incomes within the region range from a low of \$58,900 in Horowhenua District to a high of \$79,100 in Palmerston North City. However, lower incomes are offset by lower housing costs.

In 2013, 78.8 per cent of 18 year olds in the region had NCEA Level 2 or equivalent, slightly above the national average and up 1.8 percentage points on the previous year. However, Manawatū-Whanganui has a higher proportion of youth not in employment, education or training (NEET) when compared nationally. This suggests youth find it comparatively harder to access employment in the region.

The region specialises in industries which tend to have lower pay rates and levels of employment. These regional economic patterns are reflected in lower incomes and lower labour market participation in the region.

Outlook

Government, in association with regional stakeholders, recently published an Independent study identifying short-to-medium term business growth opportunities for Manawatū-Whanganui. The study identified a number of advantages the region can build on, including its central North Island location (with good road and rail transport links); its highly productive agricultural industries, particularly high-country

beef and lamb and notable institutions like Massey University and agricultural research facilities with an international reputation.

The study concluded there are excellent opportunities for tourism, dairy, sheep and beef, Manuka honey, poultry and grain processing, vegetable growing, care for older people, and business process outsourcing. Unlocking the region's potential will also depend on addressing cross-cutting enabling opportunities, such as distribution and transport infrastructure, productivity of Māori land, and small business development.

PEOPLE		Manawatū-Whanganui	NZ	% of NZ
Population		232,500	4,509,700	5.2%
Share of population (%): 0-14 years		20.4	20.2	
15-24 years		14.3	14.2	
25-64 years		48.5	51.2	
65 years+		16.8	14.4	
Māori share of population (%)		19.6	14.1	
Net annual international migration		797	58,259	
Projected population growth 2013-2043, annual average		0.1	0.8	
Dependency ratio	2014	59.2	53	
	2043	81.4	68.3	
LIVING STANDARDS		Manawatū-Whanganui	NZ	% of NZ
Regional GDP (\$m)		9,147	229,718	4.0%
GDP per capita (\$)		39,442	51,319	
Mean household income		70,100	89,000	
Median house price		227,000	430,000	
Mean weekly rent		234	347	
SKILLS & JOBS		Manawatū-Whanganui	NZ	% of NZ
Total employment		121,465	2,504,814	4.8%
Employment rate		59.5	65.2	
Unemployment rate		7.7	5.7	
Labour force participation rate		64.4	69.1	
% of 18 year olds obtaining minimum NCEA Level 2		78.8	78.6	
NEET rate		16.5	11.4	
% of 25-34 year olds with level 4 qualifications or higher		43.0	54.2	
Skilled and highly skilled jobs as a share of total employment		53.7	58.6	

Business Growth Agenda actions relevant to Manawatū-Whanganui	
Manawatū-Whanganui Regional Growth Programme	
Improved trade access for exporters with Korean FTA and Trans-Pacific Partnership	
Extend the Ultra-Fast Broadband network to smaller towns	
Lift rural broadband speeds with the Rural Broadband Initiative	
Regional roading upgrades	
Complete the Levin to Wellington Road of National Significance to link the region with Wellington	
Education New Zealand Regional Partnership programme to grow international education	
Tourism Growth Partnership Fund to grow Tourism Infrastructure	
Complete Nga Haerenga – The New Zealand Cycle Trail	
Attract new Investment & Jobs with the Regional Investment Attraction Programme	
Relaunch the Regional Business Partners Programme for Manawatū-Whanganui SMEs	
Build Regional Business Hubs	
Regional Research Institutes Programme	
Strengthen Callaghan Innovation's regional footprint	
Primary Growth Partnerships R & D Programme	
Unlock the productivity of Maori-owned land	
Resource Management Reforms to speed up decision-making	
Increase social housing provision through community providers	
Māori and Pasifika Trades Training	
Encourage vocation training with NZ Apprenticeships programme and trades academies	
Boost Regional skilled migration	