



Report to:
Upper Hutt City Council

PROFILE OF UPPER HUTT CITY 1997 TO 2007

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Upper Hutt City Economic Performance 1997 to 2007¹

1 Executive Summary	3
2 Key performance indicators	4
2.1 Economic performance in 2007.....	4
2.2 Long-term economic performance	6
2.3 Sector overview.....	7
3 Employment	9
3.1 Employee count.....	11
4 GDP	12
5 Labour productivity	13
6 Business units	14
6.1 Business units	14
6.2 Business size.....	15
7 Largest and fastest-growing industries	16
7.1 Employment.....	16
7.2 GDP.....	18
8 Location quotients	20
8.1 Highest location quotients	20
8.2 Lowest location quotients	21
9 Appendix B: Summary Graphs	23
10 Appendix C: Detailed Sector Tables	24
11 Appendix D: KPI Trend Tables	27
12 Definitions	34
12.1 Terminology	34

¹ This summary is based on data generated from the BERL Regional Database, which in turn sources information from the annual Business Directory Update Survey and IRD returns information from Statistics New Zealand. Note that revisions to previous official data series have been incorporated into the BERL Regional Database, which has now been revised back to 2001. Population figures, which have been based on population estimates in the past, have been recalculated to incorporate the recent release of 2006 census data. All references to value added growth refer to increases in volume or real terms - i.e. in constant price terms or after removal of the effects of price inflation. All references to employment relate to FTEs (i.e. Full-Time Equivalents). Years refer to years ended 31 March, unless otherwise indicated.

Tables

Table 2.1 Upper Hutt City performance, 2007	4
Table 2.2 Upper Hutt City KPI rankings, 2007	5
Table 2.3 Upper Hutt City long-term performance, 1997 to 2007	6
Table 2.4 Sectors of the Upper Hutt City economy, 2007	7
Table 3.1 Upper Hutt City employment summary, 1997 to 2007	10
Table 3.2 Upper Hutt City employee count summary, 2007.....	11
Table 4.1 Upper Hutt City value added summary, 1997 to 2007	12
Table 5.1 Upper Hutt City labour productivity summary, 1997 to 2007	13
Table 6.1 Upper Hutt City business units summary, 1997 to 2007	14
Table 6.2 Upper Hutt City business size summary, 1997 to 2007	15
Table 7.1 Ten largest industries by FTEs, 2007	16
Table 7.2 Ten fastest-growing industries by FTE growth, 2007	17
Table 7.3 Ten largest industries by GDP earnings, 2007.....	18
Table 7.4 Ten fastest-growing industries by GDP, 2007.....	19
Table 10.1 Employment, 2007	24
Table 10.2 GDP, 2007	25
Table 10.3 Business units, 2007	26
Table 11.1 Summary indicators, 1994 to 2007	28
Table 11.2 Employment, 1994 to 2007	29
Table 11.3 GDP (value added), 1994 to 2007	30
Table 11.4 Business Units, 1994 to 2007	31
Table 11.5 Labour productivity, 1994 to 2007.....	32
Table 11.6 Business size (FTEs per business unit), 1994 to 2007	33

Figures

Figure 3.1 FTE and employee count measures of employment, 2000 to 2007	9
Figure 8.1 Industries with high location quotients in Upper Hutt City, 2007	21
Figure 8.2 Industries with low location quotients in Upper Hutt City, 2007.....	22

1 Executive Summary

This report provides a profile of Upper Hutt City for 2007, and for the decade from 1997. Where possible, it also shows the City's performance relative to that of Wellington Region and New Zealand, to put the City's achievements into perspective.

Upper Hutt is home to around 38,700 people. The City employed almost 11,000 full-time equivalent (FTE) workers in 2007, producing \$863 million in GDP through 2,800 businesses.

The year to March 2007 was overshadowed by the closure of the South Pacific Tyres factory in Upper Hutt City. This event caused the loss of around 400 FTEs, or 3.8 percent of all FTEs in the City in 2006, and 4.6 percent of GDP. This had a significant impact on employment, GDP, business size and related indicators for 2007.

Section 2.1 of this report thus presents two sets of figures showing changes from 2006 to 2007 – with and without the tyre factory included. This allows readers to assess the performance of the City's economy excluding the tyre factory.

Over the long term, Upper Hutt's performance has been far stronger than in the last year. The City achieved growth across all key performance indicators between 1997 and 2007 except business size. The fall in business size was nevertheless in line with regional and national trends. The number of businesses has risen by 3.0 percent a year, employment has increased by 1.2 percent a year, and GDP has gained 1.4 percent a year.

The two largest sectors in terms of employment remain retail and distribution, and social services. The business services sector contributes most to GDP (26 percent) and business units (34 percent).

Industries which are well-represented in Upper Hutt relative to the national picture are led by defence, as a result of the Trentham military camp, which is located in the City.

Although several industries in the business services sector are underrepresented in the City in terms of employment, the sector is growing rapidly. This suggests that soon the share of employment accounted for by the sector will be in line with its share elsewhere in urban New Zealand. As the business services sector is characterised by high labour productivity (GDP per FTE), this will also increase the City's average labour productivity, which is currently 12 percent below that of New Zealand.

2 Key performance indicators

This section presents the performance of the Upper Hutt economy, measured across several Key Performance Indicators (KPIs), as calculated by BERL. It shows the 2007 performance of Upper Hutt City compared to the Wellington Region and New Zealand, as well as the results over the last 10 years. It also provides a snapshot of employment, GDP, and businesses across six broad industry sectors as at the end of March 2007.

2.1 Economic performance in 2007

Eight KPIs are listed in Table 2.1, where Upper Hutt City's performance is compared with the Wellington Region and New Zealand as a whole. An additional column, showing the City's performance if the South Pacific Tyre factory is excluded from calculations, is also presented. This allows us to see how the rest of the City's economy has performed.

Table 2.1 Upper Hutt City performance, 2007

Key Performance Indicator	%pa for 2007 year			
	Upper Hutt City		Wellington Region	New Zealand
	Total	Excluding tyre factory		
Resident population growth	0.8	0.8	0.8	1.0
Real Value Added (GDP) growth	-3.3	1.6	3.1	1.6
GDP per capita growth	-4.1	0.9	2.3	0.5
Employment growth	-1.0	2.9	2.4	2.0
Employee count growth	-1.0	3.4	2.3	2.3
Productivity growth	-2.3	-0.9	0.7	-0.4
Business units growth	1.0	1.0	2.1	1.9
Business size growth	-2.1	1.8	0.3	0.1

source: BERL Regional Database, Statistics NZ

The year to March 2007 was a particularly challenging one for the City, with population growth and business units growth being the only indicators in positive territory. Employment declined by 1.0 percent in the year, but this figure was overwhelmingly dominated by the closure of the tyre factory. Indeed, employment across other businesses in the City grew by 2.9 percent.

The resident population grew 0.8 percent in the year, the same rate of growth as the Wellington Region, and slightly behind the 1.0 percent overall rise in New Zealand. The number of business units increased by 1.0 percent, around half the rate of change in the Region and the country.

The factory closure also affected GDP, as labour productivity in the City fell by 2.3 percent. Labour productivity in New Zealand as a whole was also down, although to a lesser degree.

Excluding the impact of the South Pacific Tyre factory closure, the figures are markedly different, with all indicators other than labour productivity positive. GDP was up 1.6 percent. Business size grew strongly, suggesting that, on average, businesses were employing more FTEs in 2007 than in 2006. Labour productivity, while still negative, was far closer to the national picture.

Table 2.2 shows the performance of Upper Hutt City relative to the other 72 territorial authorities in New Zealand in the last two years across seven KPIs. Although rankings for all seven KPIs are provided, the overall rank is based on an equal weighting of each of the four main KPIs – resident population growth, employment growth, GDP growth, and business units growth.

Table 2.2 Upper Hutt City KPI rankings, 2007

Upper Hutt City	2006	2007	2007 excl. tyre factory	change 2006 to 2007
Overall Rank	30	53	30	▼
Resident population growth	14	24	24	▼
Employment (FTE) growth	43	59	18	▼
Real Value Added growth (GDP)	47	63	30	▼
GDP per capita growth	57	63	30	▼
Productivity growth	50	62	35	▼
Business units growth	33	46	46	▼
Business size growth	43	57	13	▼

source: BERL Regional Database, Statistics NZ

Overall, Upper Hutt City had the 53rd best performing local economy in 2007, down 23 spots from 30th in 2006. This is because these figures include the impact of the factory closure. As a result, the City's ranking fell across all seven KPIs.

Its best performance was in population growth, where it ranked 24th. Business units growth, the other indicator in which the City achieved growth, managed 46th.

Excluding the impact of the tyre factory closure, the City would have managed 30th, the same position it achieved in 2006.

By comparison, Porirua City achieved the highest ranking in the Wellington Region in 2007, in 10th. Wellington City was next, in 13th spot, followed by Kapiti District (19th), Hutt City (20th), South Wairarapa (40th), Masterton District (43rd), and Carterton District (48th).

2.2 Long-term economic performance

It is difficult to identify trends by comparing performance across just two years, as in the previous section. We therefore also examine Upper Hutt City's performance against that of the Wellington Region and New Zealand for a longer term – 10 years. Once again, we include figures excluding the tyre factory as well. A summary of these results is presented in Table 2.3.

Table 2.3 Upper Hutt City long-term performance, 1997 to 2007

Key Performance Indicator	%pa for 1997-2007			
	Upper Hutt City		Wellington Region	New Zealand
	Total	Excluding tyre factory		
Resident population growth	0.7	0.7	1.0	1.2
Real Value Added (GDP) growth	1.4	2.0	2.5	3.0
GDP per capita growth	0.8	1.3	1.5	1.8
Employment growth	1.2	1.6	1.9	2.4
Productivity growth	0.4	0.6	0.8	0.8
Business units growth	3.0	3.0	3.4	3.5
Business size growth	-1.7	-1.4	-1.5	-1.0

source: BERL Regional Database, Statistics NZ

Over the long term, the City has performed much better, with all indicators positive other than business size, where Upper Hutt business size declines have followed regional and national trends.

The strongest growth has been in the number of businesses, up 3.0 percent per annum between 1997 and 2007. At the same time, GDP has increased 1.4 percent per year as employment and labour productivity have risen.

Population growth of 0.7 percent per year, coupled with GDP growth of 1.4 percent a year, has yielded an average gain of 0.8 percent per year in GDP per capita.

Removing the tyre factory from the equation suggests that other industries have more than held their own over the last few years, with most indicators rising, as growth has been stronger in other industries.

2.3 Sector overview

Table 2.4 presents a summary of the contributions of the City's six sectors to employment, GDP, and businesses.²

The City employed almost 11,000 FTEs in 2007, producing \$859 million in GDP through 2,800 businesses.

Table 2.4 Sectors of the Upper Hutt City economy, 2007

Sectors	FTEs		GDP (\$2007m)		Business units	
		%		%		%
Primary	218	2.0%	24	2.8%	160	5.7%
Manufacturing and Building	2,443	22.5%	175	20.4%	654	23.4%
Retail and Distribution	2,902	26.7%	199	23.2%	592	21.2%
Business Services	1,430	13.2%	222	25.9%	951	34.0%
Recreation Services	1,048	9.7%	39	4.5%	221	7.9%
Social Services	2,814	25.9%	200	23.2%	221	7.9%
Totals	10,855	100.0%	859	100.0%	2,799	100.0%

source: BERL Regional Database, Statistics NZ

The largest numbers of FTEs are employed in the retail and distribution, and social services sectors. Together, the two sectors account for 53 percent of all employment. Close behind is the manufacturing and building sector, with 23 percent of FTEs.

Largely as a result of the large proportion of GDP apportioned to the property services industry, the business services sector contributed most to GDP, at \$222 million in 2007.³ Social services, retail and distribution, and manufacturing and building each produced at least 20 percent of GDP. The lower levels of employment in the primary and recreation services sectors meant their contributions to GDP were significantly smaller.

² Tables showing which industries are included in each sector at a more detailed level are included in the Appendices of this report.

³ The business services sector includes the property services industry, which in turn includes the sub industry ownership of owner-occupied dwellings. By definition, this sub-industry is included in the GDP figures to reflect the rental value of owner-occupied property - but it does not employ people. This then biases labour productivity, especially in the property services industry and the business services sector. To remove the bias, ownership of owner-occupied dwellings has been excluded from all calculations of labour productivity. However, for overall consistency purposes, we need to include ownership of owner-occupied dwellings in our GDP figures.

To provide context when considering the impact of the property services industry, at a national level the sector contributes around 11 percent of total GDP. Ownership of owner-occupied dwellings contributes around 6 percent of total GDP, or makes up around 55 percent of the property services industry.

The business services and the primary sectors are characterised by small numbers of FTEs per business. As a result, these sectors account for disproportionate numbers of business units relative to employment – 34 percent in the case of the former, and 5.7 percent for the latter. The social services sector, in contrast, typically has larger business units including hospitals and schools, which is why it has a relatively small portion of businesses (7.9 percent).

3 Employment

This section summarises the current situation of employment in Upper Hutt City. It looks at two measures of employment growth in Upper Hutt – FTEs and employee count.

FTEs are Full-Time Equivalents. Measuring employment by FTEs counts all full-time jobs as one FTE, and all part-time jobs as half an FTE. It therefore takes into account the part-time nature of work common to certain industries such as the hospitality industry.

Employee count is another measure of employment. It differs from the measure of employment by FTEs in that it measures only the increase in *employees*, not *employers*. This measure can be particularly hard to interpret in the primary and business services sectors due to the large number of businesses that are owner-operated and do not employ further staff. When data on employees is recorded for these businesses, whether or not one employee is counted depends on whether the owner considers him/herself to be an employee or an employer of the business. In addition, this measure does not take into account whether a job is full-time or part-time.

A comparison of the FTE and employee count numbers for Upper Hutt City for 2000 to 2007 is presented in Figure 3.1.

Figure 3.1 FTE and employee count measures of employment, 2000 to 2007

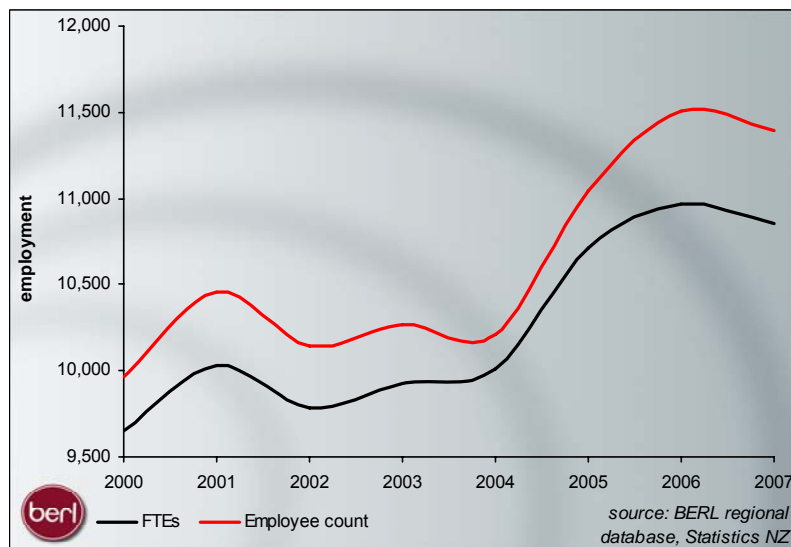


Table 3.1 shows employment numbers (FTEs) for the six sectors in Upper Hutt City for the last three years and the longer term. It also shows the aggregate change over the same period for the Wellington Region and New Zealand.

Table 3.1 Upper Hutt City employment summary, 1997 to 2007

Sector	Employment Number FTEs				%pa change		
	1997	2005	2006	2007	2006	2007	1997 to 2007
Primary	229	203	215	218	5.6	1.6	-0.5
Manufacturing and Building	2,168	2,748	2,837	2,443	3.2	-13.9	1.2
Retail and Distribution	2,508	2,900	2,842	2,902	-2.0	2.1	1.5
Business Services	1,091	1,288	1,445	1,430	12.1	-1.0	2.7
Recreation Services	661	994	981	1,048	-1.3	6.8	4.7
Social Services	2,948	2,583	2,651	2,814	2.6	6.1	-0.5
Upper Hutt City	9,605	10,715	10,970	10,855	2.4	-1.0	1.2
Wellington Region	183,244	206,027	215,041	220,279	4.4	2.4	1.9
New Zealand	1,450,586	1,751,280	1,808,605	1,845,434	3.3	2.0	2.4

source:BERL Regional Database, Statistics NZ

A total of almost 10,900 FTEs were employed in Upper Hutt City in 2007.

After a strong rise in employment in 2006, employment in Upper Hutt City fell in 2007, with the loss of around 120 FTEs. Over the decade to 2007, employment growth averaged 1.2 percent a year, with 1,250 more FTEs working in the City in 2007 than in 1997.

Across the sectors, changes have been mixed over the short and long term. The social services and primary sectors are the only two that enjoyed employment gains in 2006 and 2007, yet they both lost FTEs over the long term. On the other hand, the other four sectors experienced mixed results in 2006 and 2007, but all achieved employment gains between 1997 and 2007.

The loss of several hundred jobs in the closure of the South Pacific Tyre factory caused a 14 percent decline in manufacturing and building FTEs. Excluding the tyre factory from the equation would have meant a City-wide rise of 2.9 percent in employment in 2007. Nevertheless, over the decade, the sector has seen employment rise by nearly 300 FTEs.

The strongest increases over the long term were in recreation services, which averaged 4.7 percent per year to 2007, adding almost 400 new FTEs. These gains were almost exclusively in the “other services” industry.⁴

⁴ Other services includes religious organizations; interest groups; police, corrective and fire services; and waste disposal services.

3.1 Employee count

For completeness, Table 3.2 presents employee count growth for the six sectors in Upper Hutt City and aggregate changes for Wellington Region and New Zealand.

Table 3.2 Upper Hutt City employee count summary, 2007

Sector	Employee Count				%pa change		
	2000	2005	2006	2007	2006	2007	2000 to 2007
Primary	72	92	73	98	-20.7	34.2	4.5
Manufacturing and Building	1,748	2,242	2,499	2,047	11.5	-18.1	2.3
Retail and Distribution	2,851	3,300	3,255	3,345	-1.4	2.8	2.3
Business Services	1,012	1,112	1,158	1,145	4.1	-1.1	1.8
Recreation Services	820	1,115	940	1,046	-15.7	11.3	3.5
Social Services	3,432	3,124	3,583	3,714	14.7	3.7	1.1
Upper Hutt City	9,960	11,040	11,508	11,395	4.2	-1.0	1.9
Wellington Region	202,770	224,190	231,530	236,780	3.3	2.3	2.2
New Zealand	1,580,090	1,844,690	1,880,810	1,923,190	2.0	2.3	2.8

source:BERL Regional Database, Statistics NZ

Upper Hutt City had 11,400 employees in 2007, down 110 from 2006. Figures for employee count are only available from 2000.

4 GDP

This section looks at the growth in GDP across six sectors and compares the performance of Upper Hutt City to Wellington Region and New Zealand as a whole.

Upper Hutt City's economic growth over the last three years and the decade is presented in Table 4.1.

Table 4.1 Upper Hutt City value added summary, 1997 to 2007

Sector	Value Added or GDP (\$2007m)				%pa change		
	1997	2005	2006	2007	2006	2007	1997 to 2007
Primary	19	21	23	24	9.1	2.9	2.4
Manufacturing and Building	177	219	218	175	-0.7	-19.6	-0.1
Retail and Distribution	152	205	198	199	-3.6	0.7	2.8
Business Services	188	213	228	222	6.7	-2.3	1.7
Recreation Services	26	42	36	39	-14.9	9.2	4.3
Social Services	184	179	187	200	4.0	7.0	0.8
Upper Hutt City	744	880	889	859	0.9	-3.3	1.4
Wellington Region	16,665	20,043	20,727	21,372	3.4	3.1	2.5
New Zealand	122,615	158,567	162,826	165,379	2.7	1.6	3.0

source:BERL Regional Database, Statistics NZ

Upper Hutt produced GDP of \$859 million in 2007, down 3.3 percent over the 2006 figure. Over the longer term, however, growth has been more solid, averaging 1.4 percent per year.

The social services sector backed up a good 2006 with an even stronger 2007, achieving 7.0 percent growth. The recreation services, primary, and retail and distribution sectors also saw growth in GDP in 2007. Of particular note is the primary sector, which has averaged GDP growth of 2.4 percent per year since 1997 despite falling employment. This suggests robust labour productivity gains, a topic to be dealt with further on in this report.

At the other end of the spectrum is manufacturing and building, which saw GDP fall dramatically in 2007, following near-static growth in 2006. Excluding the tyre factory from calculations would have seen overall GDP in the City rise by 1.6 percent in the year.

5 Labour productivity

This section looks at labour productivity in Upper Hutt City and compares it with that of Wellington Region and New Zealand. It also investigates which sectors have been driving the growth in productivity in the last 10 years.

Table 5.1 summarises changes for the last three years and the decade for Upper Hutt City, Wellington Region and New Zealand.

Table 5.1 Upper Hutt City labour productivity summary, 1997 to 2007

Sector	Productivity (\$2007 per FTE)				%pa change		
	1997	2005	2006	2007	2006	2007	1997 to 2007
Primary	82,361	104,894	108,423	109,825	3.4	1.3	2.9
Manufacturing and Building	81,421	79,766	76,695	71,636	-3.9	-6.6	-1.3
Retail and Distribution	60,521	70,837	69,695	68,723	-1.6	-1.4	1.3
Business Services (#)	113,878	118,127	115,199	113,998	-2.5	-1.0	0.0
Recreation Services	38,729	42,127	36,320	37,134	-13.8	2.2	-0.4
Social Services	62,315	69,491	70,403	70,973	1.3	0.8	1.3
Upper Hutt City (#)	70,871	76,472	75,444	73,704	-1.3	-2.3	0.4
Wellington Region (#)	83,182	90,544	89,774	90,376	-0.9	0.7	0.8
New Zealand (#)	77,312	84,270	83,851	83,475	-0.5	-0.4	0.8

excl owner-occupied dwellings sector

source:BERL Regional Database, Statistics NZ

Labour productivity in Upper Hutt stood at \$73,700 in 2007, 18 percent lower than the regional average of \$90,400, and 12 percent below the national average of \$83,500.

Labour productivity in the petroleum, coal, chemical and associated manufacturing industry is high, at around \$110,000 per FTE. This is why labour productivity fell so strongly in the manufacturing and building sector, and therefore the City, in 2007. Excluding the tyre factory would have resulted in a labour productivity loss of 1.2 percent, rather than 2.3 percent.

Results in other sectors were mixed, with retail and distribution, and business services continuing to see declines in labour productivity, while the primary sector continued its gains.

Over the long term, and despite falling employment, the primary sector has seen labour productivity surge, up 2.9 percent a year over the decade. The sector is producing \$27,500 more per FTE in real GDP now than in 1997.

6 Business units

This section summarises the results of the six sectors in the City in terms of business unit growth and business size. The results for Wellington Region and New Zealand are also presented here for comparison.

6.1 Business units

Table 6.1 shows the change in business unit numbers over the decade and for the last three years broken down into sectors for Upper Hutt City, and at the aggregate level for the Wellington Region and New Zealand.

Table 6.1 Upper Hutt City business units summary, 1997 to 2007

Sector	Business Units (number)				%pa change		
	1997	2005	2006	2007	2006	2007	1997 to 2007
Primary	198	167	167	160	0.0	-4.2	-2.1
Manufacturing and Building	521	649	667	654	2.8	-1.9	2.3
Retail and Distribution	571	589	582	592	-1.2	1.7	0.4
Business Services	566	850	905	951	6.5	5.1	5.3
Recreation Services	181	216	230	221	6.5	-3.9	2.0
Social Services	208	209	219	221	4.8	0.9	0.6
Upper Hutt City	2,084	2,680	2,770	2,799	3.4	1.0	3.0
Wellington Region	36,222	47,742	49,614	50,678	3.9	2.1	3.4
New Zealand	354,106	474,007	490,474	499,940	3.5	1.9	3.5

source: BERL Regional Database, Statistics NZ

The total number of businesses in the City stood at 2,800 in 2007, up 30 units in the year. Over the long term, Upper Hutt has seen the number of businesses rise by over 700, at a rate similar to that achieved regionally and nationally.

The number of businesses in the business services (5.1 percent), retail and distribution (1.7 percent), and social services (0.9 percent) sectors all enjoyed rises in 2007. Meanwhile, the other three sectors saw business numbers fall between 1.9 percent and 4.2 percent.

Over the decade to 2007, all but the primary sector have achieved an increase in business numbers. The business services sector has experienced gains of 5.3 percent a year, adding nearly 400 businesses over the ten years. Manufacturing and building has added 130 businesses despite difficult trading conditions which included a wildly fluctuating exchange rate and increased foreign competition.

6.2 Business size

The average business size is measured in terms of FTEs per business unit. Table 6.2 shows the average business size for Upper Hutt City for the latest three years and the last 10 years across the six sectors. It also shows the average business size for the Wellington Region and for New Zealand.

Table 6.2 Upper Hutt City business size summary, 1997 to 2007

Sector	Business Size (FTEs per unit)				%pa change		
	1997	2005	2006	2007	2006	2007	1997 to 2007
Primary	1.2	1.2	1.3	1.4	5.6	6.0	1.7
Manufacturing and Building	4.2	4.2	4.3	3.7	0.4	-12.2	-1.1
Retail and Distribution	4.4	4.9	4.9	4.9	-0.8	0.4	1.1
Business Services	1.9	1.5	1.6	1.5	5.3	-5.8	-2.5
Recreation Services	3.7	4.6	4.3	4.7	-7.3	11.2	2.6
Social Services	14.2	12.4	12.1	12.7	-2.0	5.2	-1.1
Upper Hutt City	4.6	4.0	4.0	3.9	-0.9	-2.1	-1.7
Wellington Region	5.1	4.3	4.3	4.3	0.4	0.3	-1.5
New Zealand	4.1	3.7	3.7	3.7	-0.2	0.1	-1.0

source:BERL Regional Database, Statistics NZ

Businesses in Upper Hutt tend to have slightly fewer FTEs per business than in all of Wellington Region, but slightly more than the national average, at 3.9 FTEs per business.

The significant reduction in average business size in the manufacturing sector has influenced overall business size, as the loss of one business resulted in the loss of several hundred jobs. Excluding the tyre factory shows that business size across the City actually rose by 1.8 percent in 2007, well ahead of gains nationally and regionally.

Over the decade to 2007, results across sectors have varied. The average size of recreation services businesses has increased by 1.0 FTE per business, while there have been smaller increases in the primary and retail and distribution sectors.

In contrast, the size of businesses in the business services sector has fallen, in line with national trends. This has been the result of the strong economy, which has encouraged more people to begin their own businesses within the sector, resulting in a sharp increase in owner-operated (1.0 FTE or less) businesses.

7 Largest and fastest-growing industries

This section presents the largest and fastest-growing industries in terms of FTE employment and value added (GDP). For this analysis, businesses are grouped into 53 industries.⁵ The analysis only covers industries that had at least 25 FTEs and produced at least \$4 million in GDP in 2007.

7.1 Employment

Table 7.1 presents the 10 industries that employ the most FTEs, and shows the proportion of total Upper Hutt City employment within each industry.

Table 7.1 Ten largest industries by FTEs, 2007

Rank by FTE size	Industry	Employment (FTEs)	
		2007	% of total
1	Business Services	1,056	9.7
2	Education	865	8.0
3	Defence	835	7.7
4	Construction Trade Services	801	7.4
5	Personal and Household Good Wholesaling	698	6.4
6	Other Services	664	6.1
7	Food Retailing	571	5.3
8	Personal and Household Good Retailing	475	4.4
9	Government Administration	472	4.3
10	Accommodation, Cafes and Restaurants	454	4.2

source:BERL Regional Database, Statistics NZ

The ten largest industries in the City account for just under two-thirds of total FTEs.

The business services industry⁶ accounts for nearly 10 percent of all FTEs in Upper Hutt, at around 1,060 FTEs. Next largest is the education industry, made up predominantly of primary and secondary school education, with nearly 870 FTEs. The location of Trentham military camp ensures that defence is the third largest industry in the City, followed closely by construction trade services. The top five is rounded out by personal and household good wholesaling, with almost 700 FTEs.

⁵ Industry names at the 53-industry level are those used in the Australia New Zealand Standard Industrial Classification (ANZSIC) New Zealand version, as published by Statistics New Zealand.

⁶ Not to be confused with the broader business services sector. The business services industry includes business administration and management, scientific research, contracting staff, cleaning, architectural, accounting, computer and data processing, consultant engineer, advertising and legal services among others.

Table 7.2 shows the 10 fastest-growing industries in Upper Hutt City by FTEs. Note again that this examination is limited to industries with at least 25 FTEs in 2007.⁷

Table 7.2 Ten fastest-growing industries by FTE growth, 2007

Rank by FTE growth	Industry	Employment (FTEs)		
		2006	2007	% growth
1	Accommodation, Cafes and Restaurants	368	454	23.6
2	Services to Finance and Insurance	37	45	21.3
3	Education	725	865	19.3
4	Sport and Recreation	85	99	16.5
5	Communication Services	63	73	16.2
6	Wood and Paper Product Manufacturing	199	228	14.4
7	Other Services	581	664	14.2
8	Finance	64	72	11.8
9	Health Services	266	293	10.4
10	Government Administration	436	472	8.3

source:BERL Regional Database, Statistics NZ

Social services and business services feature strongly on the list, with government administration (10th), health services (9th), finance (8th), other services (7th), communication services (5th), education (3rd), and services to finance and insurance (2nd).

However, in percentage terms, accommodation, cafés and restaurants topped the list, with 24 percent growth in 2007, up almost 90 FTEs.

In absolute terms, education was best, up 140 FTEs, or 19 percent. However, the education figures need to be interpreted with caution. In particular, Statistics New Zealand figures show a sharp rise in secondary school employment between 2006 and 2007. There were also notable reductions in employment in other education sectors in 2006 that were reversed in 2007. Our enquiries have been unable to confirm such changes. Consequently, we have modified our figures for employment in education in the City, but believe they are still likely to overstate the growth to 2007.

The ten fastest growing industries added 440 FTEs between them in 2007.

⁷ Services to agriculture; hunting and trapping, and general construction have also been excluded as their gains seem to have been a result of a classification change from agriculture and construction trade services respectively.

7.2 GDP

Table 7.3 presents the 10 largest industries in Upper Hutt City by value added and their shares of Upper Hutt City's GDP in 2007.

Table 7.3 Ten largest industries by GDP earnings, 2007

Rank by GDP size	Industry	GDP (\$2007m)	
		2007	% of total
1	Property Services	105	12.2
2	Personal and Household Good Wholesaling	76	8.9
3	Defence	71	8.3
4	Business Services	66	7.6
5	Government Administration	57	6.6
6	Education	41	4.7
7	Construction Trade Services	38	4.4
8	Petroleum, Coal, Chemical & Assoc Prod Mfg	37	4.3
9	Communication Services	29	3.3
10	Food Retailing	28	3.2

source:BERL Regional Database, Statistics NZ

The property services industry represented one eighth of Upper Hutt GDP in 2007, at \$105 million.⁸ Personal and household good wholesaling, defence, business services, and government administration round out the top five, which together contributed \$375 million, or 43 percent of the City's GDP.

The list is completed by a wide range of industries, covering four different sectors – social services, manufacturing and building, business services, and retail and distribution.

Table 7.4 presents the 10 fastest-growing industries by value added in the year to March 2007. Note again that the analysis is limited to industries producing at least \$4 million in GDP in 2007.

⁸ See footnote 3 for an explanation of why this is so.

Table 7.4 Ten fastest-growing industries by GDP, 2007

Rank by GDP growth	Industry	GDP (\$2007m)		
		2006	2007	% growth
1	Communication Services	21.7	28.5	31.4
2	Accommodation, Cafes and Restaurants	11.6	14.1	21.3
3	Sport and Recreation	5.8	6.8	17.7
4	Other Services	15.0	17.6	17.5
5	Finance	15.3	17.5	14.2
6	Health Services	18.3	20.8	13.5
7	Wood and Paper Product Manufacturing	22.6	25.6	13.0
8	Government Administration	51.6	56.9	10.2
9	Forestry and Logging	12.9	14.1	9.9
10	Education	37.2	40.8	9.5

source:BERL Regional Database, Statistics NZ

The strongest growth occurred in communication services, which added almost \$7 million more to GDP in 2007 than the year before. These gains were as much due to increases in labour productivity as gains in employment. The rise in GDP contributed by the communication services industry was also the biggest gain in absolute terms in the year.

There were strong gains in tourism-linked industries such as accommodation, cafés and restaurants (21 percent), and sport and recreation (18 percent).⁹ The social services were also well-represented, with other services, health services, government administration, and education making the list.

These 10 fastest growing industries added \$30.6 million more to GDP in 2007 than they did the year before.

⁹ Several of our studies of Cities, Districts and Regions in New Zealand have shown sudden rises in employment and GDP in sport and recreation in 2007. This suggests that there may have been a change in classification or a classification error in the 2007 data from Statistics New Zealand. We therefore advise caution in interpreting these numbers.

8 Location quotients

This section looks at the concentration of industries in Upper Hutt City compared to the national average. Again the analysis is at the 53-industry level.

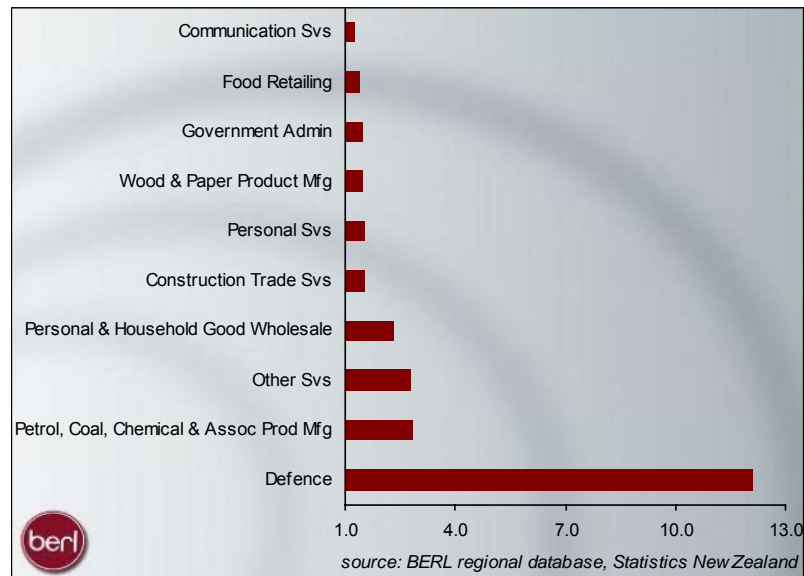
The location quotient is a measure that helps analysts examine the relative concentration of industry employment in a particular area relative to another larger, or base, area. In this case, New Zealand is the base area. The measures provide a potentially valuable insight into a local labour market's industry structure, relative to the larger base area.

Generally, a location quotient greater than 1.0 suggests that the industry is a key element in local economic activity. Such an industry could also be associated with exporting to, or providing services for, other neighbouring areas or overseas. In this context, neighbouring as well as wider national economic conditions will, to a degree, influence the development of this industry. Conversely, a location quotient less than 1.0 suggests that the industry is relatively less established in the economic activity of the area. In addition, goods or services associated with this industry could be being imported from neighbouring areas (or overseas) to satisfy the demand within the area.

8.1 Highest location quotients

Figure 8.1 shows the 10 industries with the highest location quotients. Because of the small numbers in some of the industries in Upper Hutt, we only compare those industries that have at least 25 FTEs.

Figure 8.1 Industries with high location quotients in Upper Hutt City, 2007



Workers in Upper Hutt are 12 times more likely to be employed in defence than in all of New Zealand, as a result of the Trentham military camp being located in Upper Hutt.

Defence is followed by petroleum, coal, chemical and associated products manufacturing (2.81). This is despite the closure of the tyre factory, as there are several other sub-industries with a strong presence in the City, including synthetic resin manufacturing; medicinal and pharmaceutical product manufacturing; and paint manufacturing.

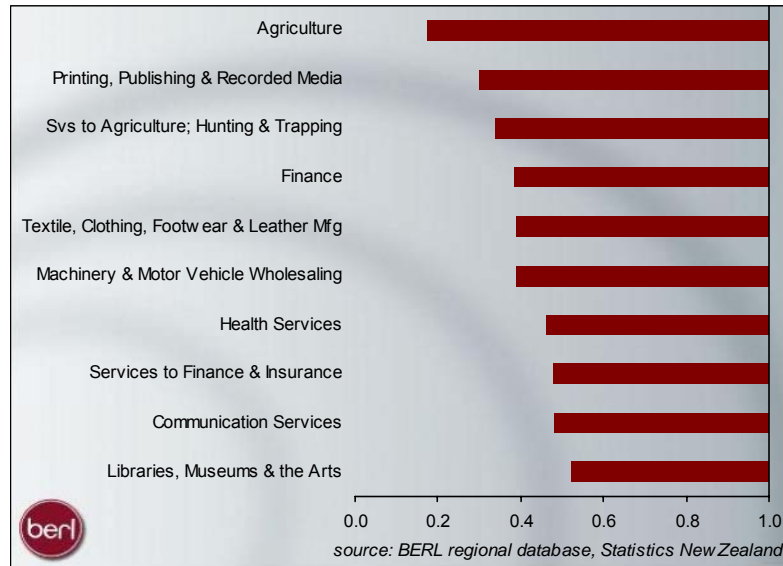
Other services (2.79) and personal and household good wholesaling (2.35) also have particularly high location quotients. Workers in Upper Hutt are at least twice as likely to work in these industries as they are in New Zealand as a whole.

Construction trade services, personal services, wood and paper product manufacturing, and government administration each had location quotients of around 1.50. This means that workers in the City are 50 percent more likely to work in these industries than the average worker in New Zealand.

8.2 Lowest location quotients

Figure 8.2 shows the 10 industries with the lowest location quotients. In other words, these are industries in Upper Hutt in which workers are far less likely to be employed than they would be throughout New Zealand.

Figure 8.2 Industries with low location quotients in Upper Hutt City, 2007¹⁰



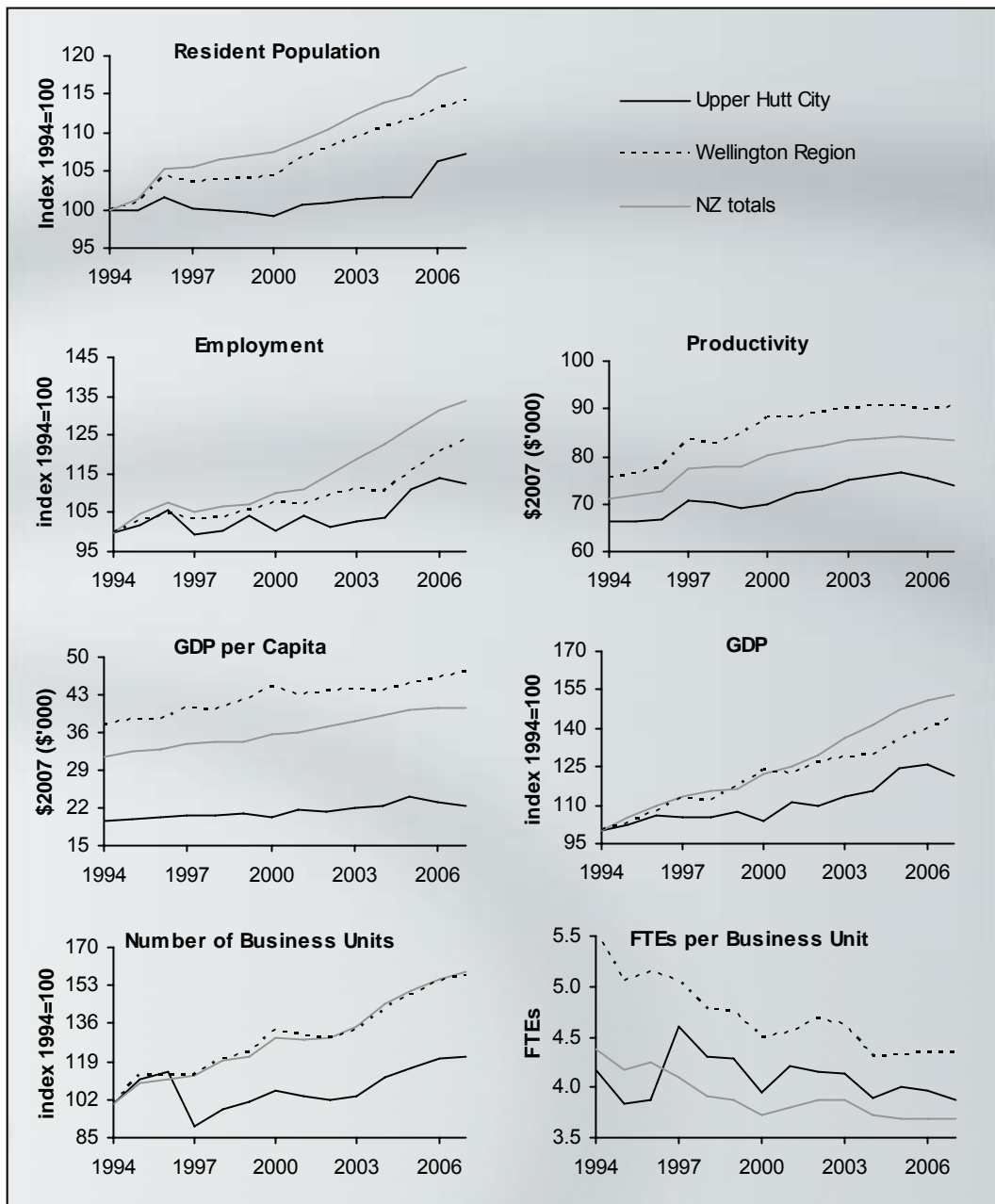
Not surprisingly, given Upper Hutt's largely urban nature, there is little likelihood that workers will be employed in primary industries such as agriculture (0.17) or services to agriculture; hunting and trapping (0.34).

However, there are a broad range of other industries that are also relatively underrepresented. These include printing, publishing and recorded media (0.30); finance (0.39); and textile, clothing, footwear and leather manufacturing (0.39). Workers elsewhere in New Zealand are at least 2.5 times more likely to be employed in these industries as they are in Upper Hutt.

There are three business services sector industries on this list – finance, services to finance and insurance, and communication services. In addition, insurance has no recorded employment in Upper Hutt. With the strong gains currently occurring in business sector employment, one can expect that location quotients for these industries will rise over time.

¹⁰ Note that ten industries at the 53-industry level have no presence in Upper Hutt City. These industries are: Coal Mining, Oil and Gas Exploration, Metal Ore Mining, Other Mining, Services to Mining, Water Transport, Air and Space Transport, Insurance, Electricity and Gas supply, and Private Households Employing Staff. A further 13 employ fewer than 50 FTEs and are therefore not included on the table.

9 Appendix B: Summary Graphs



10 Appendix C: Detailed Sector Tables

Table 10.1 Employment, 2007

Employment for Upper Hutt City	1994	1997	2001	2002	2003	2004	2005	2006	2007	change 2006-07	
										FTEs	%
Agriculture	110	145	183	178	181	126	119	142	117	-25	-17.4
Services to Agriculture; Hunting and Trapping	19	25	20	20	25	22	21	16	47	31	191.9
Forestry and Logging	27	56	24	21	39	67	58	51	49	-3	-5.4
Commercial Fishing	3	3	6	6	6	6	6	5	5	0	4.7
Coal Mining	0	0	0	0	0	0	0	0	0	0	na
Oil and Gas Exploration	0	0	0	0	0	0	0	0	0	0	na
Metal Ore Mining	0	0	0	0	0	0	0	0	0	0	na
Other Mining	0	0	0	0	0	0	0	0	0	0	na
Services to Mining	0	0	0	0	0	0	0	0	0	0	na
<i>Primary</i>	160	229	233	225	251	222	203	215	218	3	1.6
Food, Beverage and Tobacco	27	27	6	3	9	6	9	6	24	18	303.0
Textile, Clothing, Footwear & Leather Mfg	59	56	37	45	34	39	41	35	35	-1	-1.9
Wood and Paper Product Manufacturing	100	132	139	136	228	215	210	199	228	29	14.4
Printing, Publishing and Recorded Media	41	33	24	24	27	38	40	50	39	-11	-22.0
Petroleum, Coal, Chemical & Assoc Prod Mfg	734	669	580	602	624	667	736	744	332	-412	-55.4
Non-Metallic Mineral Product Manufacturing	8	9	12	15	12	23	22	22	16	-6	-26.5
Metal Product Manufacturing	113	80	109	113	107	88	157	169	160	-8	-4.9
Machinery and Equipment Manufacturing	253	315	322	329	293	312	293	293	286	-7	-2.3
Other Manufacturing	74	84	69	75	83	65	75	74	75	2	2.3
General Construction	241	226	295	274	317	334	380	409	447	38	9.3
Construction Trade Services	466	537	592	664	689	642	784	836	801	-36	-4.3
<i>Manufacturing and Building</i>	2,115	2,168	2,185	2,280	2,423	2,430	2,748	2,837	2,443	-394	-13.9
Basic Material Wholesaling	52	76	91	94	94	99	105	108	104	-4	-3.9
Machinery and Motor Vehicle Wholesaling	134	138	67	81	82	130	157	129	94	-35	-27.4
Personal and Household Good Wholesaling	444	468	436	477	512	462	727	676	698	22	3.2
Food Retailing	580	555	609	547	565	573	514	602	571	-31	-5.2
Personal and Household Good Retailing	434	429	440	433	432	439	462	459	475	16	3.5
Motor Vehicle Retailing and Services	285	323	346	324	330	309	307	285	295	10	3.5
Accommodation, Cafes and Restaurants	250	285	365	350	380	417	399	368	454	87	23.6
Road Transport	174	168	150	135	125	136	150	150	150	1	0.5
Rail Transport	45	45	25	35	25	29	24	23	23	0	-1.6
Water Transport	0	0	0	0	0	0	0	0	0	0	na
Air and Space Transport	2	0	3	0	0	0	0	0	0	0	na
Other Transport	0	0	3	3	3	3	3	3	3	0	16.2
Services to Transport	13	15	18	20	20	25	29	16	13	-3	-18.6
Storage	3	6	35	20	25	29	24	23	22	-1	-4.3
<i>Retail and Distribution</i>	2,417	2,508	2,588	2,519	2,593	2,653	2,900	2,842	2,902	60	2.1
Electricity and Gas Supply	1	3	0	0	0	0	0	0	0	0	na
Water Supply, Sewerage and Drainage Services	3	3	0	0	6	3	9	11	10	-1	-11.7
Communication Services	137	110	90	90	70	72	72	63	73	10	16.2
Finance	104	97	49	54	60	60	66	64	72	8	11.8
Insurance	19	9	3	3	3	3	3	3	0	-3	-100.0
Services to Finance and Insurance	13	21	29	35	32	37	31	37	45	8	21.3
Property Services	137	149	164	178	194	228	200	225	175	-50	-22.3
Business Services	694	699	1,176	1,105	994	874	907	1,042	1,056	14	1.4
<i>Business Services</i>	1,108	1,091	1,511	1,465	1,359	1,277	1,288	1,445	1,430	-15	-1.0
Motion Picture, Radio and Television Services	3	3	12	6	9	9	12	9	7	-3	-31.1
Libraries, Museums and the Arts	31	34	51	44	52	50	54	61	40	-21	-34.6
Sport and Recreation	114	137	103	178	103	56	196	85	99	14	16.5
Personal Services	119	129	177	153	162	212	217	244	238	-5	-2.2
Other Services	291	358	365	382	433	477	514	581	664	83	14.2
Private Households Employing Staff	0	0	0	0	0	0	0	0	0	0	na
<i>Recreation Services</i>	559	661	708	763	759	804	994	991	1,048	67	6.8
Government Administration	828	535	429	336	416	436	365	436	472	36	8.3
Defence	834	620	760	750	740	745	752	879	835	-44	-5.0
Education	1,201	1,255	1,000	815	740	769	784	725	865	140	19.3
Health Services	247	253	264	254	241	246	262	266	293	28	10.4
Community Services	176	285	355	375	400	429	419	346	349	3	0.8
<i>Social Services</i>	3,286	2,948	2,808	2,530	2,537	2,624	2,583	2,681	2,901	220	8.2
TOTAL ALL INDUSTRIES	9,643	9,605	10,033	9,782	9,922	10,009	10,715	10,970	10,855	-115	-1.0
TOTAL excl rubber tyre factory	9,281	9,295	9,713	9,442	9,592	9,643	10,275	10,548	10,855	307	2.9

Table 10.2 GDP, 2007

Real GDP in \$2007m for Upper Hutt City	1994	1997	2001	2002	2003	2004	2005	2006	2007	change 2006-07	
										07\$m	%
Agriculture	5	8	10	10	10	8	8	9	8	-2	-16.6
Services to Agriculture; Hunting and Trapping	1	1	1	1	1	1	1	1	2	1	162.3
Forestry and Logging	5	9	4	4	7	13	12	13	14	1	9.9
Commercial Fishing	0	0	0	0	0	0	0	0	0	0	0.2
Coal Mining	0	0	0	0	0	0	0	0	0	0	na
Oil and Gas Exploration	0	0	0	0	0	0	0	0	0	0	na
Metal Ore Mining	0	0	0	0	0	0	0	0	0	0	na
Other Mining	0	0	0	0	0	0	0	0	0	0	na
Services to Mining	0	0	0	0	0	0	0	0	0	0	na
<i>Primary</i>	10	19	16	15	19	22	21	23	24	1	2.9
Food, Beverage and Tobacco	3	3	1	0	1	1	1	1	3	2	302.6
Textile, Clothing, Footwear & Leather Mfg	2	3	2	2	2	2	2	2	2	0	8.0
Wood and Paper Product Manufacturing	9	14	16	14	25	23	23	23	26	3	13.0
Printing, Publishing and Recorded Media	3	3	2	2	2	3	3	4	3	-1	-17.2
Petroleum, Coal, Chemical & Assoc Prod Mfg	69	80	72	71	75	71	81	76	37	-40	-52.0
Non-Metallic Mineral Product Manufacturing	1	1	2	2	2	3	3	3	2	-1	-27.2
Metal Product Manufacturing	8	6	10	10	10	9	15	16	15	-1	-8.0
Machinery and Equipment Manufacturing	15	21	24	24	22	24	23	22	21	-2	-6.9
Other Manufacturing	3	4	3	4	4	3	4	4	4	0	2.0
General Construction	12	14	17	17	21	22	24	25	25	0	0.7
Construction Trade Services	23	28	28	32	35	34	40	42	38	-4	-10.2
<i>Manufacturing and Building</i>	148	177	177	178	199	194	219	218	175	-43	-19.6
Basic Material Wholesaling	5	7	11	11	10	11	11	11	10	-1	-7.7
Machinery and Motor Vehicle Wholesaling	13	13	7	10	9	14	17	14	10	-4	-25.9
Personal and Household Good Wholesaling	41	47	49	55	56	51	77	73	76	3	3.7
Food Retailing	21	23	26	23	24	26	25	29	28	-1	-4.2
Personal and Household Good Retailing	16	18	19	19	19	20	23	22	23	1	4.5
Motor Vehicle Retailing and Services	11	13	15	15	15	15	16	15	17	1	8.5
Accommodation, Cafes and Restaurants	8	10	12	11	12	13	13	12	14	2	21.3
Road Transport	11	11	11	10	9	10	11	12	12	0	0.3
Rail Transport	6	7	5	8	8	10	7	6	6	0	0.2
Water Transport	0	0	0	0	0	0	0	0	0	0	na
Air and Space Transport	0	0	0	0	0	0	0	0	0	0	na
Other Transport	0	0	0	0	0	0	0	0	0	0	-5.8
Services to Transport	1	2	2	3	3	3	4	2	2	0	-20.6
Storage	0	1	3	1	2	2	2	1	1	0	-2.1
<i>Retail and Distribution</i>	135	152	160	167	168	175	205	198	199	1	0.7
Electricity and Gas Supply	0	1	0	0	0	0	0	0	0	0	na
Water Supply, Sewerage and Drainage Services	0	0	0	0	1	1	1	2	2	0	-2.8
Communication Services	19	19	23	25	21	22	24	22	29	7	31.4
Finance	15	17	12	13	15	15	17	15	18	2	14.2
Insurance	2	1	1	1	1	1	1	1	0	-1	-100.0
Services to Finance and Insurance	1	2	3	3	3	3	3	3	4	1	16.2
Property Services	105	96	102	103	109	117	111	120	105	-15	-12.2
Business Services	51	52	76	74	67	57	56	65	66	0	0.7
<i>Business Services</i>	195	188	216	219	217	217	213	228	222	-5	-2.3
Motion Picture, Radio and Television Services	0	0	1	1	1	1	1	1	1	0	-28.9
Libraries, Museums and the Arts	1	1	2	1	2	2	2	2	1	-1	-28.7
Sport and Recreation	8	9	7	12	8	4	14	6	7	1	17.7
Personal Services	4	6	10	8	9	11	11	12	12	1	4.3
Other Services	5	9	11	12	13	14	14	15	18	3	17.5
Private Households Employing Staff	0	0	0	0	0	0	0	0	0	0	na
<i>Recreation Services</i>	18	26	31	35	32	31	42	36	39	3	9.2
Government Administration	79	60	49	39	47	53	46	52	57	5	10.2
Defence	41	39	57	51	53	56	65	69	71	2	2.7
Education	55	60	50	43	39	40	40	37	41	4	9.5
Health Services	14	16	18	17	16	17	18	18	21	2	13.5
Community Services	11	9	11	11	12	12	12	10	10	0	-1.3
<i>Social Services</i>	200	184	186	160	166	178	179	187	200	13	7.0
TOTAL ALL INDUSTRIES	706	744	785	774	801	818	880	889	859	-30	-3.3
TOTAL excl rubber tyre factory	672	707	745	734	761	779	832	845	859	14	1.6

Table 10.3 Business units, 2007

Business units for Upper Hutt City	1994	1997	2001	2002	2003	2004	2005	2006	2007	change 2006-07	
										Number	%
Business units for Upper Hutt City											
Agriculture	123	127	112	108	101	96	95	93	86	-7	-7.5
Services to Agriculture; Hunting and Trapping	7	7	8	9	11	10	8	10	13	3	30.0
Forestry and Logging	15	61	56	59	57	61	58	60	58	-2	-3.3
Commercial Fishing	8	3	4	4	4	5	6	4	3	-1	-25.0
Coal Mining	0	0	0	0	0	0	0	0	0	0	na
Oil and Gas Exploration	0	0	0	0	0	0	0	0	0	0	na
Metal Ore Mining	0	0	0	0	0	0	0	0	0	0	na
Other Mining	1	0	0	0	0	0	0	0	0	0	na
Services to Mining	0	0	0	0	0	0	0	0	0	0	na
<i>Primary</i>	154	198	180	180	173	172	167	167	160	-7	-4.2
Food, Beverage and Tobacco	11	3	3	3	3	2	2	2	5	3	150.0
Textile, Clothing, Footwear & Leather Mfg	14	9	6	7	7	7	7	8	6	-2	-25.0
Wood and Paper Product Manufacturing	19	16	20	22	22	27	23	26	24	-2	-7.7
Printing, Publishing and Recorded Media	25	13	10	9	8	8	10	9	8	-1	-11.1
Petroleum, Coal, Chemical & Assoc Prod Mfg	20	14	17	17	18	18	16	16	17	1	6.3
Non-Metallic Mineral Product Manufacturing	6	4	7	6	6	6	6	5	5	0	0.0
Metal Product Manufacturing	32	26	23	25	24	22	25	26	28	2	7.7
Machinery and Equipment Manufacturing	56	48	40	39	42	41	44	44	39	-5	-11.4
Other Manufacturing	23	26	22	21	21	24	25	21	19	-2	-9.5
General Construction	115	106	123	130	136	153	170	171	175	4	2.3
Construction Trade Services	220	256	300	294	299	305	321	339	328	-11	-3.2
<i>Manufacturing and Building</i>	541	521	571	573	586	613	649	667	654	-13	-1.9
Basic Material Wholesaling	38	16	19	19	20	20	17	20	17	-3	-15.0
Machinery and Motor Vehicle Wholesaling	68	32	28	29	31	39	36	36	33	-3	-8.3
Personal and Household Good Wholesaling	84	57	56	63	69	60	60	59	61	2	3.4
Food Retailing	115	84	82	78	79	80	85	77	79	2	2.6
Personal and Household Good Retailing	191	143	138	124	124	129	128	137	140	3	2.2
Motor Vehicle Retailing and Services	85	77	87	84	82	89	89	82	86	4	4.9
Accommodation, Cafes and Restaurants	56	51	57	59	59	62	65	65	69	4	6.2
Road Transport	86	89	82	78	79	86	92	89	92	3	3.4
Rail Transport	5	5	1	1	1	1	1	1	1	0	0.0
Water Transport	0	0	0	0	0	0	0	0	0	0	na
Air and Space Transport	2	1	1	1	1	2	2	2	2	0	0.0
Other Transport	0	3	2	3	3	1	2	2	2	0	0.0
Services to Transport	10	9	7	6	8	8	9	9	7	-2	-22.2
Storage	3	4	2	2	1	1	3	3	3	0	0.0
<i>Retail and Distribution</i>	743	571	562	547	557	578	589	582	592	10	1.7
Electricity and Gas Supply	1	2	1	1	1	1	1	1	1	0	0.0
Water Supply, Sewerage and Drainage Services	2	2	0	1	2	2	2	2	2	0	0.0
Communication Services	26	49	36	32	32	36	36	37	41	4	10.8
Finance	38	27	19	21	28	59	58	62	62	0	0.0
Insurance	11	6	6	5	5	4	5	4	4	0	0.0
Services to Finance and Insurance	22	17	19	23	20	24	23	25	28	3	12.0
Property Services	196	190	247	250	271	337	375	409	424	15	3.7
Business Services	236	273	321	309	312	320	350	365	389	24	6.6
<i>Business Services</i>	532	566	649	642	671	783	850	905	951	46	5.1
Motion Picture, Radio and Television Services	10	4	8	8	8	11	11	11	12	1	9.1
Libraries, Museums and the Arts	12	13	20	21	24	28	22	22	22	0	0.0
Sport and Recreation	39	51	49	52	50	54	55	51	46	-5	-9.8
Personal Services	68	68	84	78	78	78	78	87	87	0	0.0
Other Services	40	45	52	47	47	48	50	59	54	-5	-8.5
Private Households Employing Staff	0	0	0	0	0	0	0	0	0	0	na
<i>Recreation Services</i>	169	181	213	206	207	219	216	230	221	-9	-3.9
Government Administration	28	23	26	28	24	23	24	25	23	-2	-8.0
Defence	1	2	1	1	1	1	1	1	1	0	0.0
Education	68	72	70	69	64	66	70	70	70	0	0.0
Health Services	64	70	75	72	77	84	82	87	88	1	1.1
Community Services	6	41	37	33	35	35	32	36	39	3	8.3
<i>Social Services</i>	167	208	209	203	201	209	209	219	221	2	0.9
TOTAL ALL INDUSTRIES	2,306	2,084	2,384	2,351	2,395	2,574	2,680	2,770	2,799	29	1.0

11 Appendix D: KPI Trend Tables

The following tables provide figures for Upper Hutt City's KPIs, employment, GDP and business units for each of the years over the 1994 to 2007 period. Comparative New Zealand figures are also listed, along with six-sector level detail for employment, GDP and business units.

Table 11.1 Summary indicators, 1994 to 2007

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<i>Resident population</i>														
Upper Hutt City	36,120	36,121	36,714	36,179	36,083	35,986	35,793	36,372	36,480	36,576	36,673	36,673	38,415	38,708
Wellington Region	397,034	400,157	414,024	411,257	412,671	413,122	413,692	423,706	428,842	434,588	439,899	443,057	448,941	452,680
New Zealand	3,432,876	3,482,116	3,618,303	3,622,904	3,652,548	3,670,278	3,689,862	3,737,277	3,792,437	3,859,477	3,909,517	3,945,400	4,027,947	4,070,039
<i>Real Value Added GDP (\$1996m)</i>														
Upper Hutt City	557	568	591	587	584	597	576	619	610	632	645	694	701	678
Wellington Region	11,700	12,099	12,560	13,145	13,133	13,665	14,437	14,339	14,823	15,113	15,123	15,809	16,348	16,857
New Zealand	85,145	89,682	93,422	96,712	98,323	98,775	104,041	106,551	110,554	116,143	120,220	125,069	128,428	130,442
<i>Real Value Added GDP (\$2007m)</i>														
Upper Hutt City	706	720	750	744	741	757	730	785	774	801	818	880	889	859
Wellington Region	14,833	15,340	15,925	16,665	16,651	17,325	18,304	18,180	18,793	19,161	19,174	20,043	20,727	21,372
New Zealand	107,950	113,702	118,444	122,615	124,657	125,230	131,907	135,089	140,164	147,250	152,419	158,567	162,826	165,379
<i>GDP per capita (\$1996)</i>														
Upper Hutt City	15,410	15,718	16,105	16,225	16,196	16,597	16,096	17,026	16,726	17,267	17,586	18,936	18,247	17,507
Wellington Region	29,467	30,236	30,337	31,962	31,825	33,078	34,897	33,842	34,564	34,776	34,379	35,682	36,416	37,239
New Zealand	24,803	25,755	25,819	26,695	26,919	26,912	28,196	28,510	29,151	30,093	30,751	31,700	31,884	32,049
<i>GDP per capita (\$2007)</i>														
Upper Hutt City	19,538	19,927	20,419	20,571	20,534	21,042	20,407	21,586	21,206	21,892	22,296	24,007	23,134	22,196
Wellington Region	37,360	38,334	38,463	40,523	40,348	41,938	44,244	42,906	43,822	44,090	43,587	45,239	46,169	47,213
New Zealand	31,446	32,653	32,735	33,844	34,129	34,120	35,748	36,146	36,959	38,153	38,987	40,190	40,424	40,633
<i>Employment (FTEs)</i>														
Upper Hutt City	9,643	9,835	10,214	9,605	9,670	10,036	9,655	10,033	9,782	9,922	10,009	10,715	10,970	10,855
Wellington Region	177,871	182,874	186,664	183,244	184,466	187,745	191,288	190,468	195,095	197,436	196,706	206,027	215,041	220,279
New Zealand	1,378,150	1,440,499	1,484,116	1,450,586	1,470,642	1,473,541	1,515,922	1,531,910	1,581,812	1,640,217	1,690,577	1,751,280	1,808,605	1,845,434
<i>Productivity (GDP per FTE employed \$1996) #</i>														
Upper Hutt City	52,261	52,457	52,782	55,899	55,387	54,584	55,024	57,023	57,759	59,096	59,878	60,317	59,506	58,133
Wellington Region	59,552	60,124	61,353	65,609	65,248	66,758	69,590	69,550	70,356	71,067	71,449	71,416	70,809	71,283
New Zealand	55,936	56,578	57,395	60,979	61,273	61,481	63,284	64,257	64,721	65,740	66,086	66,468	66,137	65,841
<i>Productivity (GDP per FTE employed \$2007) #</i>														
Upper Hutt City	66,258	66,507	66,919	70,871	70,221	69,203	69,761	72,296	73,229	74,924	75,916	76,472	75,444	73,704
Wellington Region	75,502	76,228	77,785	83,182	82,724	84,639	88,229	88,178	89,200	90,101	90,586	90,544	89,774	90,376
New Zealand	70,917	71,731	72,767	77,312	77,684	77,947	80,234	81,468	82,056	83,347	83,786	84,270	83,851	83,475
<i>Business units (number)</i>														
Upper Hutt City	2,306	2,565	2,636	2,084	2,245	2,337	2,446	2,384	2,351	2,395	2,574	2,680	2,770	2,799
Wellington Region	32,120	36,176	36,265	36,222	38,644	39,569	42,682	41,881	41,660	42,769	45,693	47,742	49,614	50,678
New Zealand	314,311	345,019	350,091	354,106	376,513	379,701	406,567	403,645	408,416	422,548	453,662	474,007	490,474	499,940
<i>Business size (FTEs per business unit)</i>														
Upper Hutt City	4.2	3.8	3.9	4.6	4.3	4.3	3.9	4.2	4.2	4.1	3.9	4.0	4.0	3.9
Wellington Region	5.5	5.1	5.1	5.1	4.8	4.7	4.5	4.5	4.7	4.6	4.3	4.3	4.3	4.3
New Zealand	4.4	4.2	4.2	4.1	3.9	3.9	3.7	3.8	3.9	3.9	3.7	3.7	3.7	3.7

excluded owner-occupied dwellings sector



Table 11.2 Employment, 1994 to 2007

Employment (FTEs)	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Upper Hutt City														
Primary	160	206	251	229	219	202	206	233	225	251	222	203	215	218
Manufacturing and Building	2,115	2,237	2,314	2,168	2,052	2,197	2,092	2,185	2,280	2,423	2,430	2,748	2,837	2,443
Retail and Distribution	2,417	2,494	2,489	2,508	2,627	2,592	2,598	2,588	2,519	2,593	2,653	2,900	2,842	2,902
Business Services	1,108	1,070	1,274	1,091	1,404	1,488	1,453	1,511	1,465	1,359	1,277	1,288	1,445	1,430
Recreation Services	559	618	717	661	650	656	668	708	763	759	804	994	981	1,048
Social Services	3,286	3,211	3,169	2,948	2,718	2,901	2,638	2,808	2,530	2,537	2,624	2,583	2,651	2,814
TOTAL	9,643	9,835	10,214	9,605	9,670	10,036	9,655	10,033	9,782	9,922	10,009	10,715	10,970	10,855
Wellington Region														
Primary	5,246	5,365	5,352	5,118	4,869	4,720	4,989	5,265	5,369	5,292	5,114	4,856	4,977	4,696
Manufacturing and Building	31,217	32,797	33,084	31,168	31,006	30,448	30,541	29,552	30,088	30,101	30,451	32,438	33,613	33,056
Retail and Distribution	44,501	45,781	46,238	45,913	45,439	45,411	45,489	45,594	45,486	45,335	45,426	47,097	49,475	49,867
Business Services	43,495	44,817	46,582	47,448	47,931	51,365	54,042	51,758	53,570	53,403	53,113	55,688	56,630	58,818
Recreation Services	12,564	13,002	13,021	12,741	12,563	13,132	13,521	14,064	14,765	14,728	14,878	15,960	17,125	18,038
Social Services	40,848	41,112	42,388	40,856	42,658	42,669	42,706	44,235	45,817	48,577	47,724	49,989	53,220	55,804
TOTAL	177,871	182,874	186,664	183,244	184,466	187,745	191,288	190,468	195,095	197,436	196,706	206,027	215,041	220,279
New Zealand														
Primary	148,350	149,877	156,865	148,090	142,435	138,811	144,083	150,464	153,320	153,634	151,278	144,395	150,704	151,521
Manufacturing and Building	327,733	348,834	356,757	340,121	340,877	332,842	340,483	340,530	352,107	364,637	379,518	398,229	400,998	400,071
Retail and Distribution	367,969	392,049	399,812	391,874	399,244	397,401	410,980	413,028	422,613	439,693	451,455	464,848	483,062	488,644
Business Services	210,135	223,543	234,904	236,194	245,108	252,542	263,982	264,942	277,155	290,123	303,629	322,485	337,988	352,141
Recreation Services	68,218	73,224	74,179	75,305	77,130	80,223	84,291	85,850	89,122	92,789	98,695	104,688	111,092	113,670
Social Services	255,745	252,972	261,599	259,002	265,848	271,722	272,103	277,096	287,495	299,341	306,001	316,634	324,761	339,387
TOTAL	1,378,150	1,440,499	1,484,116	1,450,586	1,470,642	1,473,541	1,515,922	1,531,910	1,581,812	1,640,217	1,690,577	1,751,280	1,808,605	1,845,434

Table 11.3 GDP (value added), 1994 to 2007

GDP (\$2007m)	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Upper Hutt City														
Primary	10	16	21	19	18	14	14	16	15	19	22	21	23	24
Manufacturing and Building	148	157	171	177	160	170	165	177	178	199	194	219	218	175
Retail and Distribution	135	141	144	152	159	156	157	160	167	168	175	205	198	199
Business Services	195	187	203	188	213	214	203	216	219	217	217	213	228	222
Recreation Services	18	21	27	26	30	27	28	31	35	32	31	42	36	39
Social Services	200	198	185	184	161	176	164	186	160	166	178	179	187	200
TOTAL	706	720	750	744	741	757	730	785	774	801	818	880	889	859
Wellington Region														
Primary	307	352	339	380	383	375	414	474	471	424	438	419	452	520
Manufacturing and Building	2,082	2,198	2,322	2,379	2,324	2,215	2,317	2,235	2,236	2,338	2,326	2,470	2,490	2,379
Retail and Distribution	2,731	2,798	2,976	3,041	2,972	3,025	3,052	3,107	3,118	2,999	3,025	3,280	3,395	3,402
Business Services	6,517	6,620	6,818	7,323	7,272	7,937	8,654	8,318	8,777	8,970	8,913	9,121	9,313	9,707
Recreation Services	450	486	566	576	601	616	659	700	731	770	757	787	806	888
Social Services	2,747	2,885	2,903	2,965	3,098	3,157	3,208	3,346	3,459	3,660	3,714	3,967	4,273	4,477
TOTAL	14,833	15,340	15,925	16,665	16,651	17,325	18,304	18,180	18,793	19,161	19,174	20,043	20,727	21,372
New Zealand														
Primary	8,819	10,000	9,800	10,819	10,852	10,426	10,779	11,032	11,138	11,193	11,345	11,598	11,933	11,944
Manufacturing and Building	22,591	24,045	25,684	26,557	26,519	25,305	27,229	27,312	27,724	30,446	31,760	32,866	32,865	32,103
Retail and Distribution	21,598	22,839	24,573	24,731	25,096	25,448	27,281	28,022	29,262	29,637	30,714	32,706	33,655	34,021
Business Services	36,884	38,165	39,191	40,737	41,777	42,903	45,028	46,479	49,031	51,906	53,522	55,413	57,544	59,453
Recreation Services	2,624	2,916	3,366	3,573	3,879	3,940	4,285	4,448	4,614	4,962	5,157	5,340	5,412	5,754
Social Services	15,434	15,736	15,829	16,198	16,534	17,208	17,306	17,796	18,396	19,106	19,921	20,643	21,417	22,103
TOTAL	107,950	113,702	118,444	122,615	124,657	125,230	131,907	135,089	140,164	147,250	152,419	158,567	162,826	165,379

Table 11.4 Business Units, 1994 to 2007

Business units (number)	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Upper Hutt City														
Primary	154	169	164	198	200	200	187	180	180	173	172	167	167	160
Manufacturing and Building	541	579	591	521	542	542	573	571	573	586	613	649	667	654
Retail and Distribution	743	788	766	571	579	579	598	562	547	557	578	589	582	592
Business Services	532	658	724	566	609	609	651	649	642	671	783	850	905	951
Recreation Services	169	193	212	181	185	185	224	213	206	207	219	216	230	221
Social Services	167	178	179	208	222	222	213	209	203	201	209	209	219	221
TOTAL	2,306	2,565	2,636	2,084	2,245	2,337	2,446	2,384	2,351	2,395	2,574	2,680	2,770	2,799
Wellington Region														
Primary	2,804	3,689	2,807	2,978	3,046	3,068	3,205	3,221	3,203	3,133	3,101	3,081	3,019	2,942
Manufacturing and Building	5,391	5,802	5,954	5,762	5,950	6,079	6,594	6,515	6,404	6,500	6,787	7,124	7,304	7,397
Retail and Distribution	8,452	9,084	8,936	8,644	8,769	8,760	9,125	8,849	8,711	8,869	9,211	9,410	9,555	9,552
Business Services	10,578	12,226	12,906	12,789	14,563	15,151	16,787	16,276	16,285	17,028	19,031	20,373	21,677	22,645
Recreation Services	2,654	2,992	3,195	3,251	3,372	3,458	3,832	3,903	3,910	4,028	4,225	4,379	4,589	4,610
Social Services	2,241	2,383	2,467	2,798	2,944	3,053	3,139	3,117	3,147	3,211	3,338	3,375	3,470	3,532
TOTAL	32,120	36,176	36,265	36,222	38,644	39,569	42,682	41,881	41,660	42,769	45,693	47,742	49,614	50,678
New Zealand														
Primary	88,227	88,927	84,946	86,197	87,294	87,364	89,042	89,122	89,823	87,071	86,069	85,266	84,151	82,185
Manufacturing and Building	47,990	53,913	56,492	55,076	58,254	58,225	62,685	61,375	60,832	62,842	67,320	71,071	73,694	74,946
Retail and Distribution	75,361	81,824	81,202	79,107	82,359	82,206	87,582	85,562	85,873	88,152	93,208	96,228	97,682	97,759
Business Services	62,853	76,364	81,850	85,258	96,868	98,699	115,810	116,051	119,684	130,691	150,425	162,883	174,953	183,932
Recreation Services	18,532	20,929	21,818	21,800	23,248	24,015	26,420	26,434	26,765	27,678	29,379	30,590	31,428	31,986
Social Services	18,554	19,451	19,969	22,217	23,626	24,281	25,028	25,101	25,439	26,114	27,261	27,969	28,566	29,132
TOTAL	314,311	345,019	350,091	354,106	376,513	379,701	406,567	403,645	408,416	422,548	453,662	474,007	490,474	499,940

Table 11.5 Labour productivity, 1994 to 2007

Productivity (GDP per FTE in \$2007)	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Upper Hutt City														
Primary	64,505	79,349	82,524	82,361	82,856	71,239	67,056	68,397	67,268	74,453	100,067	104,894	108,423	109,825
Manufacturing and Building	69,865	70,133	73,832	81,421	78,203	77,466	78,808	80,780	78,039	82,126	79,968	79,766	76,695	71,636
Retail and Distribution	55,738	56,555	57,916	60,521	60,398	60,075	60,241	61,858	66,135	64,777	65,947	70,837	69,695	68,723
Business Services (#)	115,595	113,701	107,037	113,878	107,913	101,737	100,505	103,159	110,357	117,162	124,424	118,127	115,199	113,998
Recreation Services	32,372	33,234	37,321	38,729	45,614	41,154	42,181	44,051	45,532	42,399	39,127	42,127	36,320	37,134
Social Services	60,883	61,558	58,275	62,315	59,086	60,615	62,223	66,152	63,343	65,569	67,862	69,491	70,403	70,973
TOTAL (#)	66,258	66,507	66,919	70,871	70,221	69,203	69,761	72,296	73,229	74,924	75,916	76,472	75,444	73,704
Wellington Region														
Primary	58,430	65,605	63,317	74,324	78,661	79,448	83,035	90,047	87,768	80,064	85,730	86,237	90,721	110,754
Manufacturing and Building	66,680	67,032	70,197	76,324	74,955	72,760	75,861	75,616	74,308	77,668	76,402	76,131	74,080	71,958
Retail and Distribution	61,369	61,118	64,359	66,238	65,409	66,616	67,102	68,152	68,557	66,150	66,588	69,641	68,611	68,218
Business Services (#)	117,575	116,483	116,207	124,357	122,708	126,591	133,734	133,962	137,891	142,277	142,296	138,857	139,339	140,140
Recreation Services	35,785	37,410	43,475	45,225	47,842	46,896	48,733	49,767	49,513	52,307	50,887	49,324	47,038	49,208
Social Services	67,250	70,170	68,496	72,583	72,626	73,983	75,107	75,631	75,501	75,350	77,826	79,348	80,282	80,225
TOTAL (#)	75,502	76,228	77,785	83,182	82,724	84,639	88,229	88,178	89,200	90,101	90,586	90,544	89,774	90,376
New Zealand														
Primary	59,445	66,725	62,475	73,058	76,192	75,111	74,811	73,321	72,646	72,855	74,996	80,324	79,181	78,828
Manufacturing and Building	68,930	68,931	71,993	78,080	77,796	76,028	79,971	80,205	78,737	83,497	83,686	82,531	81,959	80,243
Retail and Distribution	58,696	58,255	61,460	63,109	62,859	64,036	66,380	67,845	69,240	67,404	68,034	70,358	69,671	69,624
Business Services (#)	126,915	124,325	122,358	128,154	127,961	128,814	131,634	136,599	139,502	142,572	140,794	137,764	137,201	136,657
Recreation Services	38,463	39,821	45,383	47,453	50,292	49,119	50,835	51,806	51,769	53,477	52,250	51,008	48,712	50,620
Social Services	60,349	62,206	60,509	62,538	62,194	63,328	63,599	64,225	63,986	63,827	65,100	65,197	65,947	65,127
TOTAL (#)	70,917	71,731	72,767	77,312	77,684	77,947	80,234	81,468	82,056	83,347	83,786	84,270	83,851	83,475



Table 11.6 Business size (FTEs per business unit), 1994 to 2007

Business size (FTEs per business unit)	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Upper Hutt City														
Primary	1.0	1.2	1.5	1.2	1.1	1.0	1.1	1.3	1.3	1.5	1.3	1.2	1.3	1.4
Manufacturing and Building	3.9	3.9	3.9	4.2	3.8	4.1	3.7	3.8	4.0	4.1	4.0	4.2	4.3	3.7
Retail and Distribution	3.3	3.2	3.2	4.4	4.5	4.5	4.3	4.6	4.6	4.7	4.6	4.9	4.9	4.9
Business Services	2.1	1.6	1.8	1.9	2.3	2.4	2.2	2.3	2.3	2.0	1.6	1.5	1.6	1.5
Recreation Services	3.3	3.2	3.4	3.7	3.5	3.5	3.0	3.3	3.7	3.7	3.7	4.6	4.3	4.7
Social Services	19.7	18.0	17.7	14.2	12.2	13.1	12.4	13.4	12.5	12.6	12.6	12.4	12.1	12.7
TOTAL	4.2	3.8	3.9	4.6	4.3	4.3	3.9	4.2	4.2	4.1	3.9	4.0	4.0	3.9
Wellington Region														
Primary	1.9	1.5	1.9	1.7	1.6	1.5	1.6	1.6	1.7	1.7	1.6	1.6	1.6	1.6
Manufacturing and Building	5.8	5.7	5.6	5.4	5.2	5.0	4.6	4.5	4.7	4.6	4.5	4.6	4.6	4.5
Retail and Distribution	5.3	5.0	5.2	5.3	5.2	5.2	5.0	5.2	5.2	5.1	4.9	5.0	5.2	5.2
Business Services	4.1	3.7	3.6	3.7	3.3	3.4	3.2	3.2	3.3	3.1	2.8	2.7	2.6	2.6
Recreation Services	4.7	4.3	4.1	3.9	3.7	3.8	3.5	3.6	3.8	3.7	3.5	3.6	3.7	3.9
Social Services	18.2	17.3	17.2	14.6	14.5	14.0	13.6	14.2	14.6	15.1	14.3	14.8	15.3	15.8
TOTAL	5.5	5.1	5.1	5.1	4.8	4.7	4.5	4.5	4.7	4.6	4.3	4.3	4.3	4.3
New Zealand														
Primary	1.7	1.7	1.8	1.7	1.6	1.6	1.6	1.7	1.7	1.8	1.8	1.7	1.8	1.8
Manufacturing and Building	6.8	6.5	6.3	6.2	5.9	5.7	5.4	5.5	5.8	5.8	5.6	5.6	5.4	5.3
Retail and Distribution	4.9	4.8	4.9	5.0	4.8	4.8	4.7	4.8	4.9	5.0	4.8	4.8	4.9	5.0
Business Services	3.3	2.9	2.9	2.8	2.5	2.6	2.3	2.3	2.3	2.2	2.0	2.0	1.9	1.9
Recreation Services	3.7	3.5	3.4	3.5	3.3	3.3	3.2	3.2	3.3	3.4	3.4	3.4	3.5	3.6
Social Services	13.8	13.0	13.1	11.7	11.3	11.2	10.9	11.0	11.3	11.5	11.2	11.3	11.4	11.6
TOTAL	4.4	4.2	4.2	4.1	3.9	3.9	3.7	3.8	3.9	3.9	3.7	3.7	3.7	3.7

12 Definitions

12.1 Terminology

12.1.1 Year

All numbers are for the twelve months to March of the stated year, with the exception of the resident population figures, which are as at June of the stated year.

12.1.2 Value Added (or the TA's GDP)

Value added measures the total value contributed by the activities of all businesses and organisations in the Wellington Region. In theory it is equal to the value of the output of business (i.e. sales or turnover) less its purchases from other businesses of goods and services used in production (that latter are sometimes termed *intermediate inputs*).

In practice *value added* is akin to the sum of wages, salaries, profits and operating surplus arising from all economic activity in the industry and/or region. The total value added for a region is equivalent to its contribution to *national GDP* (Gross Domestic Product).

The effect of price inflation is removed from the measure of *value added* so that growth over time provides a clear indication of the increase (or decrease) in economic activity. To preserve comparability with official published national GDP statistics, BERL's *value added* figures for TAs are expressed in terms of 2007 constant prices.

12.1.3 Employment (FTEs)

Measured as the number of employed persons - but in terms of full-time equivalents (FTEs), such that *two part-time* employed persons is counted as *one full-time* person.

12.1.4 Productivity

Measured as the *value added* (or *GDP*) of the TA divided by the number of FTEs.

12.1.5 Business units and size

This provides the number of business operating units within the TA. Business size is defined as the average number of FTEs for each operating unit and indicates whether businesses in the TA are on average growing or shrinking.

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