Auckland Economic Update – October 2018
Data is the latest available as at the start of the month, and is for the Auckland region unless otherwise stated.
In Auckland, real GDP for the year ended June 2018 was 2.3% higher than for the year ended June 2017; in the rest of New Zealand, the annual growth was 2.9% (see note).

[NOTE: Latest and historical real GDP figures are modelled estimates, and subject to revision.]

Real GDP refers to GDP in constant 2010 dollars, to remove inflation.

In Auckland, real retail sales for the year ended June 2018 were 2.3% higher than for the year ended June 2017; in the rest of New Zealand, the annual growth was 2.2%.

[NOTE: In November 2017 Statistics NZ changed the basis for retail sales to SAFC, and adjusted back-data from June 2011 to June 2017; the earlier data omits approximately 1% of sales.]

[1] Real retail sales have been calculated by converting previous quarters' dollars to the latest quarter's equivalent dollars using the quarterly consumer price index (CPI), to remove inflation.

Source: Statistics NZ, Retail Sales (quarterly); Statistics NZ, CPI (quarterly); Auckland Council (RIMU), calculations.

In Auckland, net migration for the year ended August 2018 was 32,095; in the rest of New Zealand, the figure was 31,193.

Net migration is arrivals minus departures, and here refers to international migration only (not between regions within New Zealand), and by permanent and long-term (PLT) migrants only (people arriving or departing for 12 months or more). This data includes returning New Zealand citizens who have been away for more than 12 months.

“Rest of NZ” here includes “NZ region not specified”, which is a relatively large component; some of these will be migrating to/from Auckland, but have not here been included in the Auckland figures.

Source: Statistics NZ, International Travel And Migration Data (monthly).

In Auckland, tourism guest nights for the year ended July 2018 totalled 7,276,000; in the rest of New Zealand, the figure was 32,622,000.

Tourism guest nights here refers to both international and domestic tourists, but only when staying in short-term commercial accommodation covered by the Statistics NZ survey, such as hotels, motels, backpacker hostels, or holiday parks. It excludes private homes or parts thereof rented out typically via third party websites.

[LHS/RHS = Left/right hand side axis; the Auckland (left) axis is a different scale to the Rest of NZ (right) axis]

Source: Statistics NZ, Accommodation Survey (monthly).
In Auckland, the total number of houses sold in the year ended August 2018 was 22,021. The median (not average) sale price of houses sold in Auckland in the month (not year) of August 2018 was $852,000.

[NOTE: REINZ² revises backdata each month for prices and numbers sold.]

The data here covers only "houses" that actually sold during the period. "Houses" here includes all dwelling types (eg apartments and flats), not just free-standing houses, but excludes sales of undeveloped land. "Price" here is actual sale price⁰¹ (not just listed).

In Auckland, the total number of new dwellings consented in the year ended August 2018 was 12,959. The real value⁰¹ of new non-residential buildings consented in Auckland in the year ended August 2018 was $2,204 million.

Projects consented are not necessarily commenced or completed. "New" here refers to new buildings (i.e. excludes alterations and additions). (Also, the data takes no account of whether a previous building had been demolished there.) Residential number here is new dwellings consented, which will exceed new residential buildings as some buildings have multiple dwellings; similarly it will differ from new residential building consents issued, as some consents are for multiple buildings.

In Auckland, the number of people employed in the quarter (not year) ended June 2018 was 4.4% higher than in the June 2017 quarter. The unemployment rate in Auckland in the quarter (not year) ended June 2018 was 4.2%.

Both datasets are from a survey (HLFS) so are subject to error margins. Respondents define their own employment status. The survey covers all people aged 15+, so includes school pupils 15+ and people over 65, who might have - or be actively seeking - a job.

Historical HLFS data to March 2016 was rebased by Statistics NZ, but is still not fully compatible with data for June 2016 onwards. Consequently, annual employment growth rates for the quarters June 2016 to March 2017 are overstated (but not for June 2017 onwards).

In Auckland, the Westpac McDermott Miller Consumer Confidence Index (CCI) for the September 2018 quarter (not year) was 98.2. The NZIER QSOB in Auckland for the September 2018 quarter (not year) showed a net 26.1% of businesses expecting a worsening of the general business situation over the next three months.

For the CCI, a score of greater than 100 shows more optimism than pessimism. The QSOB calculates a net figure as (% of businesses expecting an improvement) minus (% expecting a worsening). QSOB data used here is not the seasonally adjusted version.

## Disclaimer

The information in this document is given in good faith and has been obtained from sources believed to be reliable and accurate at the date of preparation, but its accuracy, correctness and completeness cannot be guaranteed.

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⁰¹ Prior months’ “real” prices are here calculated by inflating previous quarters’ dollars to the latest quarter’s equivalent dollars using the quarterly consumer price index (CPI).

⁰² Source: Real Estate Institute of New Zealand (REINZ), Monthly Property Report (monthly – from website); Statistics NZ, CPI (quarterly); Auckland Council (RIMU), calculations.

⁰³ Source: Statistics NZ, Building Consents (monthly); Statistics NZ, CGPI (quarterly); Auckland Council (RIMU), calculations.