

# **Economic activity in the Te Waihora/Lake Ellesmere catchment**

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## ***Pragmatic considerations***

Data availability is critical when selecting a set of economic indicators for a region

Most but not all of Te Waihora/Lake Ellesmere catchment lies within Selwyn District

Selwyn District is a recognised statistical area

Statistics New Zealand, DairyNZ, economic consultants, all release Selwyn time series data

Selwyn District economic activity measures used as main indicator of activity level in catchment

# ***Economic activity***

Gross Domestic Product measures the value of output, income, value added, nationally within a time period

District GDP estimates made by economic consultants

District GDP is an aggregate measure of economic activity within e.g. Selwyn District

Aggregate measures may 'conceal' as well as 'reveal'

Economic activity levels can differ sharply between sectors, industries, firms, households

We need sectoral and other selected measures to gain a clear view of economic activity levels in a district

# ***Selwyn District economic activity***

A rural District located near a city recovering from major earthquakes

SD has rapid population, employment and GDP growth

Main growth areas - public administration, agriculture and manufacturing

2012 SD employment growth 9.5%,  $\approx$  1200 new jobs

Unemployment rate 3.1%, Canterbury 4.4%, NZ 6.4%

Agriculture, forestry and fishing  $\approx$  17% of SD GDP,  
public administration  $\approx$  18%, manufacturing  $\approx$  9%

Land use conversion to dairying, and irrigation increase value added per hectare compared to dryland farms

## ***Selwyn District goals***

Unlikely that maximising growth of economic activity is the overarching goal in Selwyn District

Sustainable development arguably is an overarching goal for Selwyn District

A sustainable development path ensures citizens have non-declining levels of welfare over time

A set of indicators might collectively provide a gauge of trend in welfare levels

# *Ten readily available economic activity indicators*

Economic Indicator	Selwyn District	One year change %	Source
GDP	\$820 m	1.1	<a href="#">Infometrics 03.2012</a>
Total population (30/6/2012)	42,300	2.9	STATS, DPE052AA
Total employment (February 2012)	13,920	8.6	TABLECODE2310#
Income tested benefit recipients age 18-64, June 2013 quarter	815	10.6	MSD TLA Benefit Factsheets
Business units (February 2012)	5407	1.1	TABLECODE2310#
Total cows (2011/12)	145,202	4.9	<a href="#">DairyNZ 2012</a>
SDC total operating expenditure 2012	\$67,368,000	20.7	STATS, LAF003AA
New residential consents, annual September 2012	\$206,535,054	70.3	STATS, BLD063AA
House price average, July 2013	\$469,825	10.3	WWW.QV.CO.NZ
Total irrigated area	99,120	↑	Williams 2010, p.20



# ***Diversity in the activity indicators***

An aggregate activity measure - GDP

Input measures - employment, business units, number of cows, total irrigated area

Demand indicators - District population, new residential consents, average house price

An Inactivity measure - number of working age beneficiaries

A Public Sector activity measure - SDC total operating expenditure

## ***‘Close to the lake’ activity indicators***

Farming, outdoor recreation, commercial fishing, mahinga kai harvest occur near, or in the lake

They may all be directly affected by changes in lake management and in the lake condition

These activities affect incomes and well being

From time to time estimates are made of the levels of these activities

Biennial estimates of these activity levels are needed



# Three 'close to lake' economic activity indicators

Agriculture output - closest 14,250ha,	\$34 million	↑	Butcher 2009, p.105
<u>Waihora-Ellesmere</u> associated quota value	\$1,830,000	↓	MPI, Butcher 2009
Recreation visits est. (26,950 x \$40/day)	\$1,078,000	↑	Hughey, 2013

