

# PROPERTY **E**ECONOMICS



## ECONOMIC BUSINESS LAND DEMAND FORECASTING

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Nelson City Council

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## 1. INTRODUCTION

Property Economics has been engaged by Tasman District Council (TDC) in conjunction with Nelson City Council (NCC) as a joint venture project to undertake an economic assessment of the business activity and land requirements (current and future) within the two territorial authority (TA) areas, with a specific focus on identifying the scale of future demand across the business sectors and how best to cater for projected future growth. This information platform will then be utilised to develop an interactive business demand model for the Council's which is separate to this base report, albeit the report provides the relevant justification for the model's core base inputs.

To assist in the consumption and understanding of this assessment the market will be split into three sections Regional Analysis, Employment Forecasting and Sub-regional analysis, and in essence follows a 'top down' approach. This will provide the high level understanding of the regional market trends and forecast demand growth in the Tasman District and Nelson City TAs (contextualised nationally), before highlighting results from finer grain sub-regional analysis.

The current and forecast markets for these areas will be assessed separately giving a detailed overview of each sector, albeit acknowledging these two TAs are intrinsically linked and 'feed off' each other in a commercial context, and essentially operate as a single economic unit, i.e. the planning boundaries are arbitrary in this context and not reflective of commercial market realities with many businesses servicing cross-boundary markets.

Furthermore, in this report retail, being a fundamental business land demand driver, will be assessed in terms of retail expenditure flows, quantify future growth in the market, and identify opportunities or potential for Tasman and Nelson within the wider commercial centre network. This will also illustrate the interconnectedness of the two (planning) markets reinforcing how they essentially operate as a single market in relation to retail dynamics and consumption.

This research and analysis is designed to assist TDC and NCC in the formulation of the most appropriate strategic direction for commercial activity in the regions in respect of management of commercial development, and provide a justified basis for any necessary amendments in the District Plan's objectives, policy and zone framework to better reflect the move towards an increasingly efficient and competitive network, and the aspirations of the community.

The working business demand forecasting model will also facilitate this understanding by providing a 'hands on' opportunity to reflect changes in the market over time by altering key base input assumptions and scenarios when and as required. This makes the working model a 'live' model that can be constantly updated to reflect market trends or changes in the form of a policy response, and better understand potential implications of alternative scenarios.



## 1.1. OBJECTIVES

The main objectives of this report are to:

- Identify and illustrate the geo-spatial extent of indicative 'Settlement Area' catchments for the Nelson and Tasman markets. These are based on geospatial distribution, locational attributes, and commercial realities around the level the area sits within the wider commercial network and business hierarchy of the regions.
- Assess the relative GDP performance of the Tasman / Nelson territorial authorities against wider national trends.
- Profile the existing employment composition of Nelson and Tasman (and at a finer grain Settlement Area level), and show trends over the last 15 years to show shifts (positive and negative) in the market.
- Determine the relative movement of households '*into*' and '*out of*' the Tasman and Nelson markets over the most recent intercensal period and to determine net migration trends of where new residents are coming from.
- Determine the current market size of the region as a whole (and by Settlement Area) in terms of population and households, and forecast this out over a planning horizon to 2038.
- Differentiate the markets in terms of key economic and social demographia and characteristics by profiling each areas age, income, employment, household structure, and ethnicity structures.
- Analyse the inflow and outflow of retail expenditure within the regions.
- Determine the level of retail expenditure by sector and Settlement Area generated in Nelson and Tasman and forecast this out to the 2038.
- Determine the quantum of sustainable retail floorspace that can be supported by the Settlement Areas at present and over the forecast period given their realistic role and function within the commercial hierarchy.
- Generate business employment and Gross Floor Area (**GFA**) forecasts for the regions and Settlement Areas and implications for business land requirements geospatially out to 2038 under a range of low to high growth scenarios.
- Identify the implications of market growth and what it means for commercial activity in terms of scale, activity types and land requirements for both at a regional and Settlement Area level.

## 1.2. INFORMATION & DATA SOURCES

Information has been obtained from a variety of data sources and publications available to Property Economics, including:

- Census of Population and Dwellings 2013 - Statistics NZ (extrapolated to 2016 by Property Economics)
- Household and Population Projections - TDC, NCC, Statistics NZ
- Household Economic Survey - Statistics NZ
- Retail Trade Survey - Statistics NZ
- Business Frame Temporal Employment Data - Statistics NZ
- MarketView Retail Transaction Data (May'15-April'16 calendar year) - BNZ
- Nelson City GIS Datasets - NCC
- Tasman District GIS Datasets - TDC
- Retail Audit - Property Economics
- Google Maps NZ - Google
- GDP Growth Trends and Forecasts - Treasury, Westpac
- Settlement Area Boundaries - NCC, TDC, Property Economics
- Commercial and Industrial Building Consents - Statistics NZ

## 2. EXECUTIVE SUMMARY

It is clear from the economic research and analysis that Tasman and Nelson operate and function as a single economic market with heavily interconnected economies and cross boundary business activity flows. Tasman and Nelson rely to varying degrees on each other to sustain their respective economies, and generate significant economic benefits for each other. This synergetic relationship is so entrenched, and will only strengthen moving forward, that the economies need to be considered as an integrated economic unit for long term planning purposes.

The 'single economy' approach is reflected in the commercial structure of the both Nelson's and Tasman's networks already with one CBD, one airport, one port and very similar economic and social demographic profiles of the population bases. They represent a common market that economic, infrastructure and planning efficiency and benefits can be gained if planned for and managed in a coherent manner.

Tasman and Nelson combined have a current population base of 100,300 people, split relatively evenly across the two regions. This is forecast to grow 10% by 2038 with Richmond and Stoke being projected as the high 'growth cells' for the area. Overall population and household growth is estimated to largely stagnate post-2038 with a growth rate of less than 1% over the 2038-2048 period. Therefore, any employment growth and business land requirement implications for the projected period from 2038-2048, are likely to be similar to 2038 assessed levels.

The regional economy is geared toward service sector industries that service the population base within the market. The population can generally be viewed as having a slightly older market, which by virtue of the age profile means that there are slightly lower levels of household income (on average). This generally leads to dampened retail expenditure but conversely is associated with higher levels of equity and therefore greater access to capital.

Despite the South Island's economic base growing in relevance within New Zealand's economy over the last 15-years, the Tasman Nelson economy has become comparatively less productive in a New Zealand context. The regional economy has experienced significantly less net growth (on a per capita GDP basis) than all other regions in the South Island by a margin greater than 10%.

This low proportional growth is driven by the local economy's core productive base, which comprises of primary and secondary sectors such as Agriculture, Forestry, Fishing and Manufacturing. Despite the growing service sector, Tasman Nelson's core productive base has lost relevance in a New Zealand context and represents a missed market opportunity and potential that other areas of New Zealand secured. In effect, over this period Tasman and Nelson became a less competitive business location.

In terms of forecast market growth, Tasman Nelson have steady levels of population growth estimated over the next 20-years, albeit moderate compared to other high growth areas around New Zealand (Nelson 8% and Tasman 7%). The location and enabling of forecast growth in each of the Regions will be fundamental to both the long term competitiveness of the business environments and the wellbeing of the combined market as a whole. It is important to note

that this will require co-operation and coordination between both TDC and NCC from a policy planning perspective, and it is essential for both councils to accommodate future business land demand in a unified market context. It is important when looking forward to ensure that enough zoned business land supply exists in the appropriate locations to facilitate future growth in the primary and secondary industries and enable the opportunity for Tasman Nelson's core productive base and economy to expand and increase in relevance.

## Retail

The Tasman Nelson market currently generates just over \$1b dollars per annum of retail expenditure across just over 700 retail stores. The regions have similar retail compositions proportionately, with data indicating the retail supply in both regions is, on average, lower quality and not satisfying consumer requirements. This is reflected in the comparatively higher proportion of vacant, smaller, lower quality, under performing or unbranded store types indicating that there is an issue with quality of the provision rather than quantity of the provision.

By 2038, the market's annual retail expenditure generation is projected to be \$450m higher than the current 2016 base year, indicating that of the future (2038) retail market 70% exists today. This level of retail growth can sustain an additional 60,000sqm of retail GFA. This contextualises the retail market demand that Councils should enable to be accommodated (with capacity in either new zoned land or in existing built forms and zoned environments) as part of their strategic planning process for business land demand.

**Tasman Nelson market's combined are relatively self-sufficient** with a net retail expenditure position of 101%, i.e. retail sales in the total market is 1% higher than what the area itself generates on an annualised basis. The market experiences high proportional retention across all the retail sectors showing that the majority of retail expenditure is internalised, combined with some net tourism inflow. The retail spending patterns identified the fashion sectors as an area with significant opportunity for market growth, and increased sector performance could be realised with an improved provision within this sector and improved shopping experience / environment.

## Business

At a Regional level, it is clear that business employment is concentrated in the Central West and Richmond settlement areas. Combined with the Tahunanui and Stoke settlement areas, there are low levels of employment distributed throughout the rest of the Tasman Nelson regions.

Tahunanui and Port Nelson are the two areas that have experienced the highest level of growth and are the largest commercial and industrial nodes in the Tasman Nelson area. It is expected that these areas will continue to flourish with businesses activity leveraging off the economic benefits of clustering and taking up existing business zoned land opportunities that are currently available (and zoned).

The Tahunanui settlement area (including Nelson Airport) is one of the largest industrial areas in terms of employment within the regions, and has accounted for nearly two thirds of new consented industrial floorspace in Nelson over the last 15 years. Despite this, the area's high

employment growth, at a time when industrial activity growth has been subdued, suggests non-industrial activity could be establishing a stronger foothold in the area, displacing industrial growth and industrial growth potential. Land use consents confirm this, showing that instead of industrial activity slowly being *'pushed out'* of the Nelson CBD area, it is being *'pushed out'* of Tahunanui. This is a trend Nelson Council should address to ensure zone integrity is maintained (for economic and planning reasons) and industrial activity locational opportunity is not lost to Nelson, given its limited industrial land supply market.

Industrial consent activity is occurring at a rate three times faster in Tasman than Nelson, with the Richmond settlement area being demarcated as the burgeoning industrial hub of the future. This is not unsurprising when factoring the limited vacant supply of industrial land in Nelson. The Richmond West business hub is strategically located for business activity and is well positioned to accommodate the future business (industrial) requirements of the regions to the advantage of both territorial authorities.

### Land Requirements

Around 75% of business zoned land in the Tasman Nelson market is within the Tasman region at present, indicating that Tasman's zoned business land provision will be an increasingly important component of meeting the future business land requirements of the regional market as a whole.

Commercial business consents highlight Central West (Nelson CBD) and Richmond as clear focal points and primary commercial (office) hubs within the regional markets. The Nelson CBD is a critical economic engine for the regions and reinvestment and development (retail, office, commercial services) should be focused on the Nelson CBD to optimise the economic benefit potential of such development. The Nelson CBD is a commercial hub that could, and should, be performing at a higher level and being more productive. New development and activity is required to facilitate this improvement.

Richmond is also identified as a key provider of any new provision (or overflow provision from Nelson) required for these activities in the future. This further entrenches the synergetic relationship between Nelson and Tasman moving forward with the potential for significant economic benefits to be generated.

Richmond and Tahunanui are the key locales for industrial activity. Interestingly, the Nelson CBD also has a relatively high industrial land provision on its fringes representing an important industrial location for Nelson, especially given the TA's limited potential for new land supply.

The future business land requirements determination is considered most appropriate applying the zoned business land distribution approach as the preferred pathway forward as it provides an appropriate and economically efficient recognition of the distribution of business activity on existing and zoned land. However, under the zoned distribution scenario Brightwater has an elevated industrial land provision due to the Carter Holt Harvey Mill being zoned industrial. This is a 'one off' anomaly applying this approach with this settlement area's demand better directed and more efficiently added to Richmond's future requirements (the adjacent settlement area with significantly more growth).

Analysis of the existing zoned provision across both Tasman and Nelson shows that the combined market currently has 1,535ha of business zoned land (224ha of commercial, 1,060ha of industrial and 250ha of deferred). Under the high growth (zoned distribution) scenario, Tasman Nelson requires 105ha (rounded) of business land in order to sustain future demand by 2038. This future business land requirement can be broken down into retail (16ha), Commercial Service (8ha), Commercial Office (26ha) and Industrial (54ha).

It is pertinent to note however, that these growth derived land requirements do not automatically translate into a net additional land requirement to be zoned for business activity within the region, with large tracts of the existing business land provision vacant or underutilised.

Under the zoned distribution high growth scenario (120ha), Richmond West alone has enough vacant land capacity to comfortably **accommodate the entire market's** future (to 2038) business land requirements. This shows the Nelson Tasman market is already well supplied in respect of their business land provision, and their long term business land demand projections do not trigger the requirement for additional business land re-zonings above the current provision.

This conclusion is further reinforced by the reality that, despite existing vacant land capacity being able to accommodate the entire future demand profile alone, significant capacity already exists through a combination of utilising vacant industrial and commercial buildings, and increasing development and land use efficiency (and productivity) by redeveloping underutilised brownfield sites across the regions. This type of brownfield development which reinvests capital back into existing infrastructure and land resources improves the regions market and allocative efficiencies.

An additional aspect Council may want to consider in further work is quantifying the development viability of the existing business land provision to ground truth the commercial **realities around the existing capacity's development potential**. This report identifies there is enough business land provision and that this provision is well located from a business location perspective, Council may want to ensure the provision is commercial viable to develop and identify any hindrances to development (i.e. infrastructure) that may require coordination with development opportunity.

### 3. REGIONAL SYNOPSIS

Given the close proximity of Tasman District and Nelson City physically, with the bulk of the market being within a single urban extent, there is significant overlap in how consumers and businesses utilise (and are a part of) commercial activities found in each territorial authority. It is important to note that this phenomenon is not just restricted to retail activity, but will be present across all business sectors as well as some residents themselves living in one TA but working in the other.

Taking a national level perspective, Tasman and Nelson as a whole are relatively isolated markets located at the north western peak of the South Island and largely surrounded by rural mountain ranges, hills and national parks, further reinforcing the interconnectedness of these markets. Future business demand in this '*unified market*' can be thought of as a top down flow from the wider national level down to individual regions, and furthermore to Settlement Areas as these markets draw from the same residential and employment base. Ultimately, their performance is irrevocably linked to the business demand of the wider '*joint*' regional market.

The commercial hierarchy within each District Plan is specifically designed to recognise that both TAs form the one business environment, i.e. the regions combined have only one Central Business District (Nelson CBD) which is the principal commercial and business hub for both territorial authorities. This is given its status as a result of its historical role and function in the region, and its significantly larger size (in terms of GFA, breath of activity, number of businesses, community function and employment base) relative to the other commercial nodes in the regions.

The Nelson CBD is the major retail and commercial office destination with the regions and from a strategic planning perspective it is to maintain this status in the future without challenge. Given this, it is anticipated and desired from a planning, policy and commercial outcome perspective, the Nelson CBD should accommodate the bulk of private and public sector development and investment across the office and retail sectors. Particularly to ensure it can maintain its pre-eminence and generate the potential economic efficiency and productivity gains available in the future.

Nelson Airport and Port Nelson are two major infrastructure assets to the regions and are vital conduits for the movement of both goods and people in and out of the regions. These assets need to be supported in their ability to better play their function in the future (on the basis no other regional assets performance and Councils strategic objectives are undermined).

These assets also serve to support significant industrial activity in their immediate surrounding areas in terms of business number and employment base. These are the older and more established industrial areas of Nelson that are important economic engines for the regions. These are just two, albeit important, areas of a burgeoning industrial base within the regions, and ensuring enough industrial land supply is provided is important to facilitate this economic growth.

## 4. MARKET DEMOGRAPHICS

### 4.1. DEMOGRAPHIC PROFILING

Economic and social demographic profiling has been carried out for the Nelson and Tasman regions, they have been compared to one another as well as the wider national averages to provide context. This will assist in understanding the consumer and business composition of the localised markets. A full breakdown of the demographic profiles has been provided in Appendix 1.

Some of the key findings from the profiling include:

- The Tasman Region is currently populated by around 50,000 people living in approximately 19,300 households (rounded). This equates to an average of 2.59 persons per household. The Nelson Region has a similar population and household count, comprising of just over 50,200 people and approximately 19,900 households. This equates to an average of 2.53 persons per dwelling indicating Tasman has a marginally bigger household structure comparatively.
- Compared to national averages, both Nelson and Tasman have a higher proportion of elderly people with 18% of the population aged 65 years and over, compared to just 14% for New Zealand. This is reflected in the smaller household structure identified above.
- Tasman and Nelson have higher concentrations of European ethnic groups with over 80% of their populations being of European descent, compared to New Zealand which has a proportion of 67%. Tasman had a marginally higher concentration (87%) than Nelson (83%). The ethnic composition of both markets represents a less ethnically diverse population base on a proportional basis compared to the rest of New Zealand.
- Both regions have proportionally lower incomes when compared to New Zealand. The Tasman Region has 18% of households earning \$100,000 or higher and Nelson is marginally higher than this with 19%. Nationally, almost 30% of households earn \$100,000 or higher. This is again a reflection of a higher proportion of population in the retirement age cohorts and no longer in the workforce. This dampens retail expenditure on a per household unit basis, but conversely often is associated with higher levels of equity in their homes and therefore greater access to capital.
- Overall, the demographic attributes of the Nelson Region are closely aligned, or identical to that of the Tasman Region. These include employment status, qualification attainment, student proportions and home ownership ratios. These Regions can generally be viewed as slightly older markets, which by virtue of their age profile means that they have slightly lower levels of household income.



## 4.2. MIGRATION TRENDS

Table 1 shows the proportion of residents living in Tasman and Nelson (as recorded in the previous census, 2013), and where they previously lived five years earlier (2006 NZ census adjusted to 2008). This is considered the most robust information in terms of residential relocation patterns in Tasman and Nelson.

It is important to note that Table 1 does not represent the net residential migration patterns for Tasman and Nelson, but the residential migration into and within the area. Residential outflow from these TAs is not reflected in this table.

TABLE 1: POPULATION MOVEMENTS (2008 – 2013)

Population Movements	Tasman	Nelson
Same as usual residence	50%	43%
Movement within own District	25%	29%
Movement Between Tasman / Nelson	5%	4%
Balance of New Zealand	8%	10%
Not born five years ago	6%	7%
Overseas	5%	7%

Source: Property Economics, Statistics NZ

Table 1 shows, half (50%) of Tasman's population base in 2013 lived at the same residence in 2008. A quarter had moved residences, but within Tasman, while 5% had moved from Nelson or from overseas over the same period. These percentages are similar for Nelson, albeit with a slightly higher proportion of residents who had moved into Nelson from other parts of New Zealand and overseas. These figures show a relatively mobile market which is an increasing trend in both residences and employment, i.e. people are becoming increasingly comfortable moving residences on a more regular basis.

Table 2 focuses on highlights the intra-regional movement of people into each TA proportionally showing the proportion of residents in respect to where they usually lived in 2008. This provides a breakdown to where new residents are migrating from and to Tasman and Nelson respectively.

TABLE 2: POPULATION MOVEMENTS BY AREA OF ORIGIN (2008 – 2013)

Area of Origin	Tasman	Nelson	Area of Origin	Tasman	Nelson
Tasman	-	28%	Waikato Region	2%	3%
Nelson	35%	-	Manawatu-Wanganui Region	2%	2%
Canterbury Region	21%	21%	Bay of Plenty Region	2%	2%
Auckland Region	6%	8%	Southland Region	2%	2%
Wellington Region	7%	8%	Hawke's Bay Region	2%	2%
Overseas	5%	7%	Northland Region	1%	1%
Marlborough Region	5%	6%	Taranaki Region	1%	1%
Otago Region	4%	5%	Gisborne Region	0%	0%
West Coast Region	4%	4%	<b>% of Total Residents</b>	<b>18%</b>	<b>21%</b>

Source: Property Economics, Statistics NZ

Outside movement between Tasman and Nelson themselves (reinforcing the interrelationship between the TAs), the largest intraregional movement was derived from the Canterbury Region by some margin. This is likely to be partly fuelled by the 2010 / 2011 Canterbury Earthquakes giving this region a slightly elevated proportion than if it were 'normal' market conditions.

Overall there is a spread from across the country indicating Tasma Nelson is viewed as an attractive place to live / retire, while the main centres of Auckland, Wellington and Christchurch, and surrounding provincial areas of Tasman / Nelson provide the highest proportional level of population inflow.

## 5. POPULATION AND HOUSEHOLD FORECASTS

Table 3 displays the population and household growth projections within the Tasman and Nelson Regions. These projections have been provided to Property Economics by TDC and NCC as part of a customised dataset of household projections by Statistics New Zealand with the key base input being the most recent 2013 NZ census population and household counts. This represents the medium series projections.

TABLE 3: TOTAL MARKET POPULATION AND HOUSEHOLD PROJECTIONS

<b>Total Market</b>	<b>2016</b>	<b>2018</b>	<b>2023</b>	<b>2028</b>	<b>2033</b>	<b>2038</b>	<b>Net Growth 2016 - 2038</b>
Population	100,300	102,200	105,100	107,400	109,000	109,900	9,600
Households	40,800	41,900	43,900	45,700	47,000	47,600	6,800
Household Size	2.46	2.44	2.39	2.35	2.32	2.31	-0.15
Population Growth (p.a.)		0.89%	0.56%	0.37%	0.32%	0.29%	10%
Household Growth (p.a.)		1.36%	0.94%	0.78%	0.57%	0.28%	17%

Source: Property Economics, Statistics New Zealand, TDC, NCC

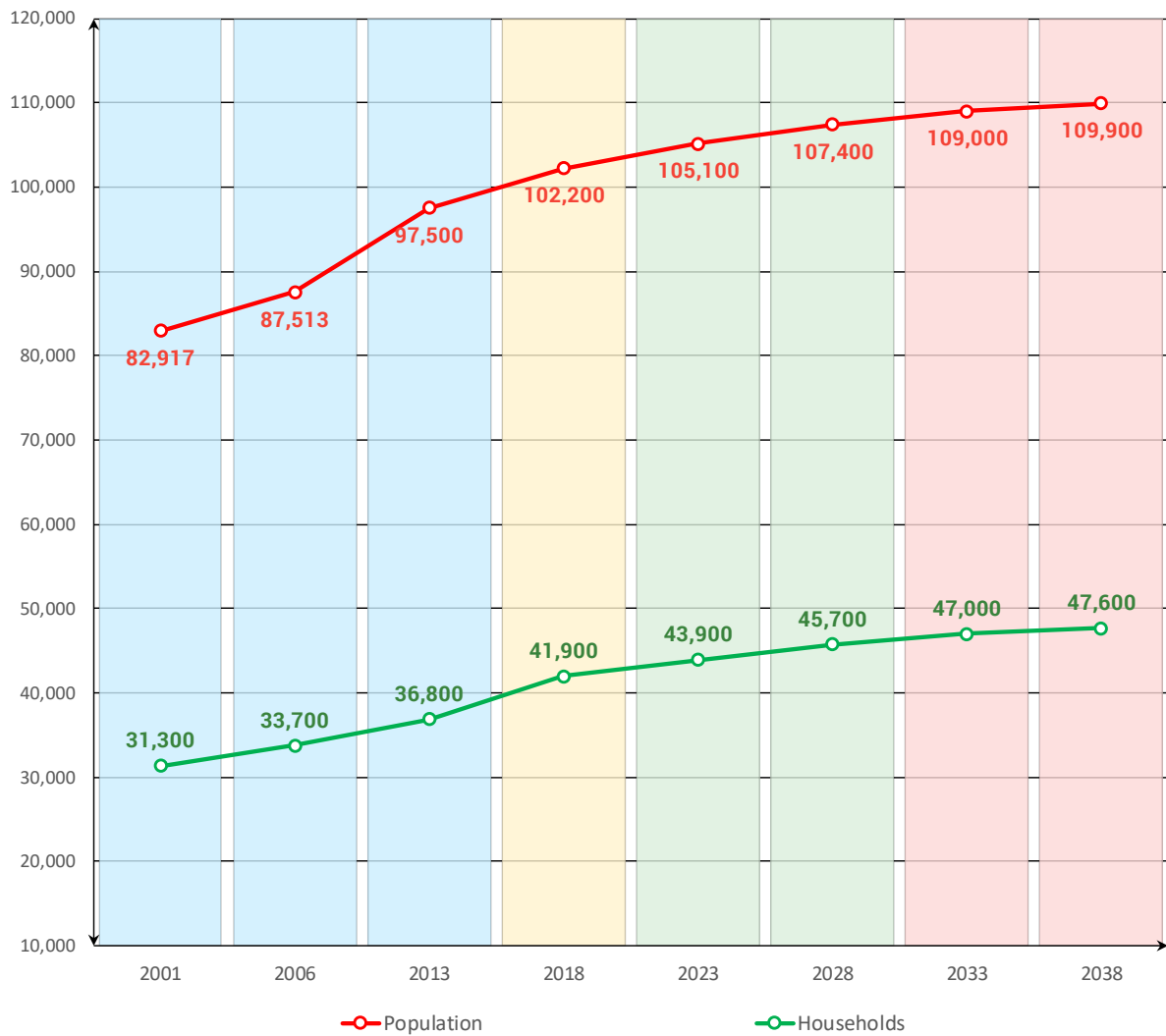
For the purpose of this report, 2016 has been classified as current (shaded blue), year 2018 as short term (shaded in yellow), year 2023 has been classified as medium term (shaded green) and the years 2028 to 2038 have been classified as long term (shaded red). The black shaded figures represent the net change over the assessed period.

The current population base across the combined regions of Tasman and Nelson is around 100,300 people and 40,800 households. By 2038 this is projected to increase to nearly 110,000 people and 47,600 households, equating to a net average growth rate of around 310 new households per annum, or net growth of around 17% over the 2016 – 2038 period. Importantly, the bulk of the regions 2038 population base is already residing in the market, with the 2016 population base representing 91% of the projected 2038 population base. This indicates economic growth within the regions is likely to be derived from innovation, improved productivity and efficiency in the existing market rather than population driven growth.

Table 3 indicates that the number of households is to increase at a faster rate than the population due to a projected fall in the person per dwelling ratio over the forecast period. This is not isolated to the study area but a trend projected to occur across the whole country due to an aging population, smaller families and a higher proportion of 'split' or single parent households.

Figure 1 illustrates the total population and household forecast and is a graphical representation of the information presented in Table 3. Also shown is the actual usually resident population for the regions from the last three censuses (2001, 2006 & 2103).

FIGURE 1: TOTAL POPULATION AND HOUSEHOLD PROJECTIONS

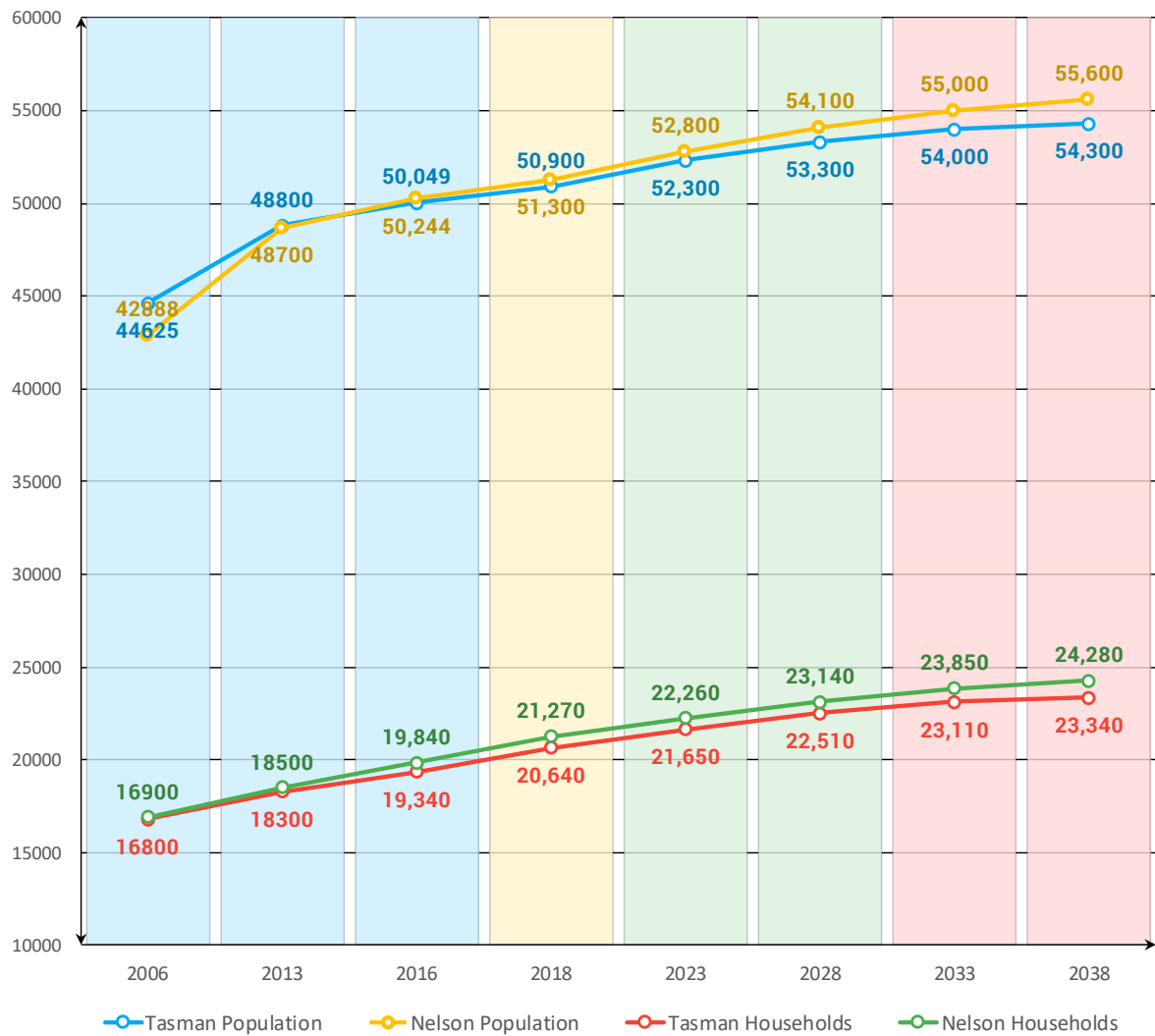


Source: Property Economics, Statistics New Zealand,

Breaking this down by region shows that Nelson and Tasman have similar household and population bases. Nelson City currently has a population base marginally higher than Tasman (50,250 vs 50,050), this is forecast to experience net growth at a faster rate (11% vs. 8%), albeit by 2038 this difference in each TA's population base is projected to be negligible at only 1,200 people.

Figure 2 separates the total population and household forecast (seen in Figure 1) by Tasman and Nelson for comparative context.

FIGURE 2: POPULATION AND HOUSEHOLD FORECASTS - TASMAN / NELSON



Source: Property Economics, TDC, NCC, Statistics NZ

Interestingly, due to a lower person per dwelling ratio and slightly older age profile, Nelson currently has marginally more households than Tasman, with this trend expected to continue over the forecast period. This has a minor effect on total retail expenditure generated as markets with larger household sizes are more likely to spend less on retailing on a per capita basis.

## 6. RETAIL EXPENDITURE AND GFA FORECASTS

To assess retail demand, Property Economics uses a sustainable footprint approach and forecasts the level of retail sector expenditure that is generated by the identified markets<sup>1</sup>. These results provide a benchmark for the level of sales productivity (\$/sqm) that allows retail stores to trade profitably and provide a good quality retail environment as well as forecasting the level of retail expenditure that represents what Nelson and Tasman's commercial centres, and the retail stores within that, could potentially achieve.

Retail expenditure forecasts have been based on the aforementioned growth projections shown in Figure 2, and has been prepared using the Property Economics Retail Expenditure Model. A more detailed breakdown of the model and its inputs can be seen in Appendix 2.

Note the figures below exclude the retail activities, as categorised under the ANZSIC<sup>2</sup> classification system, of:

- Accommodation (hotels, motels, backpackers, etc.)
- Vehicle and marine sales & services (petrol stations, car yards, boat shops, caravan sales, and stores such as Repco, Super Cheap Autos, tyre stores, panel beating, auto electrical and mechanical repairs, etc.)
- Hardware, home improvement, building and garden supplies retailing (e.g. Mitre 10, Hammer Hardware, Bunnings, PlaceMakers, ITM, Kings Plant Barn, Palmers Garden Centres, etc.)

The above activities are not considered to be core retail expenditure, nor fundamental retail centre activities in terms of visibility, location, viability or functionality. The latter two bullet points contain activity types that generally have great difficulty establishing new stores in centres for land economic and site constraint reasons, i.e. the commercial reality is that for most of these activity types it would be unviable to establish new stores in centres given their modern store footprint requirements and untenable to remain located within them for an extended period of time (beyond an initial lease term) in successful centres due to property economic considerations such as rent, operating expenses, land value, site sizes, etc.

Also excluded are trade based activities such as kitchen showrooms, plumbing stores, electrical stores, paint stores, etc. for similar reasons.

This is not to imply that these activity types are not situated in centres, as in many instances some of these land uses remain operating in centres as an historical overhang. However, moving forward it is increasingly difficult from a retail economic perspective to see these store types

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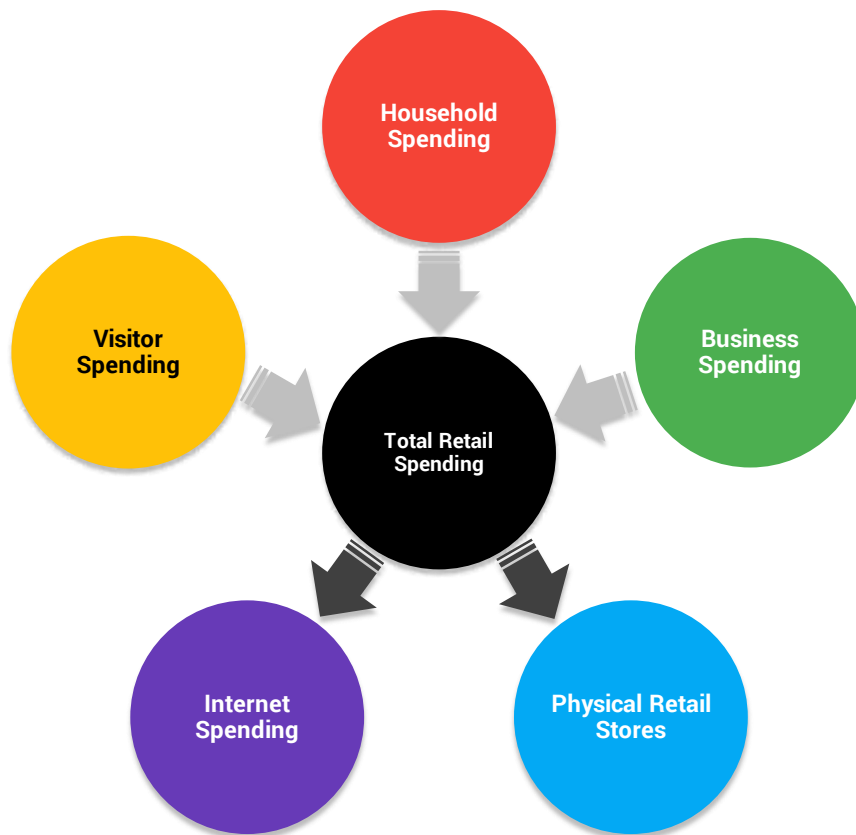
<sup>1</sup> Retail sector expenditure is calculated on an annualised basis in NZ dollars using the 2006 ANZSIC categorisation system.

<sup>2</sup> Australia New Zealand Standard Industrial Classification

establishing stores in centres (new or redeveloped), albeit they likely have equal planning opportunity to do so.

A full outline of the ANZSIC classifications and their respective definitions utilised in the Property Economics Retail Expenditure Model has been attached in Appendix 3.

The following flow chart provides a graphical representation of the Property Economics Retail Expenditure Model to assist NCC and TDC in better understanding the methodology and key inputs utilised.



Growth in real retail spend has also been incorporated at a rate of 1% per annum over the forecast period. The 1% rate is an estimate based on the level of debt retail spending, interest rates and changes in disposable income levels, and is the average inflation adjusted increase in spend per household over the assessed period.

It is important to note that the retail expenditure generated in the identified market does not necessarily equate to the sales of any retail stores within the market. Residents can freely travel in and out of the area, and they will typically choose the centres with their preferred range of stores, products, brands, proximity, accessibility and price points.

A good quality centre will attract customers from beyond its core market, whereas a low quality centre will have retail expenditure leakage out of its core market. Therefore, the retail

expenditure generated in an area represents the sales centres or retail stores within that area could potentially achieve.

Furthermore, retail stores in general can be split into Specialty and Large Format Retailing (LFR). Specialty retailing generally consists of smaller, boutique more specialised stores typically operating within, and offering products from, a specific retail sector. These are typically stores for items such as clothing, footwear, pharmaceuticals, and food and beverages, with the vast majority of store sizes for this type of retailing under 500sqm GFA.

LFR activity is typically identified as stores with a larger store footprint, generally over 500sqm GFA, and includes store types such as supermarkets, furniture, appliances, hardware and department stores. It is important to note that these store type examples are not mutually exclusive and can include a range of products across a number of retail sectors. In smaller provincial areas the LFR threshold is often slightly lower at 450sqm GFA due to the smaller store footprint requirements of retailers in smaller markets.

LFR stores, while large in floorspace terms comparatively, typically represent only a small proportion of physical stores nominally. These LFR store types, with the exception of supermarkets, generally trade at lower productivities on a per sqm basis relative to smaller Specialty stores, but are able to remain profitable by selling more in terms of volume, having superior 'purchasing power' (i.e. LFR stores can typically purchase goods at lower wholesale costs on a per unit basis due to the larger volumes bought, particularly for national retail chains), and typically lower per square metre rental rates.

Conversely, due to the size and breadth of offer, supermarkets (and the fact they sell many frequently required consumer food and beverage essentials) typically have a higher trading productivity of between \$10,000 to \$20,000 per square metre depending on brand, market size and level of competition. This means supermarkets generate significantly more shopper '*traffic*' than department stores enabling supermarkets to generate more significant flow-on economic benefits to centres where well integrated.

Given the differences in the Specialty, LFR and Supermarket retailing specifically, Table 4 illustrates the level of retail expenditure generated within the identified markets as categorised by Specialty, LFR and Supermarket retailing. For the purposes of this report, Supermarket retailing has been separated from LFR, given its unique characteristics distinct from typical LFR provision. The retail sectors included in LFR and Specialty Retailing sectors for the purposes of this analysis are show in Appendix 4.

For the purpose of this report total retail expenditure has been separated by store type (Specialty, LFR and Supermarkets) in order to understand the composition of the Tasman / Nelson retail market (currently, and in the future) and the future requirements for each of these. Although supermarkets have a large format store footprint, they are also largely homogenous, convenience retail stores that are provided at more localised level compared to other LFR store types.



## 6.1. RETAIL EXPENDITURE

Table 4 breaks down the total retail market for each Region by retail store type - Specialty, Supermarket and LFR retailing.

Within the total Tasman Nelson market, there is currently almost \$1.1b dollars per annum of retail expenditure generated across all retail store types, with projected annual market expenditure growth of just over 40% by 2038 above the current 2016 base year.

TABLE 4: TASMAN NELSON RETAIL EXPENDITURE FORECASTS (\$M PA)

<b>Tasman</b>	<b>2016</b>	<b>2018</b>	<b>2023</b>	<b>2028</b>	<b>2033</b>	<b>2038</b>	<b>Net Growth 2016-2048</b>
Specialty Retailing	\$235	\$237	\$260	\$281	\$302	\$324	\$89
Supermarket Retailing	\$141	\$142	\$155	\$167	\$179	\$190	\$49
LFR Retailing	\$84	\$85	\$92	\$99	\$105	\$112	\$28
<b>Total</b>	<b>\$461</b>	<b>\$464</b>	<b>\$508</b>	<b>\$547</b>	<b>\$586</b>	<b>\$627</b>	<b>\$166</b>

<b>Nelson</b>	<b>2016</b>	<b>2018</b>	<b>2023</b>	<b>2028</b>	<b>2033</b>	<b>2038</b>	<b>Net Growth 2016-2048</b>
Specialty Retailing	\$341	\$357	\$388	\$421	\$458	\$501	\$160
Supermarket Retailing	\$188	\$197	\$212	\$228	\$246	\$266	\$78
LFR Retailing	\$106	\$111	\$119	\$127	\$136	\$146	\$40
<b>Total</b>	<b>\$635</b>	<b>\$665</b>	<b>\$718</b>	<b>\$776</b>	<b>\$840</b>	<b>\$913</b>	<b>\$278</b>

<b>Total Market</b>	<b>2016</b>	<b>2018</b>	<b>2023</b>	<b>2028</b>	<b>2033</b>	<b>2038</b>	<b>Net Growth 2016-2048</b>
Specialty Retailing	\$576	\$594	\$648	\$702	\$760	\$825	\$249
Supermarket Retailing	\$330	\$339	\$367	\$395	\$425	\$457	\$127
LFR Retailing	\$190	\$195	\$211	\$226	\$241	\$258	\$68
<b>Total</b>	<b>\$1,096</b>	<b>\$1,129</b>	<b>\$1,226</b>	<b>\$1,323</b>	<b>\$1,426</b>	<b>\$1,540</b>	<b>\$444</b>

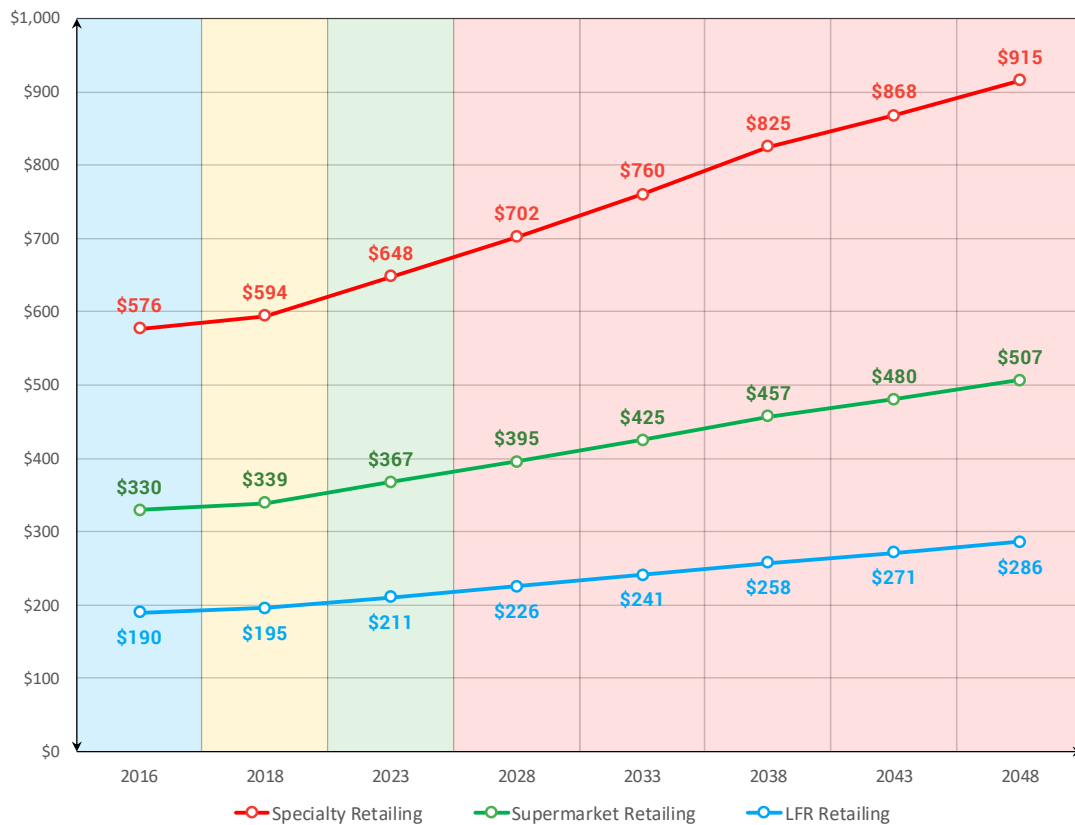
Source: Property Economics

Nelson Region has the highest level of generated retail expenditure, with a total of \$635 annually at present. Growth within the market (44%) is estimated increase total retail expenditure by just under \$280m, to an estimated total of \$913m per annum by 2038.

Specialty retailing store types are the dominant sectors, generating over half of Nelson’s total annual retail expenditure (\$341m). Supermarket retailing is the second largest contributor, generating almost \$190m per annum, whilst less frequently purchased LFR goods generate around \$100m annually.

Tasman Region currently generates just over \$460m of retail expenditure per annum, which equates to approximately 42% of the total Tasman Nelson retail market. The proportional composition of both retail markets are forecast to stay relatively similar over the forecast period.

FIGURE 3: TOTAL MARKET RETAIL EXPENDITURE (NELSON AND TASMAN)



Source: Property Economics

## 6.2. SUSTAINABLE RETAIL GFA

Table 5 illustrates the level of sustainable retail GFA within each retail store type that can be supported by the generated spend within the Tasman and Nelson Regions forecast to 2038 on an annualised basis.

This analysis uses a sustainable footprint approach to assess retail demand. Sustainable floor space in this context refers to the level of floor space proportionate to an area's retainable retail expenditure that is likely to result in an appropriate quality and offer in the retail environment. This does not necessarily represent the 'break even' point, but a level of sales productivity (\$ / sqm) that allows retail stores to trade profitably and provide a good quality retail environment.

For the purpose of this report net retail trading floor space has been translated to GFA, as net retail trading floor space excludes floor area in a retail area used for storage, warehousing, staff facilities, office or toilets etc. These activities typically occupy around 25-30% of a store's GFA. For the purpose of this analysis a 30% ratio has been applied.

TABLE 5: TASMAN NELSON SUSTAINABLE RETAIL GFA FORECASTS (SQM)

<b>Tasman</b>	<b>2016</b>	<b>2018</b>	<b>2023</b>	<b>2028</b>	<b>2033</b>	<b>2038</b>	<b>Net Growth 2016-2048</b>
Supermarket Retailing	16,200	16,300	17,800	19,100	20,400	21,800	8,300
LFR Retailing	28,400	28,600	31,200	33,400	35,600	37,800	13,800
Specialty Retailing	39,400	39,700	43,500	47,000	50,600	54,300	18,200
<b>Total</b>	<b>84,000</b>	<b>84,600</b>	<b>92,400</b>	<b>99,500</b>	<b>106,500</b>	<b>113,900</b>	<b>40,300</b>

<b>Nelson</b>	<b>2016</b>	<b>2018</b>	<b>2023</b>	<b>2028</b>	<b>2033</b>	<b>2038</b>	<b>Net Growth 2016-2038</b>
Supermarket Retailing	21,500	22,500	24,200	26,100	28,100	30,400	16,800
LFR Retailing	35,800	37,500	40,200	42,900	46,000	49,400	23,900
Specialty Retailing	57,200	59,800	65,000	70,600	76,800	84,000	18,900
<b>Total</b>	<b>114,500</b>	<b>119,800</b>	<b>129,400</b>	<b>139,600</b>	<b>151,000</b>	<b>163,900</b>	<b>59,600</b>

Source: Property Economics

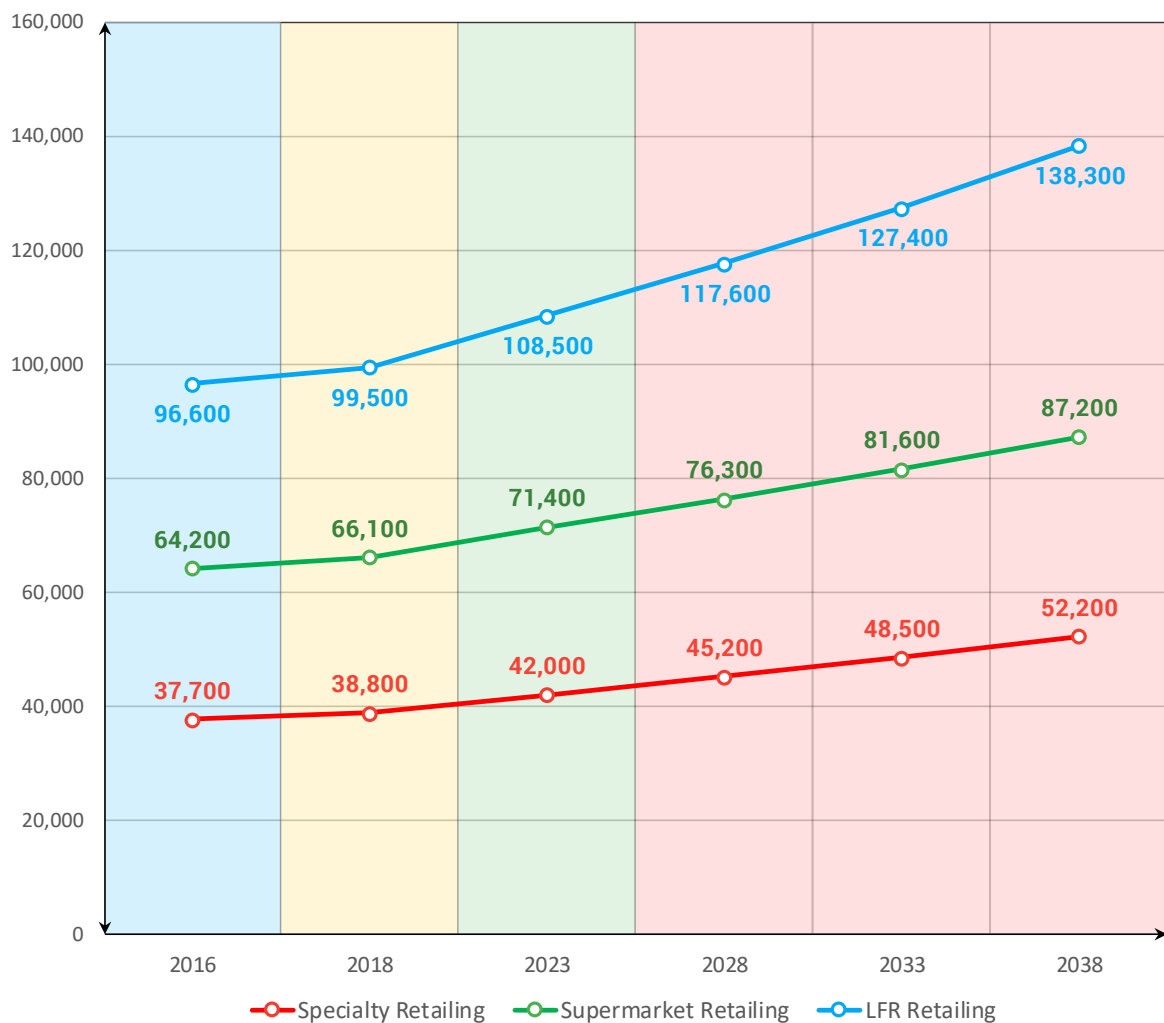
The total Tasman Nelson market currently generates enough retail expenditure on an annualised basis to sustain almost 200,000 sqm of retail GFA. This is forecast to grow to an estimated 280,000 sqm (rounded) by 2038. This position provides a useful context and benchmark from which to undertake the retail analysis.

Nelson is projected to be able to sustain 164,000sqm GFA by 2038, approximately 59,600sqm GFA increase above the current 2016 base year level.

Tasman is projected to be able to sustain around 114,000sqm GFA by 2038, an approximate 40,300sqm GFA increase above its current 2016 base year level.

This contextualises the forecast retail demand for the total market that Councils should move to accommodate (in either new zoned land or in existing built forms) as part of their strategic planning process for business land demand.

FIGURE 4: TOTAL MARKET SUSTAINABLE RETAIL GFA (NELSON AND TASMAN)



Source: Property Economics

## 7. RETAIL EXPENDITURE FLOWS

Retail expenditure patterns have been assessed using retail transaction data sourced from MarketView - a service provided by the Bank of New Zealand (**BNZ**). BNZ MarketView data is based on the spending and retail transactions of BNZ credit and debit (EFTPOS) cardholders<sup>3</sup>. The MarketView data has been collected from a range of stores across the spectrum of assessed retailers in the Nelson and Tasman regions, from national chains to small independent stores.

As a guide, BNZ currently holds approximately 20% market share of the electronic card market in NZ, while electronic card transactions accounts for approximately 60% of retail spending within NZ. The retail transactional data sources for Tasman Nelson are based on the most recently available calendar year period of May 2015 – April 2016. This discreet period has been chosen as it is an annualised period thereby removing any seasonal variations, allows analysis of the most up to date data available, and is considered the best proxy for quantifying the current spending patterns of the markets.

Given the large sample size of BNZ card holders and prolific use of EFTPOS within NZ, MarketView data is considered to provide a robust and accurate depiction of the destination and origin of retail spending flows in and out of the Nelson and Tasman core markets, and hence has been used as a basis for this assessment.

MarketView data for the purpose of this report has been assessed in two ways to help gauge the level of retail expenditure **'outflow'** from each of the regions (i.e. 'destination' of Nelson and Tasman resident spending respectively), and the level of retail expenditure **'inflow'** ('origin' of Nelson and Tasman spending respectively).

For the purposes of analysis, at a high level internet retailing has been excluded from the MarketView datasets in order to gauge a more accurate one-the-ground movement of retail dollars within the market. As Internet retailing is excluded from the Property Economics Retail Expenditure Model later analysis in this report can be matched with analysis in this report to form an estimate of net on-the-ground retail expenditure in an area.

Firstly, Property Economics take a helicopter view of both Tasman and Nelson regions combined and reviews the retail spending patterns of the total assessed market. Secondly, the spending patterns of each district are assessed separately in order to understand how each market is operating individually, and the extent of the spending flow interaction between the regions.

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<sup>3</sup> Market View data excludes business and corporate cards. The transaction values include GST, but exclude cash out with purchases. BNZ Market View does not pick up hire purchase, direct debit/credit payments or cash based spending.

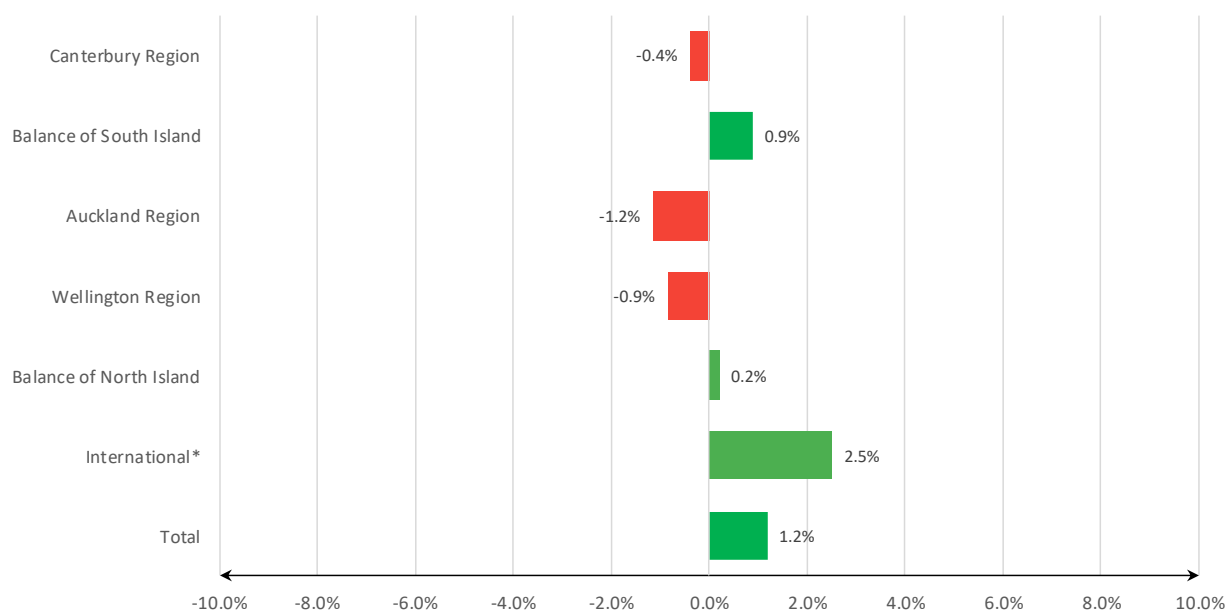
## 7.1. TASMAN NELSON MARKET

Assessing the proportional level of leakage or outflow of retail dollars leaving the aggregated Tasman/Nelson market, and the proportional inflow of retail dollars entering the market quantifies the net flow of retail expenditure for the area as whole. This is helpful in identifying potential or 'gaps' that face both Tasman and Nelson markets together, and builds on the analysis in the previous two sections.

For the purpose of this analysis, the report compares retail inflow and outflow as a proportion of total spending or retail expenditure generated within the combined Tasman Nelson market. This means that the outflow percentages represent the proportion of spending made by Tasman Nelson residents outside of said regions, while inflows represent the spending made within the said regions as a proportion of what the regions generate.

Figure 5 assesses the high level proportional level of leakage / inflow of retail dollars exiting / entering the aggregated Nelson/Tasman market by location to determine a net flow position for the major regions of the country.

FIGURE 5: NET FLOWS FOR THE TASMAN NELSON MARKETS BY REGION



Source: Property Economics, MarketView<sup>4</sup>

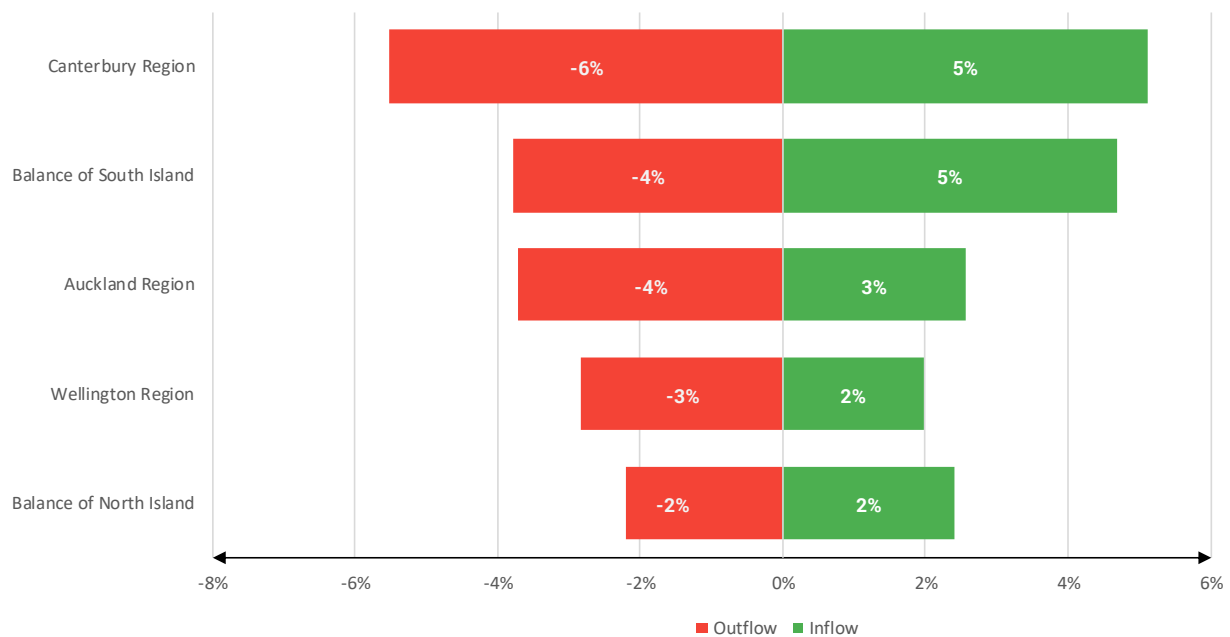
<sup>4</sup> Only inflows in International tourism is recorded by MarketView and not outflows, therefore 2.5% only represents what comes into Tasman Nelson while spending from residents overseas has not been recorded or assessed.

Total net flows for the Nelson Tasman markets are relatively neutral across all of the locations set out in Figure 5 with marginal degrees of variation. This indicates the Tasman Nelson markets combined are relatively self-sufficient and largely satisfy the retail requirements of the region. Being a noted tourist destination, there is a new inflow from international visitors of 2.5% of generated regional spend.

International retail spending has the highest net flow equating to 2.5%. Wellington, Auckland and Canterbury Regions all experience negative net flows showing that retail leakage to those regions is slightly higher than retail inflows from them.

Figure 6 breaks net flows down further to illustrate the relative size of the inflows and outflows occurring from the locations in Figure 5.

FIGURE 6: NELSON TASMAN RETAIL EXPENDITURE FLOWS BY LOCATION

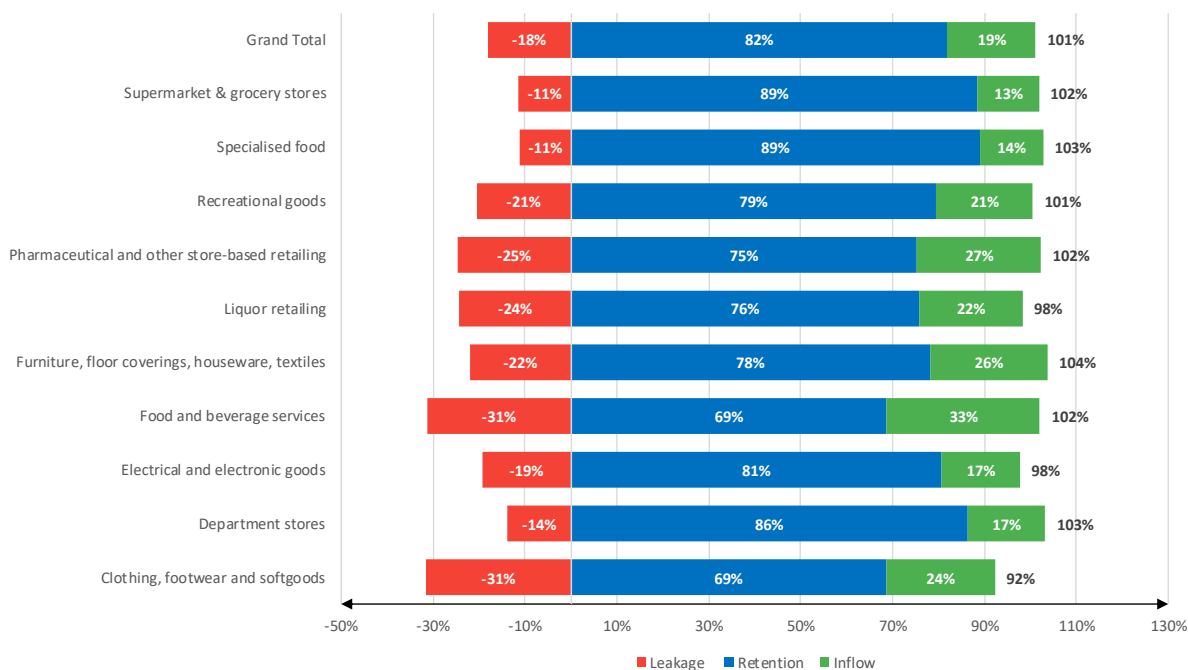


Source: Property Economics, MarketView

Figure 6 illustrates the proportional level of leakage / inflow of retail dollars exiting / entering the aggregated Nelson Tasman market in more detail to highlight the extent of the intra-regional flows.

Figure 7 displays the net position for the Tasman Nelson retail market by sector.

FIGURE 7: NET POSITION BY SECTOR FOR THE TASMAN/NELSON MARKET



Source: Property Economics, MarketView

Overall the MarketView data indicates the Nelson Tasman market has a total net position of 101% (or a +1% net), i.e. retail sales in the total market is 1% higher than what the area generates on an annualised basis.

The market experiences high proportional retention across all the retail sectors indicating that the majority of retail expenditure is internalised. This is not unexpected given the relative geographic isolation that the Nelson Tasman area faces and limited competition within a comfortable drive time (i.e. Christchurch is the next drivable major city and that is 5 – 6 hours’ drive away).

The Clothing, Footwear and Soft Goods sector has the lowest level of retention (69%) in the Nelson Tasman area with a net position of 92% (or a net loss of 8%), indicating that the retail leakage experienced by this sector (31%) is greater than the inflows (24%) that the sector ‘attracts’ in from outside of the market. While there will always be leakage to larger cities, it does indicate the opportunity and availability of this sector to increase its performance with an improved provision and shopping experience.

Almost all sectors (excluding Fashion, Electronic and Liquor Retailing) experience positive net positions indicating that inflows from each sector are proportionally higher than outflows (or leakage) from each sector. The furniture, floor covering, houseware and textiles sector experienced the highest net flow total a positive 4%. This is followed by supermarket retailing and department stores at 3%. This is predominately from the surrounding, more rural, districts.



## 7.2. TASMAN DISTRICT

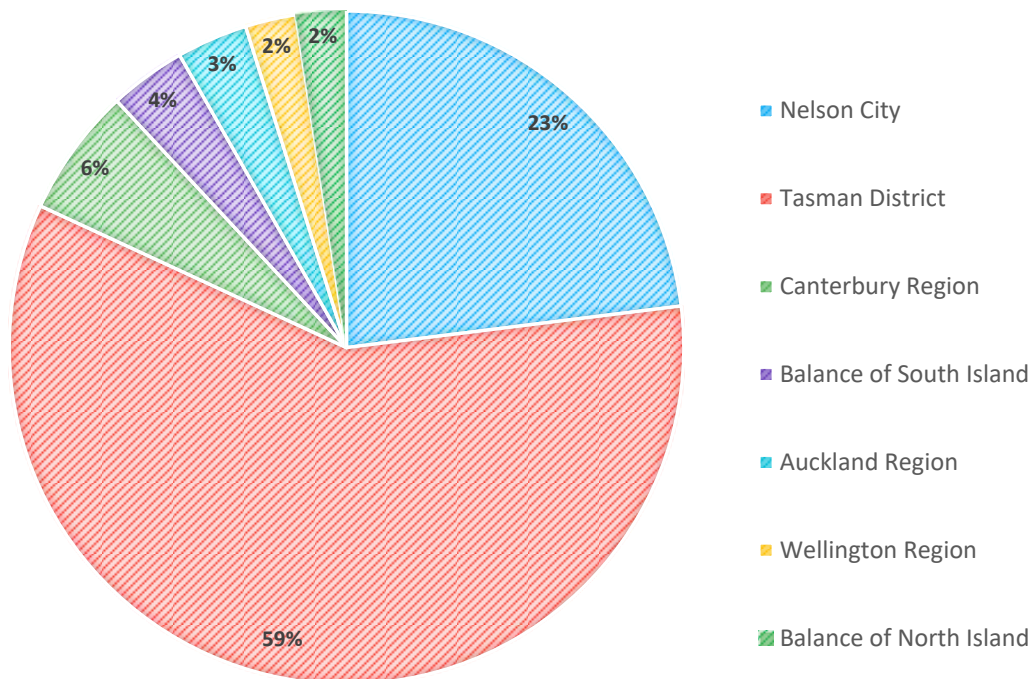
This section drills down on the retail spending flows of the Tasman District, specifically to highlight the level of spending flow interaction between Tasman and Nelson.

### DESTINATION SPENDING

'Destination' retail spending is derived from identifying where retail expenditure generated in Tasman District's retail market is spent, quantifying the 'outflow' of spend from Tasman's retail market.

Figure 8 illustrates the proportional composition of retail spending made by residents residing in Tasman by 'destination' on a comparative geographic basis.

FIGURE 8: TASMAN DISTRICT DESTINATION OF SPENDING



Source: Property Economics, MarketView

Separating Tasman's resident spend by destination has revealed that around 60% of the retail expenditure generated by Tasman's residents is internalised (i.e. spent locally). This level of retention is attributable to the high level of competition that the District faces, from the Nelson CBD primarily (the largest destination across both regions) given its relatively close proximity.

As a result of this competition, Tasman experiences almost 25% leakage to Nelson City, whilst 6% of the region's generated spend is redirected to the Canterbury Region (predominately

Christchurch). This reaffirms that Nelson City is the next preferred shopping destination for Tasman District residents. Some leakage to Canterbury (Christchurch) is not unexpected given the largest retail centre in the South Island, Christchurch, is a highly competitive retail market and offers a wider range of comparison goods that attract shoppers from beyond the city's boundaries.

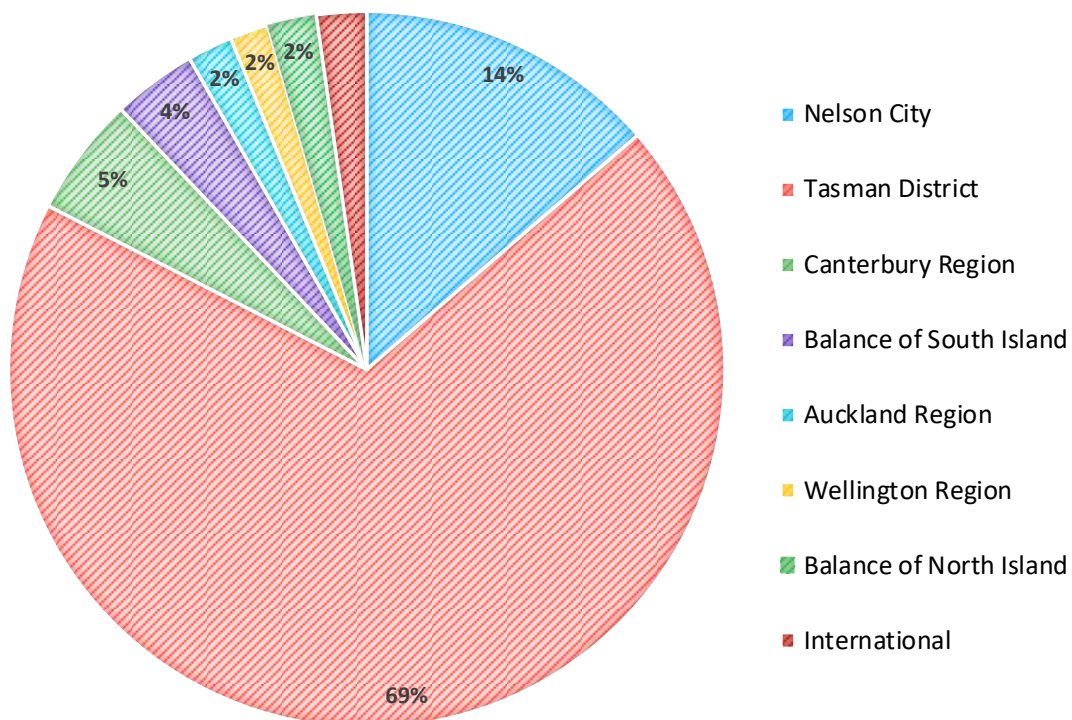
Over \$4 of every \$5 spent by Tasman residents (82%) is either within Nelson or Tasman giving the regions a strong level of internalisation. Interestingly, 3% of Tasman's generated spend ends up being spent in Auckland on an annualised basis, likely through holiday visits or shopping trips.

### ORIGIN OF SPENDING

'Origin of retail spending' represents where retail spend within Tasman is derived, in other words the areas that retail shoppers in Tasman reside. This enables the quantification of the 'inflow' of retail dollars into Tasman, and the origin composition of that inflow.

Figure 9 illustrates the proportional composition of retail spending within Tasman from the New Zealand and International markets.

FIGURE 9: TASMAN DISTRICT ORIGIN OF SPENDING



Source: Property Economics. MarketView

Around 70% of retail spending within Tasman is derived from the Tasman market itself. In practical terms this equates to around \$3.50 out of every \$5 spent in the District being derived from Tasman residents.

The balance (around 30%) of Tasman's total retail sales are derived from residents outside of the Region, and almost half of that inflow is derived from Nelson residents (14%). Considering Tasman's outflow to Nelson vs inflow from Nelson there is a significant amount of spending leaving Tasman for Nelson on an annualised basis across the majority of sectors. This reaffirms the close connectivity between Tasman and Nelson and its strong interrelationship for retail purposes.

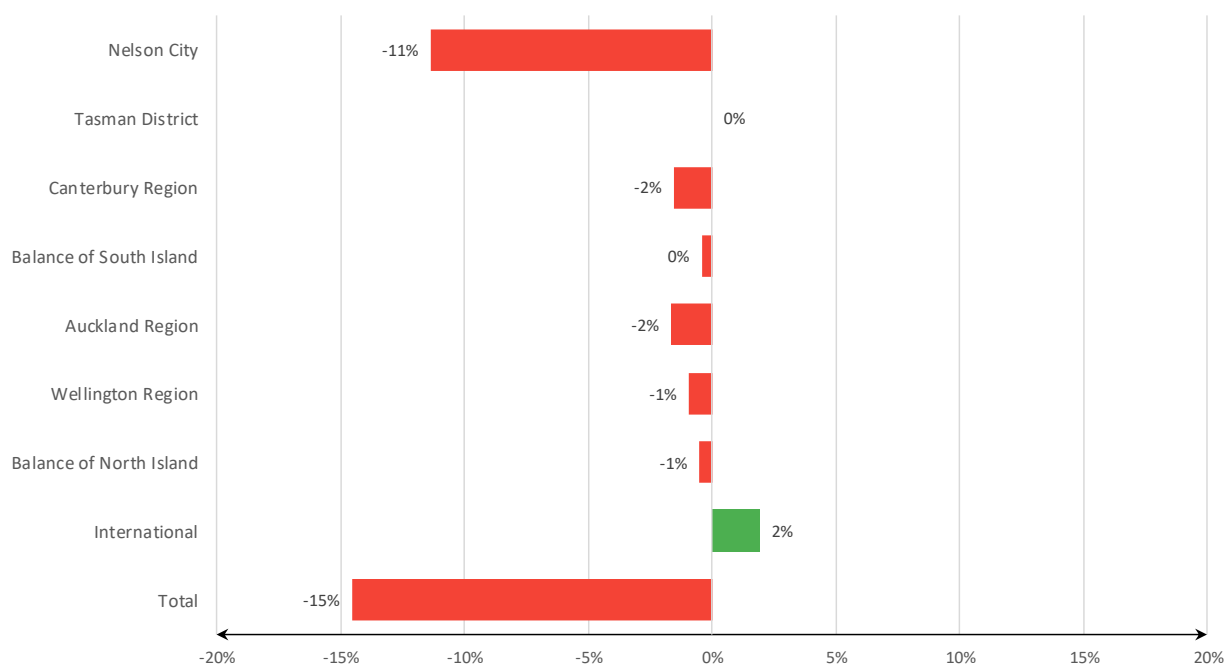
Tasman experiences a 2% inflow from international visitors to assist offsetting the overall spend outflow. As tourism in the region grows, so will tourism spent in Tasman.

### SPENDING PATTERNS

Assessing the proportional level of leakage or outflow of retail dollars leaving the Tasman market, and the proportional inflow of retail dollars entering the Region quantifies the net flow of retail expenditure for the Tasman.

Figure 10 assesses the proportional level of leakage/inflow of retail dollars existing/entering Tasman to determine the net flow of retail expenditure by location.

FIGURE 10: TASMAN DISTRICT NET FLOW BY LOCATION



Source: Property Economics, MarketView

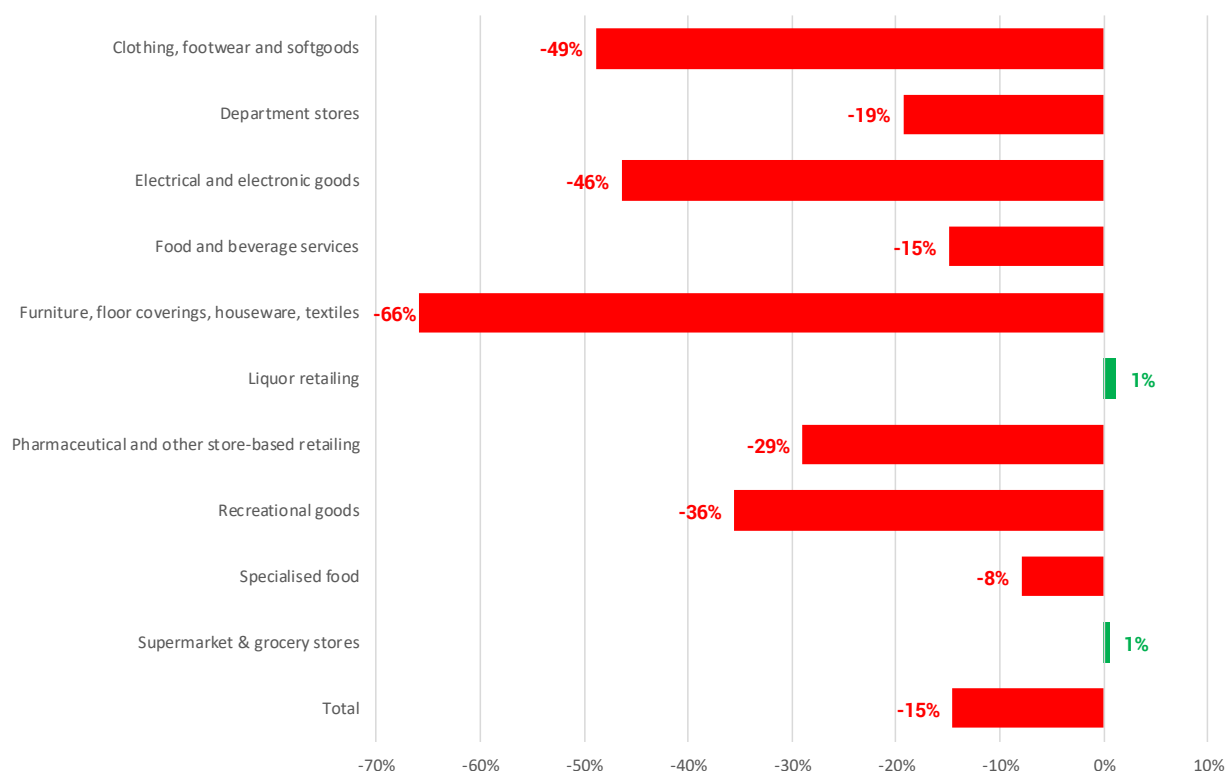
Tasman District has a net negative (net outflow) equivalent to 15% of its generated spend. So whilst Tasman is capturing spend from outside of the market (inflows), this is not to the same level as outflows. This results in a negative net flow position for most locations.

As expected, Nelson, as Tasman's strongest and closest competing retail destination represents the largest net outflow position which equates to 11% of Tasman's annual generated spend.

Figure 11 illustrates the proportional level of leakage/inflow of retail dollars existing/entering Tasman's market by sector to determine the net flow of retail expenditure across the different retail store types.

It should be noted that while leakage may be proportionally high per sector, each sector represents a differing proportion of wider retail spending. i.e. Supermarket retailing equates to over 40% of total spending, while Electrical and electronic goods in just over 3%.

FIGURE 11: TASMAN DISTRICT NET FLOW BY RETAIL SECTOR



Source: Property Economics, MarketView

Breaking the net flows up by sector is helpful in identifying which sectors Tasman is performing well in and those with potential / opportunity for improved performances.

As seen with Figure 10 the net flow for the total market is 15% showing the Tasman market loses more retail expenditure to markets outside of the district than it captures (inflow).

Liquor retailing and supermarket and grocery stores are the only two retail sectors currently experiencing positive net flows in Tasman, with Pak N Save being the main contributor to this performance. However, as these sectors typically function as homogenous convenience retailing it is typical that a higher proportion of the market for these goods will be captured locally.

The Furniture, Floor Coverings, Houseware and Textiles sector has the lowest level of internalisation (or conversely the sector with the greatest potential and opportunity) with a net negative flow of -66%.

The Fashion sector (Clothing, Footwear and Soft goods) and the Electronic Goods sector are also experiencing large negative net outflows of over 45%. This signals significant opportunity to improve the performance of these sectors over time (which would improve retail productivity in Tasman), as they are all generally made up of higher order, competitive and more productive goods.

Tasman's market is currently experiencing varying degrees of net negative flows across almost every sector. This is a reflection of the on quality and breadth of provision in these sectors currently within the District. Improved performance by Tasman across all retail sectors would improve the economic efficiency of the market, internalise more retail expenditure on an annualised basis, create more jobs locally and enjoy the associated flow on economic benefits, which would by default improve the performance of the Richmond Town Centre, its retail environment, vitality, economic wellbeing and social amenity to its community.

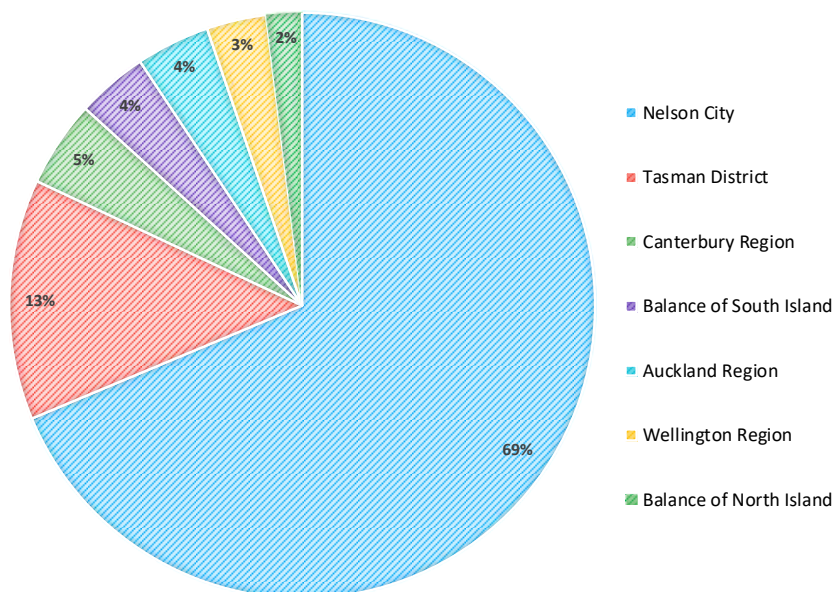
### 7.3. NELSON CITY

#### NELSON CITY DESTINATION OF SPENDING

'Destination' retail spending for Nelson is derived from identifying where retail expenditure generated in Nelson's retail market is spent, quantifying the 'outflow' of spend from Nelson's retail market.

Figure 12 illustrates the proportional composition of retail spending made by residents residing in Nelson by 'destination' on a comparative geographic basis.

FIGURE 12: NELSON DESTINATION OF SPENDING



Source: Property Economics, MarketView

Nelson internalises almost 70% of its generated annualised spending (i.e. spent locally). This equates to \$7 out of every \$10 spent by Nelson residents is spent in Nelson itself.

Confirming the strong Nelson Tasman retail interrelationship is that 13% of Nelson’s generated spend is spent in Tasman. This is predominately in the Richmond Town Centre retail environment.

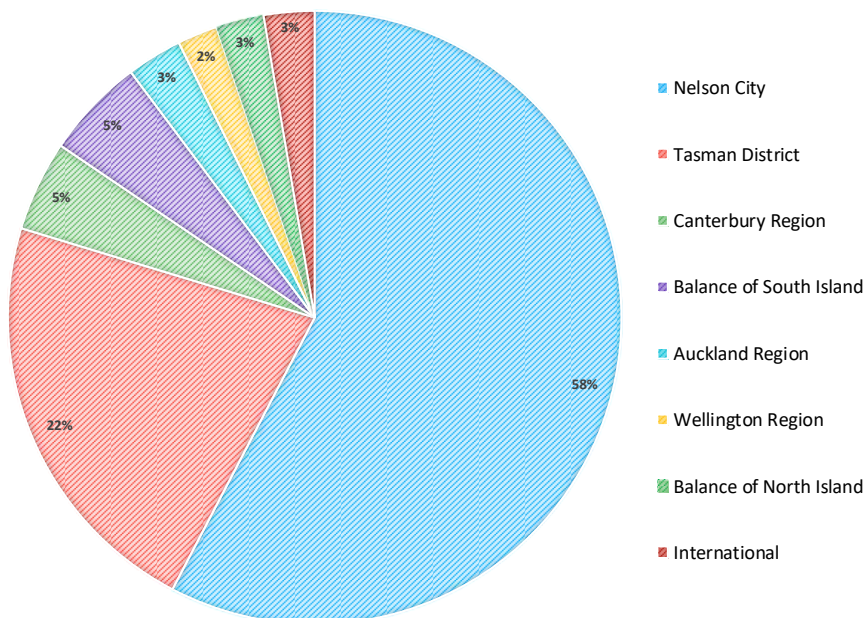
Canterbury Region captures 5% of Nelson’s generated spend, while Auckland (4%) and Wellington (3%) also have meaningful proportional capture rates. Competitive domestic travel airfares and increased frequency of flights assist in this leakage. Suffice to say the bulk of Nelson generated expenditure is spent locally, i.e. either within Nelson itself or Tasman.

### NELSON CITY ORIGIN OF SPENDING

‘Origin of retail spending’ represents where retail spend within Nelson is derived. In other words, the areas that retail shoppers in Nelson reside. This enables the quantification of the ‘inflow’ of retail dollars into Nelson, and the origin composition of that inflow.

Figure 13 illustrates the proportional composition of retail spending within Nelson from the New Zealand and International markets.

FIGURE 13: NELSON CITY ORIGIN OF SPENDING



Source: Property Economics, MarketView

Nearly 60% of retail sales within Nelson are derived from Nelson residents, with a further 22% from Tasman residents. Combined these two regions comprise 80% of Nelson's retail sales.

The data suggests Nelson has a frequent customer base from the neighbouring Tasman region which comprises half of total retail expenditure derived from outside of Nelson.

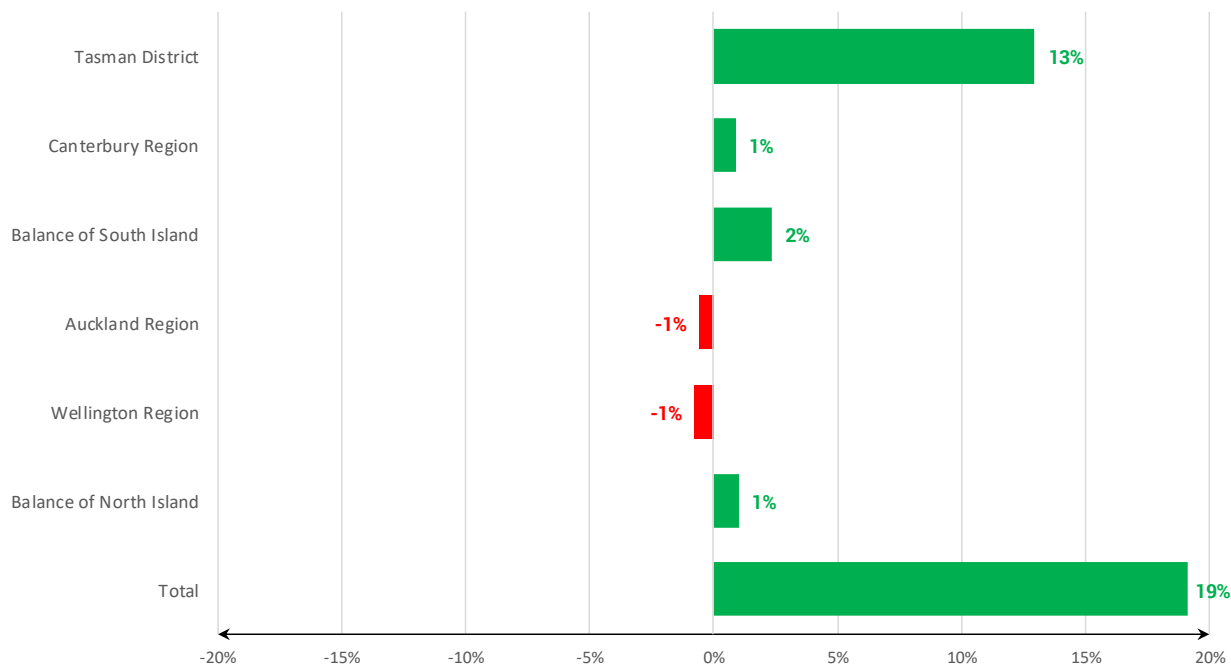
Aside from Tasman District, Nelson also captures a 5% of its annual retail sales from Canterbury, while Auckland and Wellington regions combined comprise a further 5%. This shows Nelson, not unexpectedly given its holiday destination profile, is able to attract a meaningful proportion of its sales (42%) from beyond Nelson itself. This is further reflected in Nelson attracting 3% of its annual sales from International Tourists.

### NELSON CITY NET FLOWS

Assessing the proportional level of leakage or outflow of retail dollars leaving the Nelson market, and the proportional inflow of retail dollars entering the region by both location and sector quantifies the net flow position for Nelson.

Figure 14 assesses the proportional level of leakage / inflow of retail dollars existing / entering Nelson to determine the net flow of retail expenditure.

FIGURE 14: NELSON NET FLOWS BY LOCATION



Source: Property Economics, MarketView

Overall, Nelson has a total positive net flow equivalent to +19% of its generated spend indicating that Nelson experiences positive inflows from almost every location shown in Figure 14, with the exceptions being the larger metropolitan centres of Auckland and Wellington. This is offset by leakage of varying levels, however not to the same degree as inflows giving a positive net flow position.

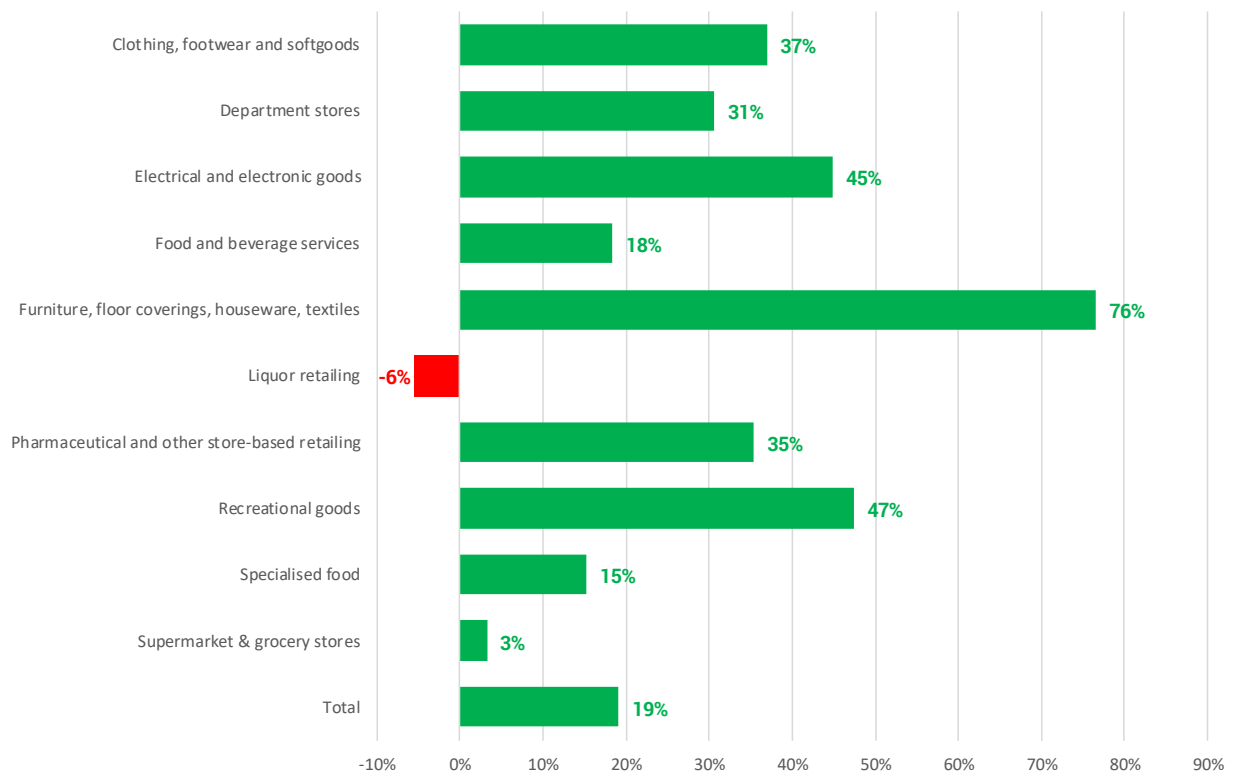
Tasman has been identified as the most significant contributor, to Nelson’s inflow, with Nelson having a new inflow of 13% from Tasman. Auckland and Wellington Regions are the only two locations in Figure 14 where Nelson experiences a negative net outflow, albeit they are proportionally minor at only -1%.

Figure 15 displays proportional level of leakage / inflow of retail dollars existing / entering Nelson’s market by sector to determine the net flow of retail expenditure across the different retail store types.

As noted earlier, while leakage may be proportionally high per sector, each sector represents a differing proportion of wider retail spending. i.e. Supermarket retailing equates to over 40% of total spending, while Electrical and Electronic Goods in just over 3%. This needs to be kept in context when considering the percentages in Figure 15, with the high percentages typically being in low proportional market sectors.



FIGURE 15: NELSON CITY NET FLOWS BY SECTOR



Source: Property Economics, MarketView

Given the aforementioned data and analysis, it is not surprising to see positive inflows across virtually all retail sectors.

Overall Nelson has a net position of +19% indicating that the market experiences higher proportion of inflows from outside of the market than the proportional level of leakage.

The Furniture, Floor Coverings, Houseware and Textiles sector experiences the highest proportional inflow with a positive net inflow of 76%. This is followed by the Recreational Goods sector with a positive net flow of almost 47% and the Electronics sector with a positive net flow of 45%.

This is often correlated to the retail provision within each area, and Nelson having the larger LFR base supply would perform stronger across these sectors. However, as Tasman's population base continues to grow it will get to a critical mass where once LFR retailers recognise the need for a second or third store across the regions, then Tasman would be the next preferable destination of choice to ensure better servicing of that market. In this regard, Nelson's retail provision is largely 'in place' to meet future requirements, where as any new retail provision from store / brand expansion perspective across the regions is more likely to be in Tasman.

As expected the sectors more directed towards convenience spend such as supermarket and grocery experience the smallest inflow as this spend is generally a low more localised.

## 8. EXISTING RETAIL SUPPLY

In March 2016 Property Economics undertook a retail audit of the Tasman Nelson Regions in order to assess the current level of retail provision that exists within the centre network of the regions. The results are displayed in terms of nominal stores and GFA of all retail stores within the centre network by sector.

It is worth noting that the following survey information represents a 'snapshot' in time and retail stores are contently opening, closing and relocating due to a variety of individual store and owner circumstances. In this regard the retail market is fluid and undergoing constant change.

Figure 16 outlines the key commercial centres within the centre network of the regions from which the following analysis has been based. Given the smaller, more rural nature of Tasman Nelson's wider retail market, the centres outside of Nelson's CBD and Richmond primarily focus on servicing the convenience retail and commercial service / professional requirements of their localised markets (or Settlement Areas). The map insert in Figure 16 provides a zoomed in view of the main urban area.

FIGURE 16: TASMAN NELSON RETAIL CENTRE NETWORK



Source: Property Economics

Within the total Tasman Nelson Regions there are currently just over 700 retail stores (715) encompassing an estimated 205,600 sqm of retail GFA. This equates to an average retail store size (incl. LFR and Speciality Stores) of around 290sqm GFA.

Dissecting the composition of the current retail provision by sector enables a more detailed picture of current retail supply to be analysed.

Table 6 shows the total nominal retail store count and GFA within Nelson and Tasman combined, and the proportion of retail supply that each commercial centre within a Region accounts for on a comparative percentage basis.

TABLE 6: TASMAN NELSON RETAIL SUPPLY BY CENTRE

	Settlement	Centre	Store #	GFA	Store %	GFA %	
NELSON/TASMAN RETAIL AUDIT (2016)	Central West	Nelson Central	309	88,600	79%	82%	
	Central West	Nelson South	3	620	1%	1%	
	Central West	Toi Toi	8	470	2%	0%	
	Central West	Port Nelson	7	1,440	2%	1%	
	Stoke	Stoke	28	10,060	7%	9%	
	Stoke	Livibrook	3	1,380	1%	1%	
	Tahunanui	Tahunanui	20	2,120	5%	2%	
	Tahunanui	Annesbrook	9	3,270	2%	3%	
	Central East	Milton	3	430	1%	0%	
	<b>Total Nelson</b>			<b>390</b>	<b>108,390</b>	<b>100%</b>	<b>100%</b>
	Takaka	Takaka	38	14,290	12%	15%	
	Richmond	Mapua	21	4,100	6%	4%	
	Richmond	Richmond	170	51,400	52%	53%	
	Wakefield	Wakefield	4	640	1%	1%	
	Brightwater	Brightwater	7	1,030	2%	1%	
	Motueka	Motueka	85	25,730	26%	26%	
	<b>Total Tasman</b>			<b>325</b>	<b>97,190</b>	<b>100%</b>	<b>100%</b>
	<b>Total Tasman/Nelson Market</b>			<b>715</b>	<b>205,580</b>	<b>100%</b>	<b>100%</b>

Source: Property Economics

At present, Nelson accounts for just over half (55% of stores) of the total Tasman Nelson retail market which is not unexpected given the region's largest and primary commercial hub is the Nelson CBD.

Nelson CBD accounts for almost 80% of Nelson's total retail stores nominally, and around 43% of retail GFA across both regions.

Stoke is Nelson's second largest centre both nominally and proportionately with nearly 30 stores and 10,100 sqm of retail GFA. Stoke is a primarily convenience (Supermarket based) at the southern extent of the Nelson City TA, but overall at this point Nelson only has one major retail destination (the CBD).

Tasman has a marginally smaller retail provision, with 325 stores totalling 97,200 sqm of retail GFA. The Tasman TA contains just under half of the combined regions store count (45%), and retail GFA (47%). In the Tasman Region, the Richmond Town Centre comprises the most significant proportion, representing around 50% both nominally (52%) and in terms of retail GFA (53%). Motueka follows, with the commercial centre representing 26% of stores and GFA.

Being a more expansive region, Tasman has a more geographically dispersed retail centre network to service the market, but clearly the Richmond Town Centre, by some margin is the primary retail and commercial centre in Tasman. The other centres have as strong convenience bias.

Tables 7-8 show the total retail GFA within Nelson and Tasman respectively, and the proportion of retail supply within each region broken down by sector. Breaking the retail market down by sector helps to assess the retail structure within the regions by reviewing the vacancy, composition and type of existing activity.

TABLE 7: NELSON RETAIL COMPOSITION BY RETAIL SECTOR

NELSON RETAIL STRUCTURE (2016)	ANZSIC06 RETAIL CLASSIFICATION:	Store #	GFA	Store %	GFA %
	Supermarket retailing	6	15,700	2%	14%
	Food retailing	31	6,210	8%	6%
	Clothing, footwear and personal accessories	72	10,470	18%	10%
	Furniture, floor coverings, household and textile goods retailing	14	6,710	4%	6%
	Electrical and electronic goods	6	2,150	2%	2%
	Pharmaceutical and personal goods retailing	15	2,140	4%	2%
	Department stores	4	16,960	1%	16%
	Recreational goods retailing	38	12,010	10%	11%
	Other goods retailing	45	8,100	12%	7%
	Food and beverage services	125	16,710	32%	15%
	Vacant	34	11,230	9%	10%
<b>Total</b>	<b>390</b>	<b>108,390</b>	<b>100%</b>	<b>100%</b>	

TABLE 8: TASMAN RETAIL COMPOSITION BY RETAIL SECTOR

TASMAN RETAIL AUDIT (2016)	ANZSIC06 RETAIL CLASSIFICATION:	Store #	GFA	Store %	GFA %
	Supermarket retailing	5	14,360	2%	15%
	Food retailing	22	4,760	7%	5%
	Clothing, footwear and personal accessories	45	6,830	14%	7%
	Furniture, floor coverings, household and textile goods retailing	19	10,820	6%	11%
	Electrical and electronic goods	11	2,790	3%	3%
	Pharmaceutical and personal goods retailing	17	2,970	5%	3%
	Department stores	2	18,060	1%	19%
	Recreational goods retailing	19	4,140	6%	4%
	Other goods retailing	61	14,470	19%	15%
	Food and beverage services	106	14,560	33%	15%
	Vacant	18	3,430	6%	4%
<b>Total</b>	<b>325</b>	<b>97,190</b>	<b>100%</b>	<b>100%</b>	

Source: Property Economics

Overall, the composition of Tasman and Nelson's retail markets are similar to one another in proportional terms. The retail sector 'Food and Beverage Services' (i.e. cafes, restaurants, pubs, taverns, bars and takeaways) represent the largest proportion of the market supply nominally with just over 30% in both regions. This is common in popular holiday destination where visitors spend proportionally more in this sector.

Current Vacancy levels are higher than desired, in Nelson (9% of stores or 34 outlets). This is most pronounced in the Nelson CBD where by store count vacancy equates to 9%, and 14% by GFA. A prevalence of vacant stores suggests either an 'oversupply' in retail GFA for the market being serviced or potentially a retail provision not satisfying consumer requirements. Either way, the supply and environment is not attracting shoppers in the quantities that are required to sustain the level of GFA provided.

A more acceptable level of retail store vacancy from an economic retail perspective in a successful and thriving commercial centre is in the order of 5%. This better balances demand with supply opportunity that ensures market demand can be met without a lack of supply artificially driving up prices.

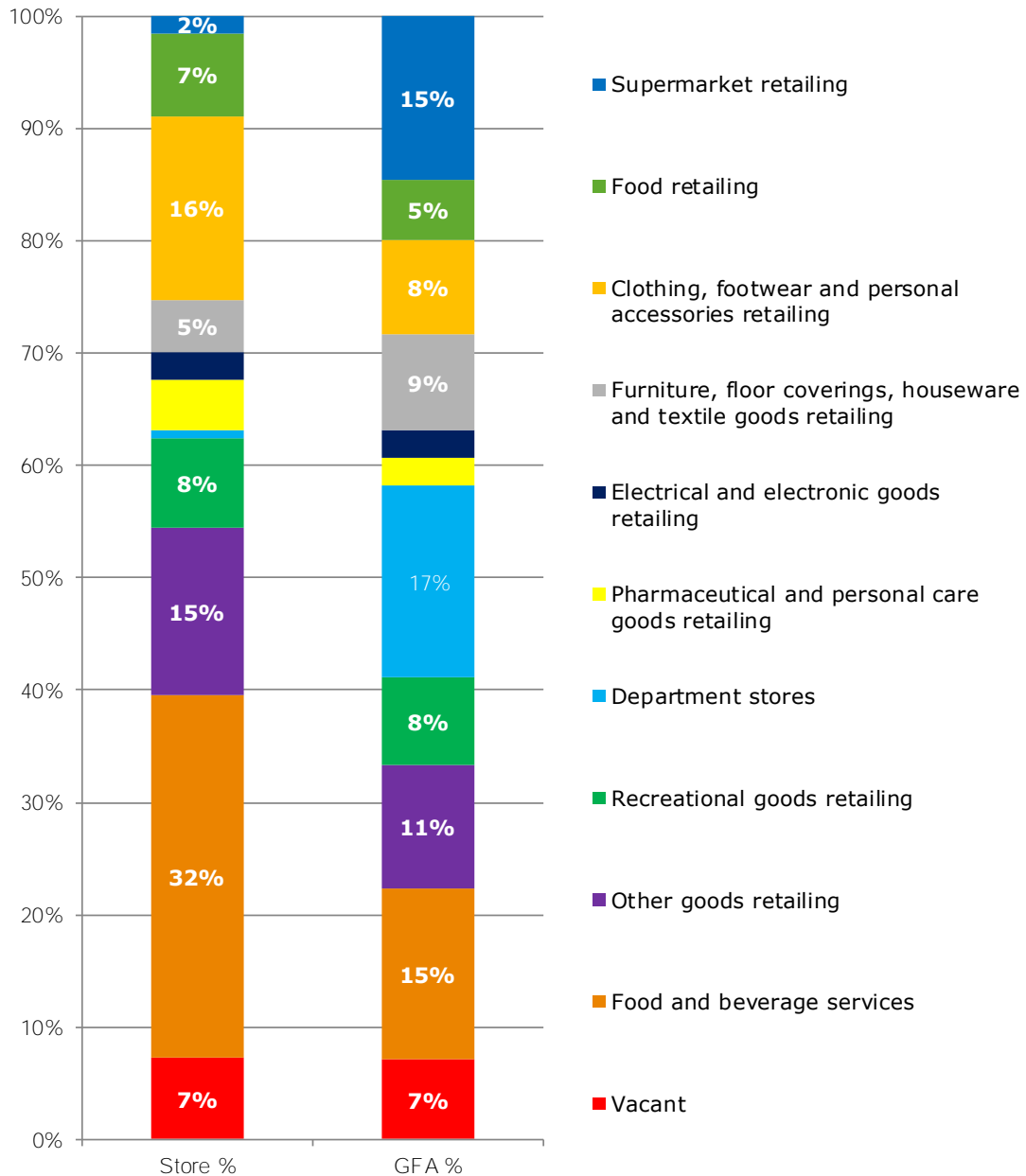
A significant proportion (15%) of the combined Region's retail provision is made up of the 'Other goods retailing sector', however Tasman has a higher representation with almost 20% of nominal stores being attributable to the sector compared to Nelson's 12%. These stores typically represent smaller, lower quality and unbranded store types that are not easily classified and do not generate the same level of retail productivity as stores in other sectors. With nearly one in three stores in the total market falling within this category, there appears an issue with quality rather than quantity across the markets.

It is also interesting to note that although Supermarkets and Department Stores represent around only 2% in both regions, these sectors represent around 15% of GFA in each region. This is an indication that these stores are important 'anchor' tenants for the centres and important store types to build improved performance, function and amenity.

In the Fashion sector, the provision is more pronounced in Nelson (18% of stores) compared to Tasman (14% of stores). In total there are 27 more fashion stores in the Nelson retail provision (predominately in the Nelson CBD) compared to Tasman. This broader supply base in Nelson is a reason why this attracts spend from Tasman. A provision of this scale for this sector in Nelson, means fashion retailers in Nelson would be reliant on attracting sales into Nelson from Tasman, otherwise the provision would be considered 'too big' for Nelson's market size alone to sustain.

Figure 17 illustrates the current Tasman Nelson retail composition by store count and GFA distributed by retail sector. This is a graphical representation of the information in Tables 7-8 but aggregated for both regions to provide a picture of the entire market.

FIGURE 17: TASMAN NELSON CENTRES RETAIL COMPOSITION MARCH 2016



Source: Property Economics

## 9. EMPLOYMENT COMPOSITION AND TRENDS

This section of the report assesses the temporal employment trends within the Tasman and Nelson markets over the last 15-years. This is valuable as it shows trends over the whole property and economic cycle with three distinct periods - an economic 'boom' cycle, period of market correction and period of economic recovery.

Property Economics utilise the most up-to-date version of Statistics New Zealand's Business Frame Data, Employment Counts with businesses assigned an industry sector according to their ANZSIC<sup>5</sup> 2006 classification. For the purposes of this report classifications have been grouped into industrial, commercial and retail sectors that reflect the typical composition of employment on business zones. 'Other' employees refer to those working in businesses or organisations that would not typically be located on business zoned land. These include hospitals, schools, fire stations, community facilities, etc.

The proportions utilised for the composition of employment within these industry sectors has been attached in Appendix 5. Table 9 displays the Tasman/Nelson temporal employment trends from 2001-2015.

TABLE 9: TASMAN / NELSON TEMPORAL EMPLOYMENT TRENDS (2001 – 2015)

TASMAN	2001	2003	2005	2007	2009	2011	2013	2015	% Growth
Industrial	4,470	5,140	5,380	5,170	5,290	4,990	5,250	5,320	19%
Retail	2,400	3,010	3,450	3,320	3,370	3,360	3,350	3,690	54%
Commercial	2,090	2,020	2,530	2,630	2,520	2,700	2,890	3,120	49%
Other	7,160	6,880	6,860	6,970	6,880	7,110	7,510	7,730	8%
<b>Total</b>	<b>16,120</b>	<b>17,050</b>	<b>18,220</b>	<b>18,090</b>	<b>18,060</b>	<b>18,160</b>	<b>19,000</b>	<b>19,860</b>	<b>23%</b>

NELSON	2001	2003	2005	2007	2009	2011	2013	2015	% Growth
Industrial	6,420	7,000	7,060	7,110	6,480	6,600	6,550	7,050	10%
Retail	3,840	4,050	4,370	4,680	4,550	4,480	4,570	4,590	20%
Commercial	4,420	4,800	5,460	5,790	6,060	6,060	6,160	6,300	43%
Other	6,400	6,920	7,350	7,530	7,780	7,770	7,680	7,830	22%
<b>Total</b>	<b>21,080</b>	<b>22,770</b>	<b>24,240</b>	<b>25,110</b>	<b>24,870</b>	<b>24,910</b>	<b>24,960</b>	<b>25,770</b>	<b>22%</b>

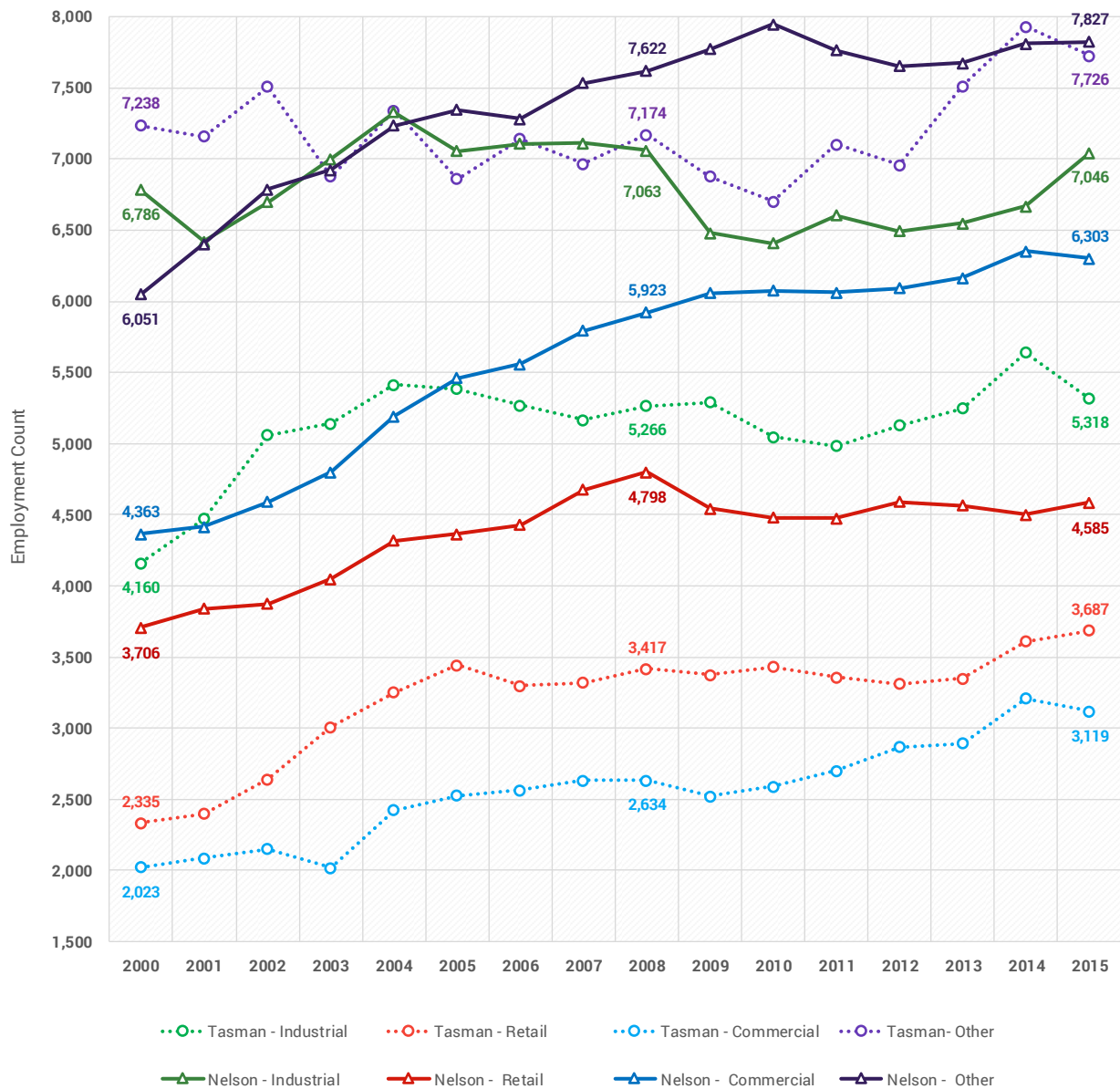
Source: Property Economics, Statistics NZ

<sup>5</sup> Australia New Zealand Standard Industrial Classification



Figure 18 graphs employment trends over the 2000 – 2015-time period for the Tasman and Nelson territorial authorities, this is a graphical representation of Table 9.

FIGURE 18: TASMAN / NELSON TEMPORAL EMPLOYMENT TRENDS (2000 – 2015)



Source: Property Economics, Statistics NZ

Overall, the combined markets have experienced an increase in the employment base of around 9,000 employees from the 2000 base year. This is based off an employment base of around 36,600 in 2000, growing to 45,600 by 2015. This is split around 4,100 and 4,900 employees for Tasman and Nelson respectively over the period.

Table 9 and Figure 18 indicate that there are three distinct periods within the 2000 – 2015 period inclusive. The 2000 – 2008 period represented a period of sustained economic growth or ‘boom’ period, which saw employment in the Tasman and Nelson markets experience a net increase of over 7,200 employees combined, equating to 17% and 22% employment growth in their respective markets. Interestingly, this period equated to 80% of the net employment growth experienced across both regions over the whole 2000 – 2015 period.

The 2008 – 2010 period tells a very different story as the economic downturn or ‘bust’ period became embedded. Over this period net employment dropped by 720 employees (4%) in Tasman and nearly 500 employees (2%) in Nelson as businesses retrenched and started cutting costs. This process typically sees some less essential and often non-productive support staff (i.e. non income generating staff) lose their jobs as business activity declines.

The 2011 – 2015 period is a reflection of the business markets readjusting to the ‘new post-GFC<sup>6</sup> normal’ with employment movements being relatively stagnant in the beginning of this period before tending upwards during the recovery phase from the GFC with net employment trending upwards near the tail end of this period.

Proportionally, over the 2000 – 2015 period, Tasman has experienced some shifts in its employment focus with employees employed in ‘Other’ industries falling proportionally by a net 7%, and conversely Retail and Commercial employment increasing by a net 4% (comprising 1/5 employees in Tasman) and 3% respectively. Nelson has also experienced proportional employment shifts between sectors with Industrial employment falling proportionally by 5%, while commercial employment increased by 4%, comprising nearly a quarter of all Nelson employees in 2015.

A breakdown of employment composition by industry is provided in Tables 10-11 for the Nelson and Tasman Regions.

Table 10 identifies Agriculture, Retail and Manufacturing as the Tasman’s most significant sectors. Agriculture is the dominating sector accounting for over a quarter (26%) of Tasman’s total employment, followed by Manufacturing and Retail with around 12% each.

Despite employing the highest proportion of people, Agriculture in Tasman has experienced net negative growth of 10% from its 2002 peak. Manufacturing has experienced an even greater loss, with total net negative growth of 10% from its 2004 peak, 15% showing that these industries are decreasing in significance for the region, and conversely the economic base of Tasman is diversifying.

Retail on the other hand, has seen high growth of around 53% from 2000- 2015. This indicates that the retail sector is increasing in significance as an employment sector for the region. These data trends indicate employment growth in Tasman has been fuelled by the service sectors rather than productive sector industry growth.

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<sup>6</sup> Global Financial Crisis

TABLE 10: TASMAN EMPLOYMENT TRENDS BY SECTOR

Tasman District	2001	2003	2005	2007	2009	2011	2013	2015	Nominal Growth	% Growth
A Agriculture, Forestry and Fishing	5,510	5,120	5,000	5,100	4,840	4,990	5,020	5,250	-260	-5%
B Mining	40	50	55	50	65	60	60	30	-10	-25%
C Manufacturing	2,280	2,640	2,710	2,460	2,470	2,260	2,340	2,340	60	3%
D Electricity, Gas, Water and Waste Services	85	45	60	75	100	100	100	100	15	18%
E Construction	700	990	1,240	1,250	1,290	1,100	1,140	1,190	490	70%
F Wholesale Trade	520	500	440	450	420	440	460	470	-50	-10%
G Retail Trade	1,530	1,860	2,170	2,070	1,980	2,000	2,040	2,310	780	51%
H Accommodation and Food Services	1,020	1,350	1,500	1,470	1,640	1,600	1,540	1,620	600	59%
I Transport, Postal and Warehousing	390	480	470	470	590	650	770	760	370	95%
J Information Media and Telecommunications	60	90	120	90	100	120	100	210	150	250%
K Financial and Insurance Services	140	170	170	190	200	180	180	190	50	36%
L Rental, Hiring and Real Estate Services	310	240	210	230	200	240	250	280	-30	-10%
M Professional, Scientific and Technical Services	400	470	520	590	750	820	840	890	490	123%
N Administrative and Support Services	550	370	780	800	480	520	620	630	80	15%
O Public Administration and Safety	240	240	240	240	280	310	290	300	60	25%
P Education and Training	950	1,090	980	870	1,000	1,060	1,190	1,240	290	31%
Q Health Care and Social Assistance	690	640	740	850	870	910	1,200	1,180	490	71%
R Arts and Recreation Services	300	280	340	340	320	340	360	360	60	20%
S Other Services	400	420	470	490	470	450	500	500	100	25%
<b>Total</b>	<b>16,115</b>	<b>17,045</b>	<b>18,215</b>	<b>18,085</b>	<b>18,065</b>	<b>18,150</b>	<b>19,000</b>	<b>19,850</b>	<b>3,735</b>	<b>23%</b>

Source: Property Economics

Table 11 identifies Health Care and Social Assistance as the most significant employment sector for Nelson, employing 15% of Nelson's total employment base or almost 4,000 people. This is followed by Retail Trade and Manufacturing accounting for 12% and 11% respectively.

Nelson's Healthcare and Social Assistance sector has experienced almost 25% of growth over the assessed period from 2000-2015, this is on par the Retail sector as well, however a lot higher than Manufacturing which has seen negative growth of 21%.

TABLE 11: TEMPORAL NELSON EMPLOYMENT TRENDS BY SECTOR

Nelson Region	2001	2003	2005	2007	2009	2011	2013	2015	Nominal Growth	% Growth
A Agriculture, Forestry and Fishing	1,360	1,160	970	890	980	990	870	950	-410	-30%
B Mining										
C Manufacturing	3,160	3,350	3,130	3,270	2,560	2,550	2,820	2,810	-350	-11%
D Electricity, Gas, Water and Waste Services	50	55	60	45	40	50	80	70	20	40%
E Construction	890	1,150	1,440	1,480	1,580	1,510	1,410	1,680	790	89%
F Wholesale Trade	850	940	980	980	980	1,230	1,130	1,270	420	49%
G Retail Trade	2,480	2,580	2,700	2,950	2,930	2,930	2,910	2,970	490	20%
H Accommodation and Food Services	1,600	1,730	1,960	2,030	1,900	1,820	1,950	1,900	300	19%
I Transport, Postal and Warehousing	1,370	1,430	1,390	1,280	1,250	1,200	1,080	1,170	-200	-15%
J Information Media and Telecommunications	620	610	550	530	460	360	300	220	-400	-65%
K Financial and Insurance Services	330	310	410	390	350	410	370	380	50	15%
L Rental, Hiring and Real Estate Services	310	320	340	350	290	280	310	300	-10	-3%
M Professional, Scientific and Technical Services	920	1,120	1,270	1,380	1,540	1,420	1,510	1,650	730	79%
N Administrative and Support Services	630	650	940	1,100	1,340	1,570	1,630	1,670	1,040	165%
O Public Administration and Safety	680	810	790	880	910	900	940	1,020	340	50%
P Education and Training	1,480	1,770	1,940	1,920	1,990	2,200	2,220	2,220	740	50%
Q Health Care and Social Assistance	3,390	3,650	4,030	4,190	4,330	3,980	3,920	3,970	580	17%
R Arts and Recreation Services	230	270	330	380	380	440	440	460	230	100%
S Other Services	730	870	1,000	1,070	1,050	1,070	1,070	1,050	320	44%
<b>Total</b>	<b>21,080</b>	<b>22,775</b>	<b>24,230</b>	<b>25,115</b>	<b>24,860</b>	<b>24,910</b>	<b>24,960</b>	<b>25,760</b>	<b>4,680</b>	<b>22%</b>

Source: Property Economics

Table 12 provides a comparison of employment growth for Tasman, Nelson and New Zealand on a percentage basis to assist in evaluating the regions performance across different industry sectors over the last 15 years relative to the wider national economy.

Looking at the Tasman Nelson regional economy as a whole (coloured green in Table 12), service sector industries that are more geared towards servicing the population base that resides within it (i.e. ANZSIC categories G-S in Table 12) have performed well when compared to New Zealand net growth. Across the same service sectors, the Tasman Nelson regions have experienced the highest proportional growth in the service industries of Retail, Finance and Insurance, Administration and Support Services and Arts and Recreation. Other Service sectors which have experienced lower proportional net growth on a comparative basis against the national economy are Rental, Hiring and Real Estate Services and Health Care and Social Assistance.

On the whole across all sectors, employment growth in the Tasman Nelson regions has not been as high as that experienced in New Zealand on a proportional basis (24% vs 28%). So while the Tasman Nelson regions have experienced net employment growth over the 2000-2015 period, it has not been at the same rate (below average) that New Zealand as a whole experienced.

TABLE 12: COMPARATIVE EMPLOYMENT GROWTH TASMAN, NELSON AND NZ (2000-2015)

<b>Employment Growth (%)</b>	<b>Tasman</b>	<b>Nelson</b>	<b>Tasman/ Nelson</b>	<b>New Zealand</b>
A Agriculture, Forestry and Fishing	-7%	-28%	-11%	15%
B Mining	-14%		-14%	60%
C Manufacturing	14%	-21%	-8%	-8%
D Electricity, Gas, Water and Waste Services	43%	56%	48%	53%
E Construction	75%	95%	86%	85%
F Wholesale Trade	-2%	35%	23%	18%
G Retail Trade	53%	25%	36%	18%
H Accommodation and Food Services	67%	22%	39%	38%
I Transport, Postal and Warehousing	111%	-10%	16%	3%
J Information Media and Telecommunications	250%	-65%	-37%	-18%
K Financial and Insurance Services	46%	27%	33%	18%
L Rental, Hiring and Real Estate Services	-3%	11%	4%	31%
M Professional, Scientific and Technical Services	128%	70%	87%	81%
N Administrative and Support Services	15%	149%	89%	50%
O Public Administration and Safety	11%	46%	36%	53%
P Education and Training	16%	69%	45%	31%
Q Health Care and Social Assistance	107%	23%	36%	44%
R Arts and Recreation Services	50%	119%	82%	43%
S Other Services	32%	52%	45%	32%
<b>Total</b>	<b>26%</b>	<b>23%</b>	<b>24%</b>	<b>28%</b>

Source: Property Economics, Statistics New Zealand

The core productive base of the Tasman Nelson regional economy however (ANZSIC categories A-F), have experienced low net growth overall. This is a concern as it makes up an important component of any economy. Being comprised of primary and secondary sector industries such as Agriculture, Forestry and Fishing and Manufacturing the core productive base acts as a vital economic growth engine for the regions. Not only is Tasman Nelson seeing these industries becoming less relevant in relation to the service industries within the local economy, they have also underachieved when compared to national growth levels (in an employment context).

Tasman Nelson's Agriculture, Forestry and Fishing industry for example (currently encompassing the most significant employment base), experienced negative growth of 11%, against a backdrop where the wider New Zealand economy saw a positive increase of 15%, i.e. there are 67% less jobs in this sector across the region than in 2000 and Manufacturing has a net 300 less jobs. These losses have been offset by the Construction sector which has grown on par with New Zealand, but can be very cyclical in nature.

Despite the growing service sector, Tasman Nelson's core productive base lost relevance in a New Zealand context and missed market opportunity and potential that other areas of New Zealand secured. The Regions have seen 4% less potential growth (net) than the wider New Zealand economy indicating that it is important when looking forward to ensure that enough business land supply exists to facilitate future growth in these industries and enable the opportunity for Tasman Nelson's core productive base and economy to expand and increase in relevance.

## 9.1. EMPLOYMENT DISTRIBUTION

Figure 19 illustrates Tasman Nelson's current employment distribution geospatially. This analysis maps 2015 nominal employment by Meshblock<sup>7</sup> for Tasman and Nelson to highlight how total employment is distributed between different areas within the regions.

At a Regional level, it is clear that employment is concentrated Central West and Richmond, with the exception of Tahunanui and Stoke there is little employment distributed throughout the rest of the Tasman Nelson regions. This is highlighted by the majority of less central settlements have less than 200 employed in the area.

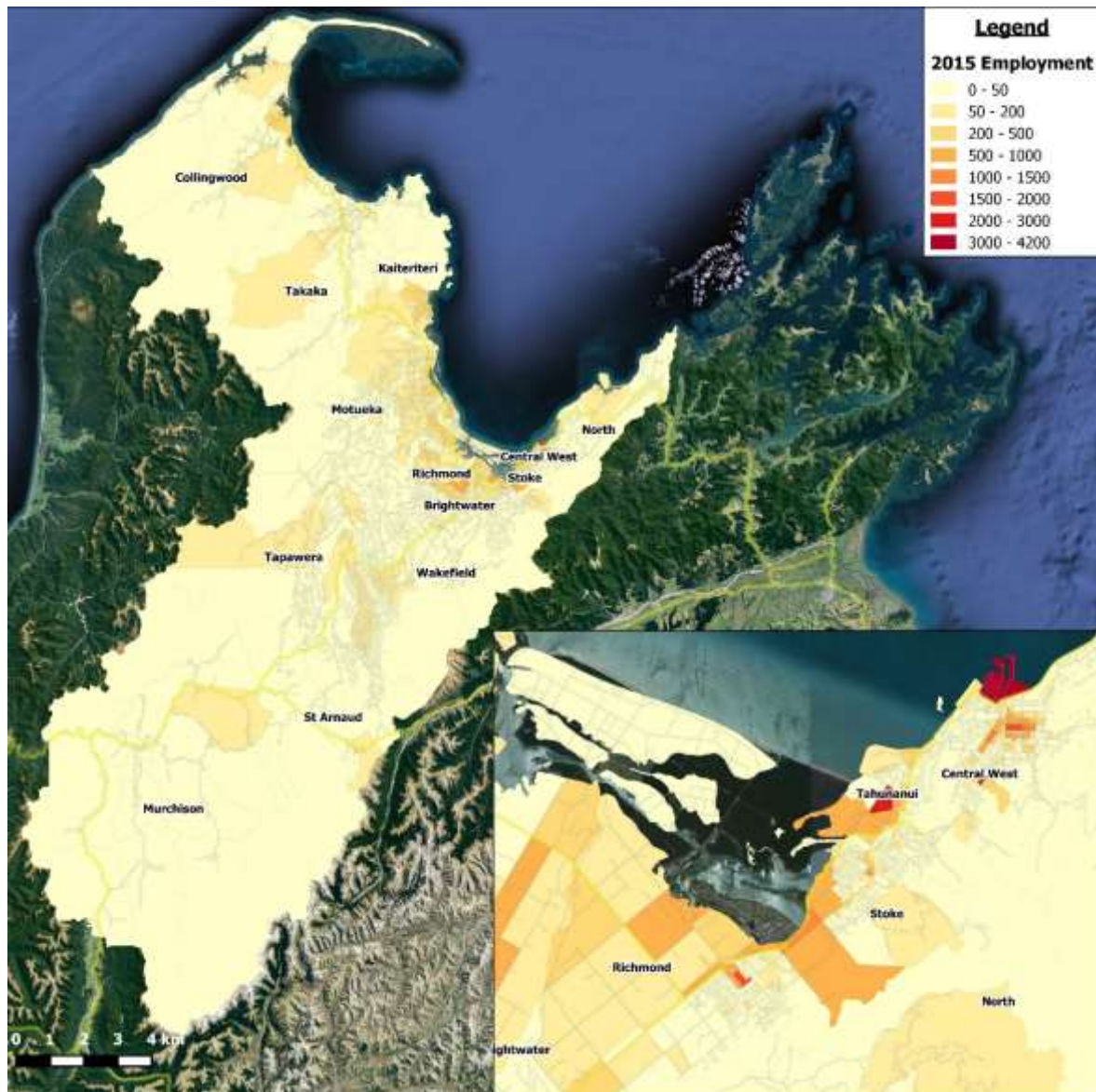
Nelson's CBD, the Port and Tahunanui are identified as the Regions most significant settlements with employment numbers over 2000 in some Meshblock. This is not unexpected given the high level of condensed commercial activity that these settlements attract, and in the case of Tahunanui, industrial activity as the Region's most dominant industrial settlement.

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<sup>7</sup> Statistics NZ smallest statistical geographic area of measurement.



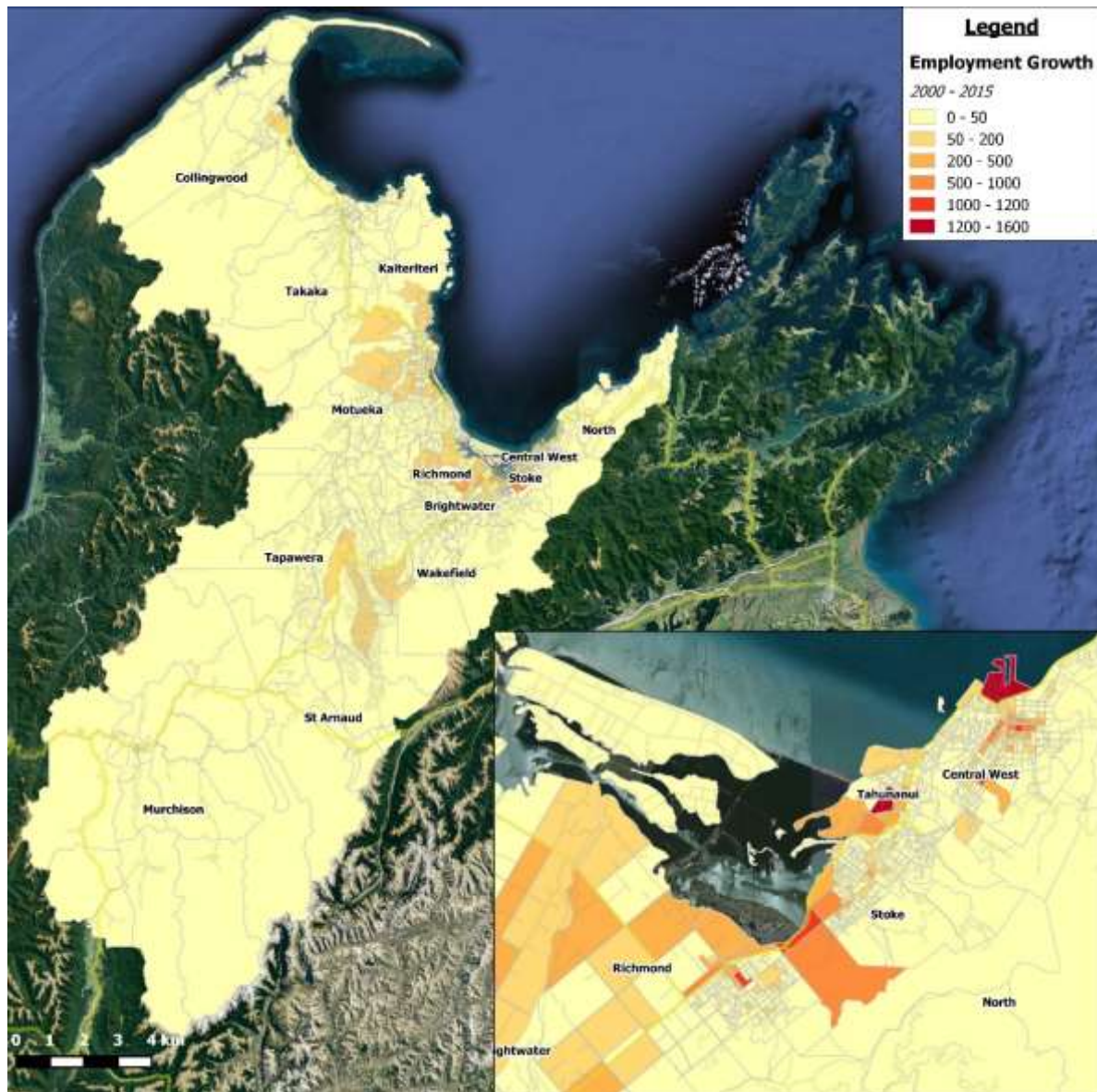
FIGURE 19: TASMAN AND NELSON EMPLOYMENT DISTRIBUTION 2015



Source: Property Economics, Statistics NZ

Figure 20 displays Tasman and Nelson's total net employment growth geospatially on a temporal basis from 2000-2015. Nominal employment growth from 2000-2015 has been mapped by Meshblock for the Regions to highlight how employment distribution is changing over time and identify areas of significant employment change.

FIGURE 20: NET EMPLOYMENT GROWTH 2000-2015



Source: Property Economics, Statistics NZ

Not unexpectedly, the employment growth over the projected period is concentrated in the centrally located urban areas, leaving subdued growth levels in the areas outside of Nelson West, Richmond, Stoke and Tahunanui. The majority of Meshblocks not belonging to these central locales have seen growth of less than 50 employees since 2000.

Tahunanui and Port Nelson are the two areas that have experienced the highest level of growth, with nominal employment increasing by over 1,200 people over the assessed period.

Tahunanui is one of the largest industrial areas within the regions and its high employment growth, at a time when industrial activity growth has been subdued, suggests non-industrial activity could be establishing a stronger foothold in the area, displacing industrial growth and industrial growth potential.





Within Nelson, Stoke has also seen significant employment growth of over 500 employees within some areas. Stokes growth has been fuelled by robust urban growth in the settlement area driving demand for supporting business services and activity. Port Nelson growth is likely to be based on increased container volumes and import / export shipping activity. The growth in Port Nelson land holdings represents an increase in the productivity of the port and more efficient and productive use of its land holdings.

Tasman's employment growth is primarily located in Richmond, with almost all of the areas outside of this seeing increases in employment of less than 50 people since 2000. This is not surprising with the large Richmond West area industrial land zoning directly targeting new business activity and being the future hub for industrial activity in Tasman. This will continue in the future with the significant vacant land capacity in this industrial locale.

## 10. BUILDING CONSENT TRENDS

Table 13 shows the aggregated building consent data by nominal consents and sqm for Tasman and Nelson by Settlement Area over the 2001 – 2015 period<sup>8</sup>. This provides an overview of on-the-ground development that has occurred over the last 14 years with insight into the scale, scope and regional distribution of activity in terms of new business development.

TABLE 13: TASMAN NELSON TOTAL BUILDING CONSENTS FROM 2001-2015

Settlement Area	Building Consents #				Building Consents Floorspace (sqm)			
	Industrial	Commercial Office	Retail & Commercial Service	Total	Industrial	Commercial Office	Retail and Commercial Service	Total
North	1	-	-	1	42	-	-	42
Central East	5	4	-	9	423	1,651	-	2,074
Central West	42	38	34	114	20,844	16,114	34,877	71,835
Stoke	33	13	9	55	10,290	1,975	7,027	19,292
Tahunanui	75	10	14	99	54,728	1,835	19,944	76,507
<b>Nelson Total</b>	<b>156</b>	<b>65</b>	<b>57</b>	<b>278</b>	<b>86,327</b>	<b>21,575</b>	<b>61,848</b>	<b>169,750</b>
Brightwater	27	4	4	35	11,516	952	2,187	14,655
Collingwood	13	3	3	19	2,538	135	194	2,867
Kaiteriteri	4	2	2	8	331	262	625	1,218
Motueka	74	9	19	102	35,145	1,479	7,584	44,208
Murchison	10	1	1	12	846	286	198	1,330
Richmond	251	64	72	387	178,520	15,122	44,751	238,393
St Arnaud	4	1	-	5	1,493	84	-	1,577
Takaka	5	1	1	7	604	38	620	1,262
Tapawera	7	1	-	8	1,267	43	-	1,310
Wakefield	12	1	1	14	2,854	653	72	3,579
<b>Tasman Total</b>	<b>407</b>	<b>87</b>	<b>103</b>	<b>597</b>	<b>235,114</b>	<b>19,054</b>	<b>56,231</b>	<b>310,399</b>
<b>Nelson/Tasman Total</b>	<b>563</b>	<b>152</b>	<b>160</b>	<b>875</b>	<b>321,441</b>	<b>40,629</b>	<b>118,079</b>	<b>480,149</b>

Source: Property Economics, Statistics New Zealand

Future corroborating previous analysis, there is a higher concentration of building consents granted within the pre-established business areas of the regions such as Central West, Stoke, Tahunanui, Motueka and Richmond. As the largest commercial and industrial nodes in the Tasman Nelson area it is expected that these areas will continue to flourish with businesses

<sup>8</sup> Table 13 provides data on new consents only, and does not include expansions.

activity leveraging off the economic benefits of clustering and taking up existing business zoned land that is currently available.

Within the Nelson Region, Tahunanui has experienced a significant level of Industrial development (around Nelson Airport), with nearly two thirds of new consented industrial floorspace in Nelson over the assessed period located within this Settlement Area. However, this is not unexpected given the limited industrial land supply in Nelson.

Additionally, Retail Commercial Service development has also occurred concurrently within Tahunanui. It is Property Economics' understanding that Nelson Airport will be rebuilding its main terminal building over the next two years, albeit this is not recorded in Table 13, this will continue if not inflate the trend of building consent activity within this settlement area. However, this level of new industrial activity pales compared to the nearly 180,000 sqm in Richmond over the same period. This clearly demarcates Richmond as the burgeoning industrial hub of the future when factoring in the limited vacant industrial land supply in Nelson.

Central West and Stoke can be seen as having continued a steady growth path over the assessed period with stable levels of Retail and Commercial consents over the period that are in line with general growth trends in population and wider business demand. Clearly Central West (Nelson CBD) is the focus for new commercial office consents in the region (85%).

Within the Tasman Region there is a notable level of development occurring in Richmond. Whilst Richmond is the largest business node within Tasman, nearly 50% of all consented business activity over the assessed period within the Tasman Nelson regions has been located within Richmond. This is the largest of any Settlement Area across both regions. Clearly Richmond is a growing economic base for the regions local economy.

This is largely due to the significant number of industrial consents totalling over 250, equating to around 180,000sqm of floorspace. Additionally, consents in Retail and Commercial Service activities in Richmond over the 2001 – 2015 period match that within Central West (Nelson CBD), despite the Nelson CBD being a larger and main centre within the two regions.

Industrial activity in Tasman is occurring at a rate approximately three times faster than in Nelson and accounts for 73% of new industrial consents across both regions. The rates of commercial office and retail are similar for both areas.

Overall, just under 500,000sqm of business activity has been consented across both regions over the assessed period with Tasman accounting for two thirds.

## 11. REGIONAL GDP VS. NATIONAL TRENDS

This section distils at a high level the economic trends and performance of the Tasman Nelson regions (as a combined economic market) and compares against the performance of other regions over the assessed period. This helps contextualise how the Nelson Tasman region is performing as a single economic unit.

Tasman Nelson's nominal GDP has experienced 92% net growth over the assessed period from 2001-2015. This is lower than the majority of other regions located in the South Island, including Canterbury (138%), albeit acknowledging this is skewed recently by the increased economic activity generated by from the earthquake rebuild programme. Otago (106%), Marlborough (124%) and the West Coast (110%) which all experienced proportional GDP growth levels higher than 100%, Southland experienced the lowest proportional GDP growth over the period (65%).

The wider South Island market as a whole saw nominal GDP grow almost 120%, which was higher than the proportional national GDP growth increase of just over 100%. This indicates that the South Island's economic base is growing in relevance within New Zealand's economy.

Despite Tasman Nelsons net GDP growth over the assessed period, the regional economy has marginally decreased its economic output as proportion of both South Island and total New Zealand GDP. The combined regions nominal GDP accounted for 8.5% of South Island and 1.8% of New Zealand's GDP in 2001, this has fallen to 7.5% and 1.7% respectively by 2015.

TABLE 14: NEW ZEALAND NOMINAL GDP TRENDS 2001 – 2015 (\$M)

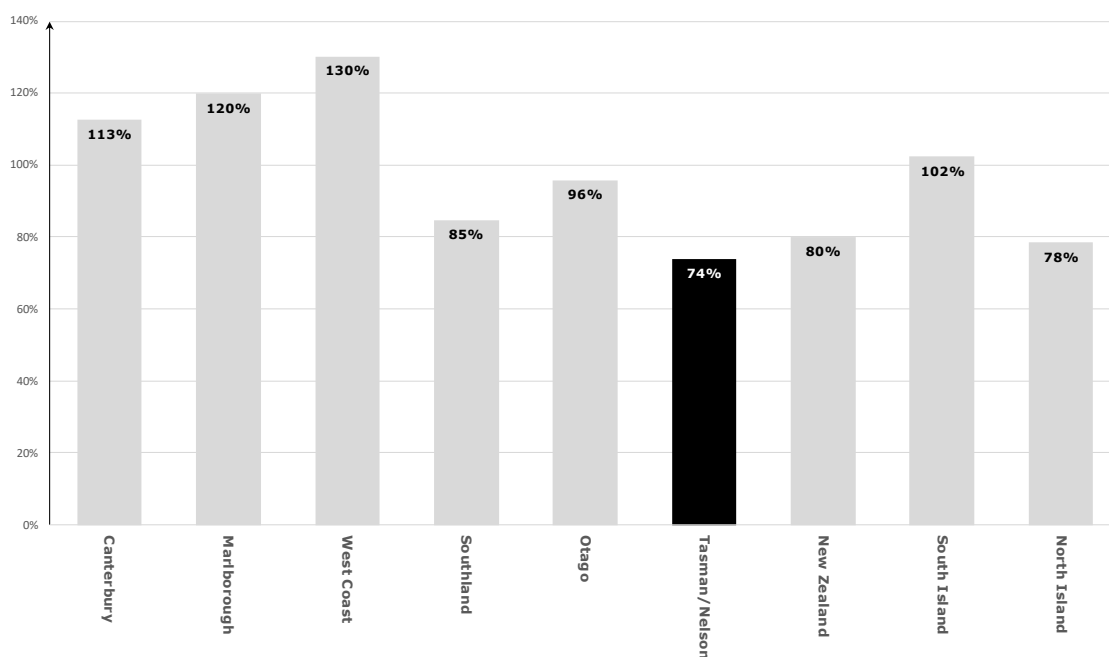
Region	2001	2003	2005	2007	2009	2011	2013	2015	Net Growth
Canterbury	\$13,790	\$15,790	\$18,670	\$21,090	\$23,360	\$25,140	\$27,840	\$32,880	138%
Otago	\$4,950	\$5,760	\$6,680	\$7,310	\$8,090	\$8,750	\$9,280	\$10,170	105%
Southland	\$2,950	\$3,100	\$3,200	\$3,620	\$4,450	\$4,950	\$4,860	\$4,860	65%
Tasman/Nelson	\$2,180	\$2,480	\$2,870	\$3,090	\$3,400	\$3,690	\$3,910	\$4,200	93%
Marlborough	\$1,100	\$1,250	\$1,460	\$1,700	\$1,990	\$1,960	\$2,160	\$2,470	125%
West Coast	\$790	\$800	\$930	\$1,170	\$1,500	\$1,550	\$1,660	\$1,660	110%
<b>Total South Island</b>	<b>\$25,760</b>	<b>\$29,180</b>	<b>\$33,800</b>	<b>\$37,970</b>	<b>\$42,790</b>	<b>\$46,040</b>	<b>\$49,700</b>	<b>\$56,230</b>	<b>118%</b>
Total North Island	\$94,080	\$106,010	\$120,760	\$134,140	\$146,830	\$157,400	\$168,290	\$184,960	97%
<b>New Zealand</b>	<b>\$119,840</b>	<b>\$135,180</b>	<b>\$154,560</b>	<b>\$172,110</b>	<b>\$189,620</b>	<b>\$203,430</b>	<b>\$218,000</b>	<b>\$241,190</b>	<b>101%</b>

Source: Property Economics, Statistics NZ

This shows that while Tasman Nelson's GDP economic output has increased, its economy has not grown as fast as other regions in either the South Island or New Zealand. This is reflected in its relative decline in its core productive base as identified earlier, and its shift to a more services based economy.

Figure 21 displays the net growth in GDP per capita for Tasman/Nelson compared against other regions over the assessed period.

FIGURE 21: NEW ZEALAND NET GDP PER CAPITA GROWTH (2000-2015)



Source: Property Economics, Statistics New Zealand

Tasman Nelson's regional economy, on a GDP per capita basis, has experienced significantly less net growth than all other regions in the South Island indicating that the regional economy has become comparatively less productive over the 2001-2015 period. Tasman Nelson has had a productivity increase of 74% over the last 15 years, this is over 10% lower than the second lowest performing region of Southland which has seen an 85% increase in GDP per capita over the same period.

This indicates Tasman Nelson's growth in its productive base is not keeping pace with other regions on a proportional basis, and is missing growth opportunities in a New Zealand context.

## 11.1. NATIONAL GDP FORECASTS

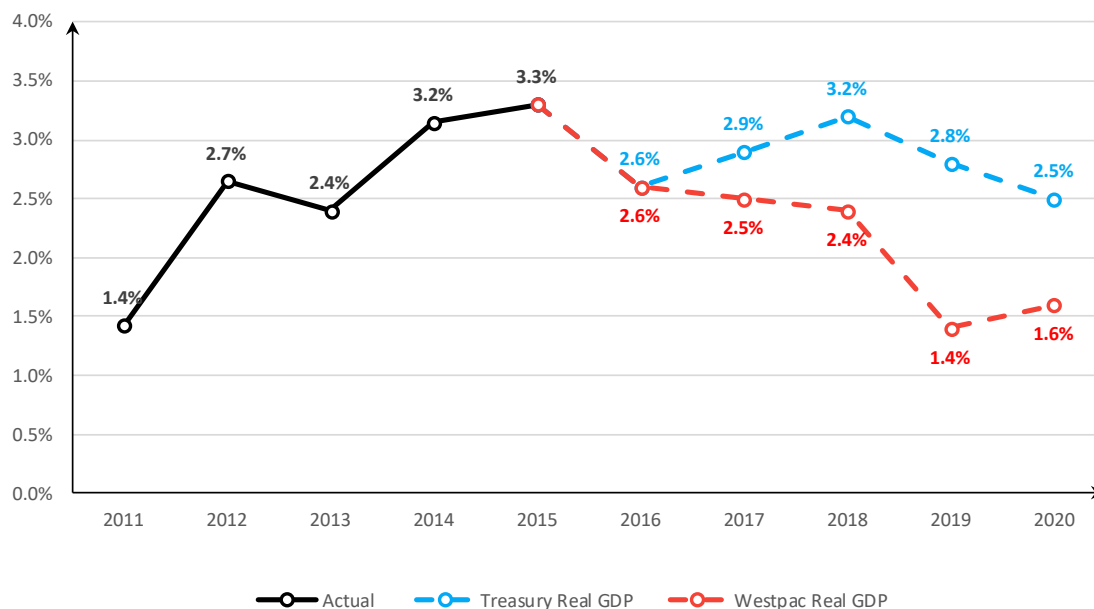
The New Zealand economy ended 2015 with annualised GDP growth of 3.3%. GDP forecasts have been substantially stronger when forecast by the Treasury than when forecast by Westpac. Despite the variations GDP is forecast to carry this momentum forward and continue to expand, experiencing average growth of between 2% - 3% over the next 5 years. Compared to other OECD countries this represents good growth and the relatively *'healthy'* state of the NZ economy on a comparative basis.

Looking ahead, GDP is expected to be slightly weaker over 2016 and 2017, although stronger again in 2018. Note that these projections were compiled pre-Brexit and are likely to be updated in the near future once market responses and implications from Britain's exit from the European Union are more settled.

Beyond 2018 positives still dominate, however growth is expected to moderate to somewhere between 1.5%-2.5% by 2020, albeit noting economic growth projections *'further out'* tend to be conservative given the economic unknowns involved.

Figure 22 illustrates New Zealand's real GDP growth from 2001 – 2015 and forecasts for future growth out to 2020.

FIGURE 22: ANNUAL GDP GROWTH FORECAST (YE JUNE)



Source: Property Economics, Statistics New Zealand, Treasury, Westpac, RBNZ

## 12. REGIONAL EMPLOYMENT FORECAST SCENARIOS

For the purpose of this analysis the employment growth (and subsequently land demand) is estimated under three different scenarios - low, trended and high. These scenarios will be based on the ability for Tasman/Nelson to attract specific businesses based on their locational criteria. These will, in part, be based on:

- Labour Force projections (skilled / unskilled)
- Regional ability to accommodate growth, especially the potential relocation of business activity from the wider area.
- Tasman and Nelson's relative business land supply and prices within the localised and national market
- Trended growth from at least the past 15 years at a Census Area Unit level
- Economic development directions
- Locational criteria by sector
- National / Regional and local supply of inputted goods and location of market
- Business sector analysis
- Changing working age

The resulting high level output is set out in Section 11.1, providing three scenarios at a regional level that will identify the total employment projections for 2038 within Tasman and Nelson for each of the ANZSIC categories excluding Retail. Retail is assessed separately through the Property Economics Retail Model in Section 5.1.

The low growth scenario for employment is estimated under low population trends, low labour participation rates and a decreasing trend of national significance. Trended scenario growth is estimated with a weighting towards current trends, in terms of retention and sector type, labour force participation rates and population. The high growth scenario is estimated under the assumption of high population growth, high labour participation rates and an increasing trend in national significance.

### 12.1. EMPLOYMENT PROJECTIONS

The projections in this section are based on the employment count for the Tasman Nelson Regions reported by Statistics New Zealand. Property Economics is aware that up to 30% of employees in any given area do not register the location of their job and therefore are not covered by this statistic. The ratios applied within this report are based on that shortfall and compensate for it in terms of relevant demand.

To provide some context, over the past 15 years (as illustrated in Section 8) total employment for the Tasman Nelson market grew at a rate of 23%, this is considered to be a period of relatively balanced growth. Table 16 indicates that the total employment base is forecast to grow at a slower proportional rate over the next 15 years than it has in past. As a result, both the low and trended growth scenarios forecast that Tasman Nelson will experience significantly less growth

than they have seen in the past (less than 1% and 15% respectively), however the high growth scenario is the exception, with the Region forecast to experience a higher growth rate of 28%.

Table 15 displays the Tasman Nelson as at 2038 projected employment base for Level 1 ANZSIC categories under each of the three growth scenarios - Low, Medium and High.

TABLE 15: TASMAN NELSON PROJECTED EMPLOYMENT BASE AT 2038 BY INDUSTRY

Industry Employment	2015	Low Scenario	Nominal Growth	Medium Scenario	Nominal Growth	High Scenario	Nominal Growth
A Agriculture, Forestry and Fishing	6,200	4,100	-2,100	4,670	-1,530	5,230	-970
B Mining	30	20	-10	20	-10	20	-10
C Manufacturing	5,150	3,710	-1,440	4,220	-930	4,730	-420
D Electricity, Gas, Water and Waste Services	170	190	20	220	50	250	80
E Construction	2,870	3,400	530	3,870	1,000	4,340	1,470
F Wholesale Trade	1,740	1,640	-100	1,870	130	2,090	350
G Retail Trade	5,280	5,510	230	6,270	990	7,020	1,740
H Accommodation and Food Services	3,520	3,770	250	4,290	770	4,800	1,280
I Transport, Postal and Warehousing	1,930	1,730	-200	1,960	30	2,200	270
J Information Media and Telecommunications	430	240	-190	270	-160	300	-130
K Financial and Insurance Services	570	580	10	660	90	740	170
L Rental, Hiring and Real Estate Services	580	460	-120	530	-50	590	10
M Professional, Scientific and Technical Services	2,540	3,580	1,040	4,070	1,530	4,560	2,020
N Administrative and Support Services	2,300	3,330	1,030	3,790	1,490	4,250	1,950
O Public Administration and Safety	1,320	1,380	60	1,570	250	1,760	440
P Education and Training	3,460	3,870	410	4,400	940	4,930	1,470
Q Health Care and Social Assistance	5,150	5,590	440	6,360	1,210	7,120	1,970
R Arts and Recreation Services	820	1,150	330	1,310	490	1,460	640
S Other Services	1,550	1,730	180	1,960	410	2,200	650
<b>Total</b>	<b>45,610</b>	<b>45,980</b>	<b>370</b>	<b>52,310</b>	<b>6,700</b>	<b>58,590</b>	<b>12,980</b>

Source: Property Economics

The combined regional market currently has an employment base of 45,600 employees (rounded). Under the low net growth scenario this is projected to remain relatively stable as at 2038 market 46,000 employees. Under the medium (or 'business as usual') scenario the employment base is projected to increase by 15% to just over 52,300 people as at 2038, while



under the high growth scenario the employment base is projected to increase 28% or around 13,000 employees by 2038.

Under all three growth scenarios, it is forecast that the Health Care and Social Assistance Sector will overtake Agriculture, Forestry and Fishing as the largest employment sector within the regions by 2038, with total employment projected to increase to somewhere between 5,600 and 7,100 people.

The Agriculture, Forestry and Fishing Sector will remain a crucial sector for the Tasman Nelson Regions, albeit falling to the second largest employment industry by 2038 with a projected employment base between 4,100 and 5,200 under the growth scenarios.

Manufacturing is forecast to continue to drop in significance within the regions as an employment base as technology continues to advance and replace human capital, and many manufactured products / outputs are superseded. Manufacturing diversification and product innovation are the '*buzz phrases*' at the moment seen to be the drivers of a growing manufacturing employment base. Employment for the Manufacturing sector is forecast to range between 3,700 and 4,700 people by 2038, under the three scenarios.

The different results that are generated under each of the growth scenarios highlights the sensitivity that Tasman Nelsons employment distribution experiences in relation to population, the most significant changing variable between scenarios. Health Care and Social Assistance for example is forecast to experience the highest nominal growth in employment with a positive change of up to almost 2,000 people. The ageing demographic has a marked influence on this growth. It is pertinent to note that the industry growth composition for the Nelson Tasman market differs depending on the scenario and ultimately the level and type of population growth that takes place.

Regardless of which scenario however, Agriculture is forecast to experience the lowest nominal growth, with a negative net change in employment of between 970 and 2,100 by 2038 compared to the current base year.

Based on the above ANZSIC codes and the potential uptake rates these categories have been segmented into retail, industrial and commercial employment counts as at 2038 to provide a comparative overview for each industry sector. Table 16 displays the 2038 nominal employment forecast by industry sector and Figure 23 illustrates the nominal net change in employment between 2015 and 2038.

Table 16 forecast 2038 employment by industry type under each of the three growth scenarios - Low, Medium and High.

TABLE 16: TASMAN NELSON 2038 EMPLOYMENT FORECAST BY INDUSTRY TYPE

Industry Sector	2015	Low Scenario	Medium Scenario	High Scenario
Industrial	12,370	10,950	12,460	13,950
Retail	8,270	8,710	9,910	11,100
Commercial	9,420	11,510	13,090	14,670
Other	15,550	14,810	16,850	18,870
<b>Total</b>	<b>45,610</b>	<b>45,980</b>	<b>52,310</b>	<b>58,590</b>

Source: Property Economics

### Commercial

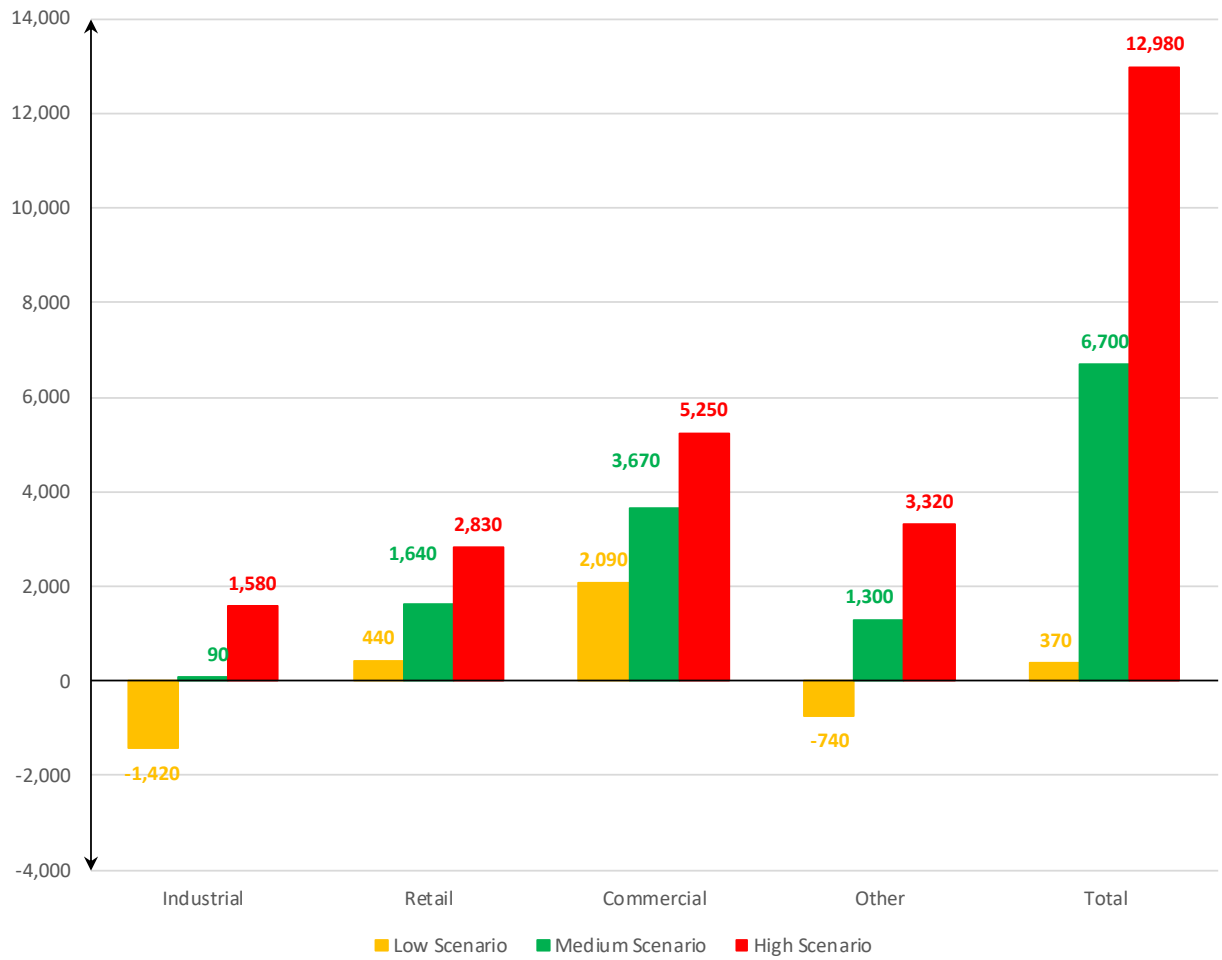
The Commercial sector is forecast to have an employment base ranging between 11,500 and 14,700 (rounded) by 2038. Historically, the commercial sector has been growing in significance increasing by 45% over the last 15 years. This sector increased its proportion of total employment by almost 5% over the assessed period to 21% in 2015, Table 17 shows a continuation of this trend with the commercial sector increasing to 25% of total employment by 2038.

This is not unexpected as the commercial industry is a high value sector that primarily services a population base, and generally more services are required as the population base ages. So as the population continues to increase and age (identified in the population projections outlined in section 4) there is an increasing need for commercial businesses and professional services to service the population such as lawyers, accountants, and medical practitioners (in particular).

### Industrial

The Industrial sector's employment base is forecast to experience low levels of growth, with this activity type employment base being the only one to see a drop under the low growth scenario. This is a continuation of the historical trends identified earlier in the report. This is to be expected with a regional economy as it develops, typically shifting away from high cost, low value industry's such as manufacturing towards lower cost, high value added industries such as IT. This trend also explains the commercial sectors increasing significance in Tasman Nelson's market.

FIGURE 23: TASMAN NELSON NOMINAL NET EMPLOYMENT CHANGE BY INDUSTRY TYPE AND SCENARIO AS AT 2038 FROM 2016 BASE YEAR



Source: Property Economics

## 12.2. REGIONAL LAND FORECAST SCENARIOS

Projecting commercial and industrial employment at a high level flows into the demand for commercial and industrial land in Tasman/Nelson. The following regional land forecasts are carried out under the same low, trended and high growth scenarios that have been set out in section 11.

The following regional land projections are obtained using the employment projections from the previous section (11.1). The net floorspace and land requirements are generated using current employment to floorspace and land ratios by sector, primarily through empirical rating databases. It is important to note that these are dynamic ratios that change over time.

These projections are based on the assumption that current land is efficiently used, is developable and development is 'at grade' (ground level).

There are a variety of strengths and weaknesses associated with adopting either the low, medium or high projections relating to business activity. Firstly, adopting the low growth scenario has the potential to 'under provide' for growth thereby reducing the propensity for it to occur. While this is initially the lowest cost option the potential to stifle future growth also has the potential to result in increasing costs to the economy.

The risks associated with the high growth scenario relate to the infrastructure and servicing costs as well as the potential for the market to impact upon land prices that reduce the viability of redevelopment and brownfield growth. Adopting a high (supply led) position provides increased opportunities and flexibility for businesses while also reducing stability in land prices increasing risk for business land investment.

Overall it is considered prudent to adopted a medium to high position in relation to the supply of business land.

Additional the business model considers two redevelopment options. The first relates to the 'net change' position in relation to the overall change in business employment. This takes into account 100% opportunity for a decrease in employment in one industrial /commercial sector to be 'taken up' in another growing sector. This results in considerable lower estimated land demand as the market uses land in the most efficient way.

The second approach adopts a 'positive' position that excludes the declining sectors and only considers the growth sectors in determining future land demand. This approach considers the fact that some businesses will decrease the level of employment without changing their premises or land needs. It also considers the relative inflexibility between industrial sector uses and the ability for these sectors to utilise other business premises.

While over time businesses are more likely to down grade and premises are more likely to be redeveloped the market will over a 10 to 15-year timeframe tend more towards the positive scenario meaning that the provision of land supply must be enough to cater for these on-going transitions.

### 12.3. REGIONAL LAND PROJECTIONS

This section discusses the estimated demand for business land (excluding retail) in the Tasman Nelson market. Table 17 illustrates the 2038 additional gross floorspace requirements for each sector, given demand under the low, trended and high growth scenarios, i.e. this is the level of gross floor space projected growth in employment (by sector) the market could sustain if efficiently utilised.

TABLE 17: TASMAN NELSON 2038 NET FLOOR SPACE REQUIREMENTS (SQM)

Floorspace Requirements (sqm)	2038		
	Low Scenario	Trended Scenario	High Scenario
Industrial	45,990	100,010	179,310
Commercial	64,680	104,900	144,970
<b>Total</b>	<b>110,670</b>	<b>204,910</b>	<b>324,280</b>

Source: Property Economics

Given demand, the Tasman Nelson market requires an additional total net floor space ranging from 110,700-324,300 sqm (rounded) of Industrial, Commercial and 'Other' floorspace (excluding retail) by 2038.

The following analysis translates the Regions additional floor space into land requirements to better equip TDC and NCC for long term business land strategic planning purposes.

Table 18 translates the 2038 land requirements (a derivative of the floor space requirements in Table 17 and employment forecasts in Table 16) for the Tasman Nelson market in hectares (ha). The floor area to land ratios by sector are based on a building coverage that takes into account national averages adjusted for land price, i.e. it is assumed that areas with cheaper land in a relative sense exhibit a tendency towards activity with land extensive activities thereby reducing land efficiency and productivity.

Additionally, by sector these ratios are dynamic and have been adjusted over the forecast period, i.e. logistic warehousing is becoming more efficient with higher building coverage and land efficiency due to increased capital advancement (e.g. better stacking, systems, operations, etc.).

It is estimated that Tasman Nelson growth (under the assessed scenarios) could support between 31ha and 96ha of non-retail business land by 2038, above the current base year. It is important to note however, that this is total land required is based on the assumption that land is and will be used efficiently which means that these forecasts do not account for existing

business land vacancies and inefficiencies, i.e. vacant commercial or industrial buildings on existing business land where growth could comfortably and more efficiently be accommodated.

TABLE 18: TASMAN NELSON 2038 BUSINESS LAND REQUIREMENTS (EXCLUDING RETAIL)

Land Requirements (ha)	2038		
	Low Scenario	Trended Scenario	High Scenario
Industrial	15	33	60
Commercial	16	26	36
<b>Total</b>	<b>31</b>	<b>59</b>	<b>96</b>

Source: Property Economics

### Commercial

In order to meet 2038 commercial demand, it is estimated that the Tasman Nelson market could require an additional 16ha-36ha ha of 'at grade' commercial land. Under the low growth scenario, the commercial land requirement (16ha) comprises the highest proportion of total 2038 land requirements accounting for just over 50%, as the economy would shift further into the service sectors rather than productive sectors.

However, this drops to 37% under the high growth scenario accounting for 36ha out of 96ha of the regions commercial and industrial land requirements. This fall is driven by the increasing industrial land requirement as a proportion of the business land requirement under the high growth scenario.

It is particularly important to note that this land requirement is 'at grade' when considering the development of commercial office land for a market. However, all commercial business activities are not typically developed 'at grade' or single level (unless retrofitting an older industrial space), but rather in the more efficient form of multi-storied office buildings.

This development archetype requires a more economically efficient and productive use of Tasman and Nelson's scarce land resource. Applying an average of 2.5 stories across the regions for new commercial development would result in a reduction in land requirement to between 6ha to 14ha for commercial activity depending on the scenario.

There is a significant variation between land requirements under the three growth scenarios. This emphasises the sensitivity of further land demand to not only population growth, but future productivity levels, land use efficiency and projected sector growth. These later attributes are determinants Tasman and Nelson have not performed well in recently and have slipped backwards in a comparative context with the rest of the country.

## Industrial

Projected growth could sustain additional industrial land requirements for the Tasman Nelson region of between 15ha to 60ha by 2038. Typically, industrial GFA is developed 'at grade' so the land requirements for this sector can be taken at face value. However, again it is important to consider that these are projected under the assumption that current land supply is being efficiently used. This does not account for existing vacant land supply and inefficient land utilisation that could accommodate industrial development which would decrease the additional land requirements for the regions.

Industrial land supply increases its proportion of total land requirements as the growth scenario increases due to the higher land to employee ratio that the sector has compared to commercial office land.

## Buffer

In addition to the required land, a 'buffer' has also been added to each scenario, this is because a market typically requires more land than an equilibrium demand / supply state in order for it to operate efficiently and not suffer from artificial land price increases through land banking or zoning of undesirable land. Having vacant land (in addition to the required demand) creates room for further growth and provides flexibility in terms of business location, size and premises. The 'buffer' also allows for unique 'one off' demands that cannot be predicted at this point in time. This is an important consideration directed by the recently announced Draft NPS on urban development.

In factoring the buffer, we have considered two sources of change that are required. Firstly, consideration of the potential for 'one off' relocation and growth expectations, e.g. the unexpected establishment of a large industrial business in Tasman Nelson. This component has been assessed from the consents issued within Tasman Nelson over the last 15 years.

Secondly, refer to the need for a degree of vacant industrial floor space and land necessary to provide for a flexible industrial market that is both efficient and effective. This component is a percentage of the consented baseline over and above what has been projected. For the purpose of this analysis 15% has been considered appropriate and adopted.

TABLE 19: TASMAN NELSON 2038 LAND REQUIREMENTS (WITH BUFFER)

Land Requirements With Buffer (ha)	2038		
	Low Scenario	Trended Scenario	High Scenario
Industrial	17	38	69
Commercial	18	30	41
<b>Total</b>	<b>36</b>	<b>68</b>	<b>110</b>

Source: Property Economics

Taking the 'buffer' into account increases the total land requirement under each scenario to a range between 36ha and 110ha by 2038. Gross commercial office land requirements would increase to somewhere between 18ha and 41ha 'at grade' (or 7ha and 16ha rounded applying a 2.5 story average), while Industrial land required would increase to a minimum requirement of 17ha and an upper limit requirement of 70ha.

## 12.4. SUB-REGIONAL LAND REQUIREMENTS

To gain an understanding of how commercial and industrial land requirements are distributed geospatially throughout the Tasman/Nelson market, Property Economics has broken the data from Section 11.3 into land supply requirements by settlement area. While accuracy of distribution and growth projections diminish as the catchment / market size shrinks, it is possible to achieve a suitable and functional level of accuracy for strategic planning purposes. In this regard, the end settlement areas forecast figure itself should not be the sole focus, but used as a guide to the appropriate direction of future land requirements for strategic planning purposes.

For the purpose of this analysis two different growth distribution scenarios have been applied. The first growth distribution scenario is based on trended growth proportions. This implies that the historical proportions of each settlement have been assumed to continue as they have in past.

This in essence is the 'business as usual' approach, however this growth distribution can generate undesirable outcomes if current trends are not in line with planning objectives or if smaller settlement areas are experiencing 'one-off', unique periods of growth that are unlikely to be sustained over the long term, i.e. the current proportion of a settlement area may not reflect future realities.

For this reason, a second growth distribution scenario, and perhaps a more realistic projection, has been carried out based on the distribution of current zoned land by settlement. This takes into account the growing propensity for the Tasman Nelson region to function as a single economic market and importantly the distribution of current zoned business land. These factors are likely to have a more influential sway on future business land investment decisions by the market.

### **Trended Proportional Growth Distribution**

Table 20 projects the distribution of Tasman Nelsons future commercial and industrial land requirements by settlement based on the current trends for each of the three growth scenarios.



TABLE 20: TRENDED PROPORTIONAL GROWTH DISTRIBUTION SCENARIO LAND REQUIREMENTS AS AT 2038 BY SETTLEMENT (SQM)

Trended Settlement Geo-spatial Distribution (Ha)	2038 Low Scenario		2038 Medium Scenario		2038 High Scenario	
	Industrial	Commercial	Industrial	Commercial	Industrial	Commercial
Atawhai	0.0	0.2	0.0	0.4	0.0	0.5
Brightwater	2.0	0.2	2.6	0.3	4.7	0.4
Central East	0.3	0.6	0.5	0.9	0.9	1.3
Central West	0.0	3.1	0.0	5.0	0.0	8.1
Collingwood	3.1	0.0	1.2	0.0	2.1	0.1
Kaiteriteri	0.0	0.0	0.2	0.0	0.4	0.0
Motueka	0.0	1.8	2.0	2.9	3.6	4.8
Murchison	0.0	0.0	0.6	0.0	1.0	0.0
Richmond	5.6	2.7	11.0	4.3	19.8	7.0
Rural North	0.0	0.0	0.2	0.0	0.3	0.0
St Arnaud	0.1	0.0	0.0	0.0	0.0	0.0
Stoke	0.0	1.9	14.2	3.1	25.4	4.5
Tahunanui	0.0	3.6	0.0	5.8	0.0	8.4
Takaka	4.0	0.3	0.0	0.5	0.0	0.7
Tapawera	0.2	0.0	0.0	0.1	0.0	0.1
Wakefield	0.0	0.1	0.8	0.2	1.5	0.3
<b>Total</b>	<b>15.3</b>	<b>14.5</b>	<b>33.3</b>	<b>23.6</b>	<b>59.8</b>	<b>36.2</b>

Source: Property Economics

Under the tended proportional growth distribution, Tahunanui requires the largest proportion of commercial land development by 2038 (4-8ha). The concern with this scenario is this settlement area is forecast to need more developable commercial land than the two largest centres in the Tasman Nelson market - Nelson's CBD and Richmond. The reason for this is because Tahunanui accounted for 22% of total commercial growth historically (at the expense of the Nelson CBD primarily), and under this 'business as usual' growth distribution scenario, the settlement is forecast to continue to account for a high level of commercial office growth over the period to 2038.

This scenario highlights some regional issues that the Tasman Nelson market is facing with the current commercial growth distribution between settlement areas. Clearly, Tahunanui is experiencing commercial office growth at the expense of the Nelson CBD which if not dealt with through a policy response will limit Nelson CBD's growth potential and potentially undermine some key objectives of Nelson's District Plan. This is considered an important finding

for Nelson City Council to address, that is address the policy provisions that enable office activity to establish in industrial areas and absorb industrial land capacity.

This has a more pronounced effect on Nelson as there is limited alternative industrial land provision within the TA that industrial land can relocate. It is largely forced to go to Tasman (Richmond). This compounds the issue and highlights that some industrial land in Nelson is being consumed by non-industrial activity (primarily in Tahunanui), and that a proportion of industrial activity growth in Tasman could be a result of relocations and not new growth for the regions.

Ultimately, this '*domino effect*' has restrained growth in the Nelson CBD which has reduced productivity and efficiency in the commercial office sector, and is a reason why the Tasman Nelson regions have not experienced the same level of growth, productivity and efficiency increases as other regions in the South Island and New Zealand. The enablement of activity throughout the business zones needs to be addressed if the trend is to be reversed, and the District Plans can better meet their strategic objectives and future requirements of the community in an economically efficient manner.

### Zoned Land Growth Distribution

Table 21 displays Tasman Nelson's future land requirements distributed among settlement areas under the zoned land distribution scenario for each of the low, trended and high growth scenarios.

Under the zoned distribution scenario, the future land requirements for each settlement area provides a more appropriate distribution based on the role and function that each settlement plays within the region.

Under this scenario, which provides an appropriate and economically efficient distribution, Central West and Richmond require the most commercial land by 2038. Combined, these centres require the largest proportion, accounting for 60% of growth in commercial activity within the regions.

Importantly, Tahunanui is forecast to account for less than 5% of the region's future commercial land requirements, compared to 25% based on the current trend scenario. The data shows Tahunanui has been experiencing incremental commercial sector growth over the last 15 years at the expense of the Nelson CBD. This has come at a cost to the regions efficiency and productivity.

TABLE 21: ZONED LAND GROWTH DISTRIBUTION SCENARIO FOR 2038 BY SETTLEMENT (SQM)

Zoned Settlement Geo-spatial Distribution (Ha)	Low Scenario		Medium Scenario		High Scenario	
	Industrial	Commercial	Industrial	Commercial	Industrial	Commercial
Atawhai	0.0	0.0	0.0	0.0	0.0	0.0
Brightwater	3.8	0.1	8.3	0.2	14.8	0.2
Central East	0.0	0.0	0.0	0.0	0.0	0.0
Central West	1.3	3.9	2.7	6.4	4.9	8.8
Collingwood	0.1	0.2	0.1	0.3	0.2	0.4
Kaiteriteri	0.0	0.0	0.0	0.1	0.0	0.1
Motueka	0.7	1.7	1.5	2.7	2.7	3.7
Murchison	0.3	0.4	0.6	0.7	1.1	1.0
Richmond	4.4	6.3	9.6	10.2	17.3	14.1
Rural North	0.0	0.0	0.0	0.0	0.0	0.0
St Arnaud	0.0	0.2	0.0	0.3	0.0	0.5
Stoke	1.0	0.9	2.1	1.5	3.8	2.1
Tahunanui	2.3	0.8	4.9	1.3	8.8	1.8
Takaka	0.8	1.0	1.7	1.7	3.0	2.3
Tapawera	0.2	0.1	0.4	0.2	0.7	0.3
Wakefield	0.6	0.4	1.4	0.6	2.5	0.8
<b>Total</b>	<b>15.3</b>	<b>16.2</b>	<b>33.3</b>	<b>26.2</b>	<b>59.8</b>	<b>36.2</b>

Source: Property Economics

## 12.5. RETAIL AND COMMERCIAL SERVICES LAND REQUIREMENTS

To 'round out' the business land demand requirements for the regions, this section assess the retail and commercial services sector requirements. This is additional to the preceding land demand projections.

Table 22 estimates the future additional land requirements of Tasman and Nelson by Settlement Area over the period of 2016 – 2038 for retail and commercial services. This has been based on the existing distribution of retail and commercial service provision across the market, total sustainable retail expenditure and GFA and retail spend flows into and out of the Tasman Nelson regions.

A key assumption has been made in terms of the proportional composition of retail provision by sector, in that the market currently has an appropriate distribution of Specialty, LFR and Supermarket across the retail network that suits the local resident population and wider market demands. This distribution of retailing has been held constant over the forecast period. In

essence, the current role and function of the existing centre network in the commercial centre hierarchy across both regions is maintained.

Commercial Service provision has been calculated based on observations made by Property Economics on the typical proportions of Retail and Commercial Service provision in centre destinations similar to the Tasman and Nelson markets across New Zealand. For the purpose of this report a 50% commercial service to retail provision composition has been adopted in this analysis. This land requirement is additional and separate to retail land provisions, and encompasses services such as hair dressers, optometrists, dentists, law services and etc. that typically locate in retail centres but are not classified as retail activities.

Typically, when considering land requirements for the development of a centre's retail provision it is also important to account for the development of commercial services that will accompany the growth in this sector.

TABLE 22: ADDITIONAL RETAIL AND COMMERCIAL SERVICE LAND REQUIREMENTS (SQM)

Settlement Area	Supermarket	LFR	Specialty and Convenience	Total Retailing	Commercial Service
Central West	4,400	24,730	36,860	65,990	33,000
Stoke	4,400	-	5,220	9,620	4,810
Tahunanui	-	-	4,530	4,530	2,270
Central East	-	-	360	360	180
<b>Nelson Subtotal</b>	<b>8,800</b>	<b>24,730</b>	<b>46,970</b>	<b>80,500</b>	<b>40,260</b>
Takaka	1,350	-	10,670	12,010	6,010
Richmond	6,280	9,490	27,180	42,950	21,470
Wakefield	-	-	540	540	270
Brightwater	-	-	870	870	430
Motueka	4,450	4,750	12,450	21,650	10,820
<b>Tasman Subtotal</b>	<b>12,080</b>	<b>14,240</b>	<b>51,710</b>	<b>78,020</b>	<b>39,000</b>
<b>Total Tasman / Nelson</b>	<b>20,880</b>	<b>38,970</b>	<b>98,680</b>	<b>158,520</b>	<b>79,260</b>

Source: Property Economics

In addition to the commercial office land requirements for 2038, Tasman Nelson will be able to sustain 158,500 sqm (16ha) of retail land if all land is developed 'at grade'. This is forecast to be distributed relatively evenly between the two regions (51% in Nelson and 49% in Tasman).

Given retail land requirements, it is estimated that Tasman Nelson will also require around 79,000 sqm (8ha) of commercial services land, on top of the retail land requirement. Combined

this equates to a retail and commercial service land requirement of around 24ha across both regions.

The two big settlement areas of focus are Central West (Nelson CBD) and Richmond with land requirements of around 6.5ha and 4ha respectively, accounting for nearly 70% of both regions retail and commercial service future land requirements.

## 12.6. TOTAL REGIONAL BUSINESS LAND REQUIREMENTS

This section builds on the preceding data and analysis to pull together all the sectors that comprise the business land demand projections to provide a more complete picture by sector and settlement area, cross referenced with existing land supply for an appropriate context.

### Existing Business Land Supply

Figure 24 and Table 23 illustrate the existing commercial and industrial zoned land within the Tasman and Nelson regions as at 2016<sup>9</sup>. It is this existing business zoned land provision that the second growth distribution is based upon to determine the future land requirements for Tasman and Nelson settlements.

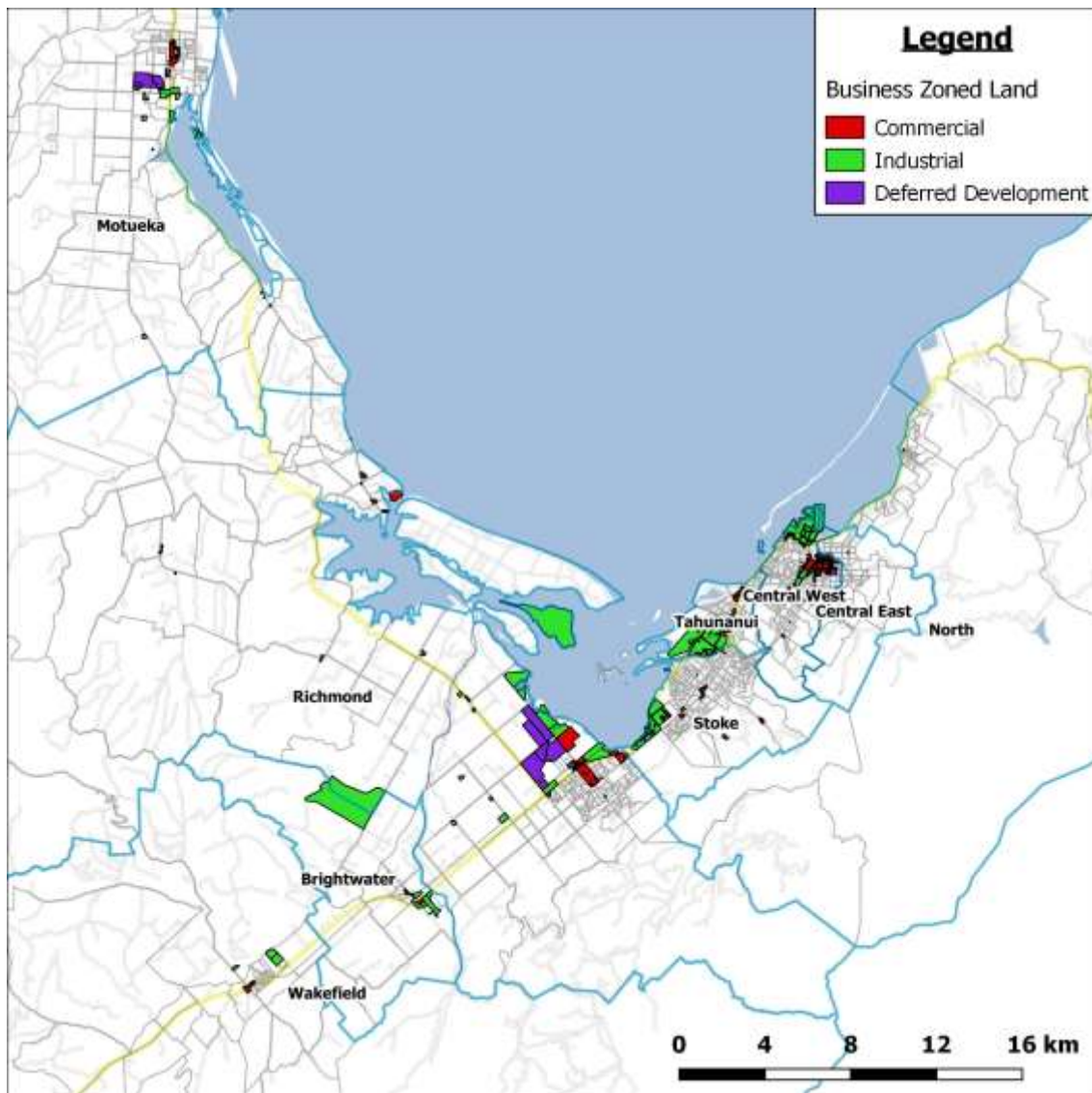
The Tasman Nelson market currently has a total of around 1,530ha of business zoned land including deferred business land zoning (the vast majority (98%) of which is in Tasman). Around 75% of this is within the Tasman Region (around 1,140ha) with the balance of around 390ha in Nelson.

Breaking the market down by commercial and industrial provision, Tasman accounts for 65% of the regions commercial land provision (primarily due to this zone provision being spread geospatially across a number of less densely developed centres). Tasman's industrial zone provision is proportionately similar (71%). Much of this provision is new compared to Nelson's business land provision and indicates that Tasman business land is an important component of meeting business land requirements for the regional market as a whole.

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<sup>9</sup> Zoned land provision, geospatial distribution and quantum is supplied by Tasman and Nelson Councils respectively.

FIGURE 24: COMMERCIAL AND INDUSTRIAL ZONED LAND 2016



Source: Property Economics, TDC and NCC

In respect to the commercial land provision, Central West (Nelson CBD) and Richmond dominate the market with each settlement area accounting for around 28% and 60% of the wider regions total commercial land supply respectively. These areas are the clear focal points and primary commercial hubs for the regional markets. Furthermore, Richmond also has a significant amount of deferred commercial land provision (90ha) designed to entrench this settlement area as the key provider of any new provision (or overflow provision from Nelson) required for these activities in the future.

In terms of industrial land supply, Richmond and Tahunanui are the key locales for such activity with 306ha (excluding deferred provisions) and 157ha respectively. Interestingly, the Nelson CBD also has a relatively high industrial land provision on its fringes (15ha excluding the port area).

This is a historical overhang, but does represent an important industrial location for Nelson, especially given its limited potential for new land supply.

As discussed earlier in the report, this provision is being maintained as industrial (i.e. not redeveloped for commercial office activity) due to the market preferring conversions of industrial land to commercial office in Tahunanui – likely for land cost reasons. As such, instead of industrial activity slowly being ‘pushed out’ of the Nelson CBD area, it is being ‘pushed out’ of Tahunanui. This is a trend Nelson Council should address in Property Economics opinion for economic reasons.

TABLE 23: TASMAN NELSON COMMERCIAL AND INDUSTRIAL ZONED LAND 2016

Settlement Area	Commercial	% Total Commercial	Industrial	% Total Industrial	Deferred	Total
Collingwood	2.2	1.0%	4.3	0.4%	0.0	6.5
Motueka	23.0	10.3%	47.3	4.5%	53.9	124.2
Murchison	6.1	2.7%	19.4	1.8%	0.0	25.4
Richmond	87.4	39.0%	306.2	28.9%	189.2	582.8
St Arnaud	2.9	1.3%	0.0	0.0%	0.0	2.9
Tapawera	1.8	0.8%	11.9	1.1%	0.0	13.7
Takaka	14.3	6.4%	53.5	5.0%	0.0	67.8
Kaiteriteri	0.7	0.3%	0.0	0.0%	3.7	4.4
Wakefield	4.9	2.2%	44.1	4.2%	0.0	48.9
Brightwater	1.5	0.6%	263.6	24.8%	0.0	265.0
<b>Tasman Total</b>	<b>144.6</b>	<b>64.6%</b>	<b>750.3</b>	<b>70.7%</b>	<b>246.8</b>	<b>1,141.7</b>
Settlement Area	Commercial	% Total Commercial	Industrial	% Total Industrial	Deferred	Total
North	0.2	0.1%	0.0	0.0%	0.0	0.2
Central East	0.2	0.1%	0.0	0.0%	0.0	0.2
Central West	54.7	24.4%	86.8	8.2%	3.8	145.3
Stoke	12.7	5.7%	66.6	6.3%	0.0	79.3
Tahunanui	11.3	5.0%	157.1	14.8%	0.0	168.4
<b>Nelson Total</b>	<b>79.2</b>	<b>35.4%</b>	<b>310.5</b>	<b>29.3%</b>	<b>3.8</b>	<b>393.5</b>
<b>Total Market</b>	<b>223.8</b>	<b>100%</b>	<b>1,060.8</b>	<b>100%</b>	<b>250.6</b>	<b>1,535.2</b>

Source: Property Economics, TDC and NCC

## Future Land Requirements

This section summarizes the total business land (Retail, Commercial Services, Industrial and Commercial Office) requirements for the Nelson Tasman region to meet demand by 2038. For the purpose of this report, the land requirements under the zoned business land growth distribution are promoted due to the aforementioned issues identified with the trended proportional growth distribution.

Table 24 illustrates the medium growth scenario future land requirements under the zoned business land growth distribution.

Under the medium scenario Nelson requires an additional 31ha of business land by 2038, comprised of retail (8ha), commercial services (4ha), commercial office (9ha) and Industrial (10). Business land activity is primarily concentrated in Central West, with the balance being distributed between Tahunanui and Stoke. **Nelson's 31ha equates to 37% of the wider regions future business land requirements.**

Tasman requires an additional **52ha of business land or around 60% of the total market's** business land requirement by 2038. Retail and commercial service land requirements are similar to Nelson's (8ha and 4ha respectively), however industrial and commercial office land requirements are higher accounting for 24ha and 17ha respectively.

It is pertinent to note that these land requirements do not automatically translate into a net additional land requirement to be zoned for business activity within the region. Given the aforementioned low (relative) productivity of Tasman Nelson's economy, these future requirements could be absorbed in the existing land supply by making use of vacancies and increasing productivity and land use efficiency.

Distribution of retail spending has been based on current spending across the Tasman and Nelson Regions as determined by the retail expenditure analysis undertaken earlier in this report, with the existing commercial centre network being a key input in determining where future requirements should be met. This is an important consideration that have been specifically utilised to acknowledge that existing centres will likely perform the same role and function at present over the foreseeable future, with higher order centres drawing retail expenditure away from smaller centres i.e. CBD vs. Neighbourhood Centres. This means that retail expenditure generated within a settlement area will not necessarily be retained within that area but will have a portion of its spending flow to higher order centres.



TABLE 24: 2038 LAND REQUIREMENTS UNDER THE ZONED BUSINESS LAND GROWTH DISTRIBUTION SCENARIO (MEDIUM GROWTH SCENARIO).

Medium Growth Scenario Land (ha)	ZONED BUSINESS LAND GROWTH DISTRIBUTION				Total
	Retail	Commercial Services	Industrial	Commercial Office	
Rural North					
Atawhai					
Central East					
Central West	6.6	3.3	2.7	6.4	19.0
Tahunanui	0.5	0.2	4.9	1.3	6.9
Stoke	1.0	0.5	2.1	1.5	5.1
<b>Nelson Subtotal</b>	<b>8.1</b>	<b>4.0</b>	<b>9.8</b>	<b>9.2</b>	<b>31.0</b>
Takaka	1.2	0.6	1.7	1.7	5.1
Kaiteriteri				0.1	0.1
Collingwood			0.1	0.3	0.4
Richmond	4.3	2.1	9.6	10.2	26.3
Wakefield	0.1	0.0	1.4	0.6	2.1
Brightwater	0.1	0.0	8.3	0.2	8.6
Motueka	2.2	1.1	1.5	2.7	7.4
Tapawera			0.4	0.2	0.6
St Arnaud				0.3	0.3
Murchison			0.6	0.7	1.3
<b>Tasman Subtotal</b>	<b>7.8</b>	<b>3.9</b>	<b>23.6</b>	<b>16.9</b>	<b>52.2</b>
<b>Total Tasman / Nelson</b>	<b>15.9</b>	<b>7.9</b>	<b>33.3</b>	<b>26.1</b>	<b>83.3</b>

Source: Property Economics

Table 25 illustrates the high growth scenario future land requirements under the zoned business land growth distribution.

TABLE 25: 2038 LAND REQUIREMENTS UNDER THE ZONED BUSINESS LAND GROWTH DISTRIBUTION SCENARIO (HIGH GROWTH SCENARIO).

High Growth Scenario Land Demand (sqm)	ZONED BUSINESS LAND GROWTH DISTRIBUTION				Total
	Retail	Commercial Services	Industrial	Commercial Office	
Rural North					
Atawhai					
Central East					
Central West	6.6	3.3	4.9	8.8	23.6
Tahunanui	0.5	0.2	8.8	1.8	11.4
Stoke	1.0	0.5	3.8	2.1	7.3
<b>Nelson Subtotal</b>	<b>8.1</b>	<b>4.0</b>	<b>17.5</b>	<b>12.7</b>	<b>42.3</b>
Takaka	1.2	0.6	3.0	2.3	7.1
Kaiteriteri				0.1	0.1
Collingwood			0.2	0.4	0.6
Richmond	4.3	2.1	17.3	14.1	37.8
Wakefield	0.1	0.0	2.5	0.8	3.4
Brightwater	0.1	0.0	14.8	0.2	15.2
Motueka	2.2	1.1	2.7	3.7	9.7
Tapawera			0.7	0.3	0.9
St Arnaud				0.5	0.5
Murchison			1.1	1.0	2.1
<b>Tasman Subtotal</b>	<b>7.8</b>	<b>3.9</b>	<b>42.3</b>	<b>23.4</b>	<b>77.4</b>
<b>Total Tasman / Nelson</b>	<b>15.9</b>	<b>7.9</b>	<b>59.8</b>	<b>36.1</b>	<b>119.7</b>

Source: Property Economics

Under the high growth scenario distributed by zoned business land the total business land requirement increases to 120ha, split 42ha versus 77ha for Nelson and Tasman respectively. Under this scenario Central West requires 24ha and Richmond requires 38ha.



It is important to note that while under the zoned distribution scenario Brightwater requires an additional 15ha, this is the result of the Carter Holt Harvey mill being zoned industrial which elevates the provision required under the existing zone provision. This is clearly an anomaly with this demand better directed and more efficiently added to Richmond's future requirements.

A more detailed breakdown of the low growth, zoned distribution scenario and trended proportional distribution scenario (low, medium and high) are provided in Appendix 6.

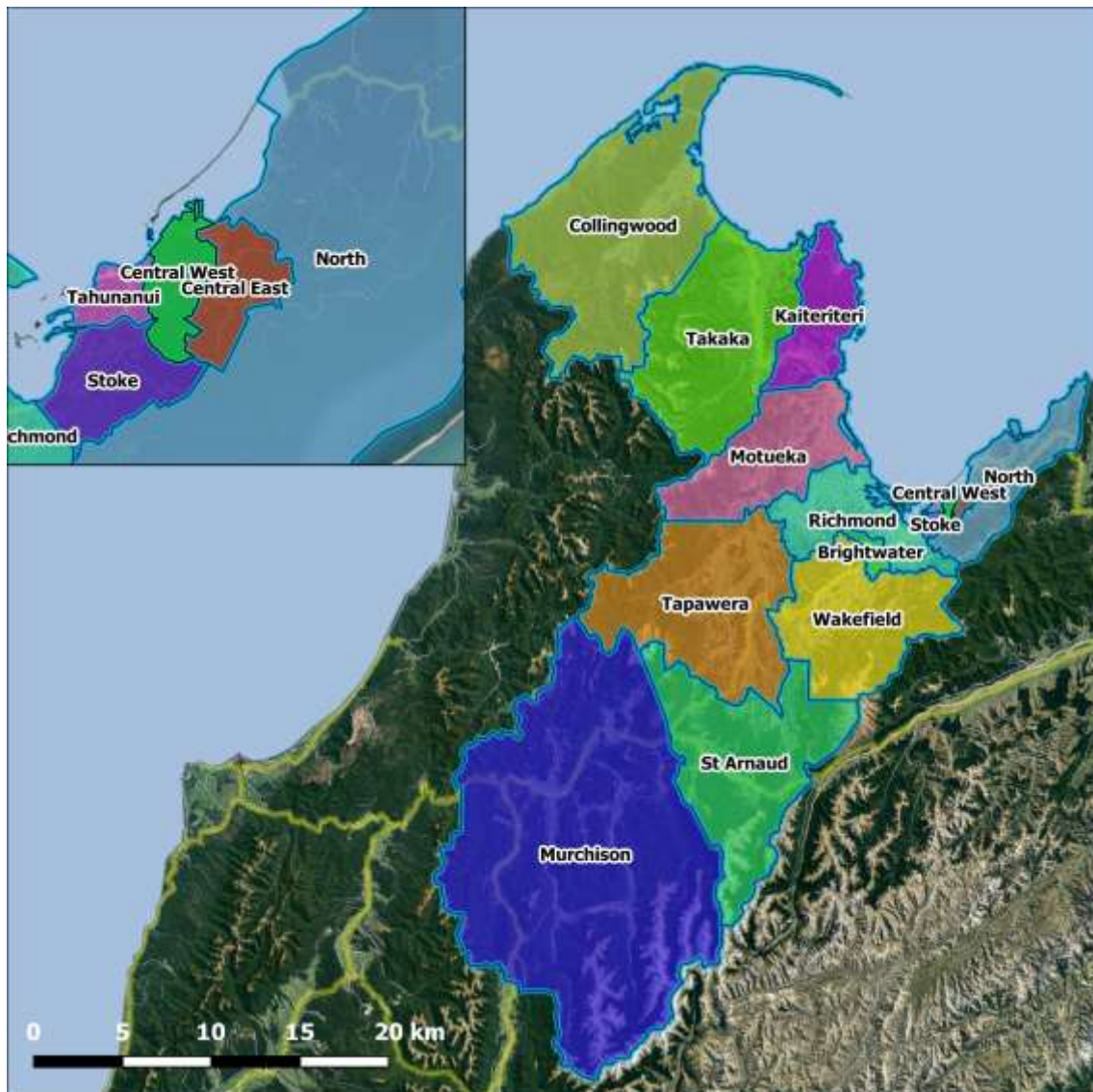
### 13. SUBREGIONAL ANALYSIS – SETTLEMENT AREAS

Understanding the market at a local settlement level as well as a regional and territorial authority level will provide TDC and NCC Council with a more relevant and reliable basis to assess business land provision across the regions. For the purpose of this analysis local level demand steps down as a subset of higher level regional demand, to ensure no double counting of demand occurs.

Figure 25 identifies the geospatial extent of individual settlement areas within the Nelson Tasman Region from which the subsequent analysis is based – namely Collingwood, Takako, Kaiteriteri, Motueka, Richmond, Tapawera, St Arnaud, Murchison, Wakefield, Brightwater, Stoke, Tahunanui, Central West, and Atatwhau.

These settlement areas have been based on council planning settlement areas with some areas amalgamated to better reflect the economic environments of the territorial authorities of the Tasman District and Nelson City.

FIGURE 25: NELSON TASMAN SETTLEMENT AREAS



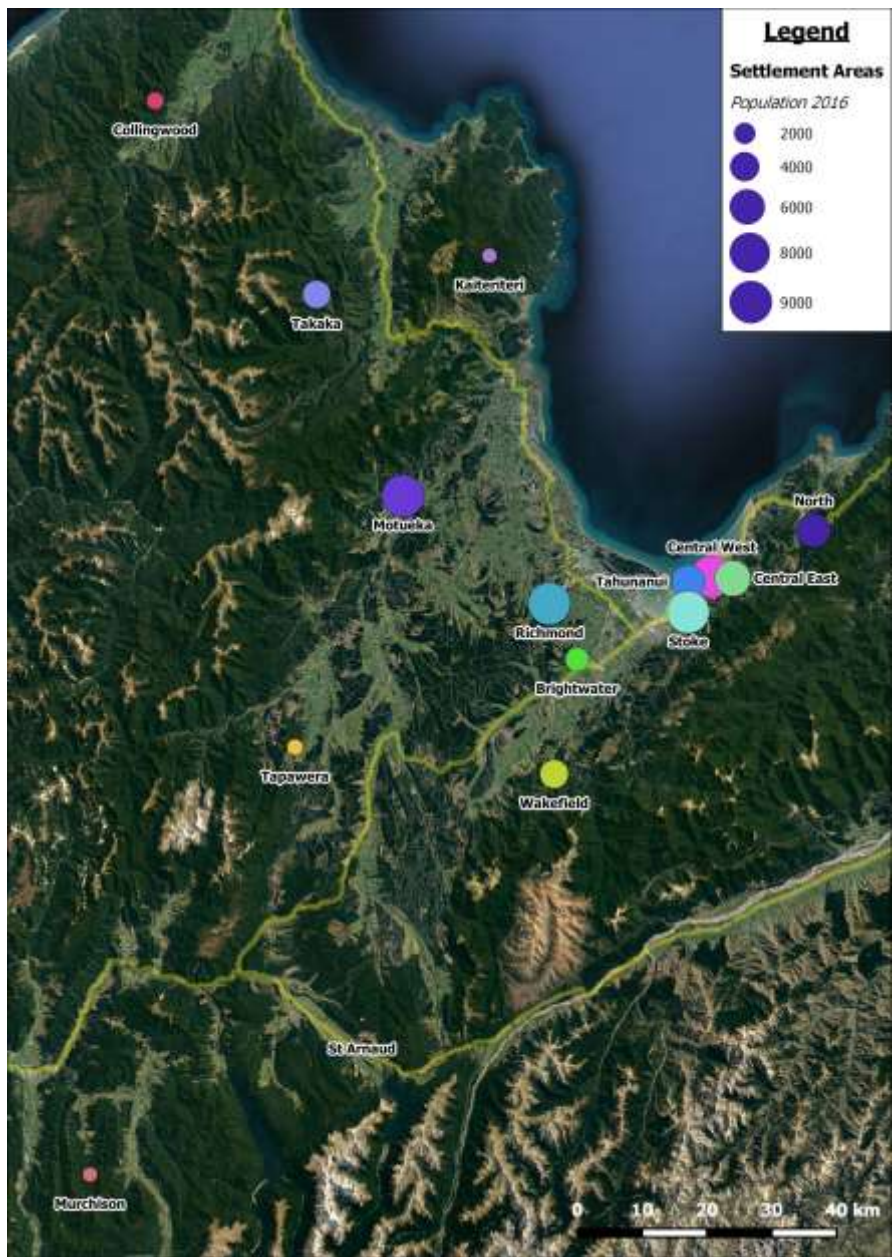
Source: Property Economics

Figure 26 maps the population for the Nelson Tasman region across the differing geographical locales of each settlement on a proportional basis.

The map provides a scale of the population base of each settlement in comparison to one another. Stoke and Central West are the largest settlements in terms of population base within the Nelson Region, while Motueka and Richmond are the two largest settlements in the Tasman Region. St Arnaud stands out as the smallest settlement overall, followed by Rural North, Murchison and Kaiteriteri. In the context of the market, these settlement areas are considered very small, albeit noting Kaiteriteri and Motueka's population base is very seasonal and swells significantly during the summer months.

A more detailed breakdown of settlement population is provided in Appendix 6.

FIGURE 26: NELSON/TASMAN SETTLEMENT POPULATION (2016)



Source: Property Economics

### 13.1. SETTLEMENT AREA GROWTH FORECASTS

Table 26 displays the medium (2028) and long term (2038) population growth forecasts for the Nelson Tasman settlement areas off a 2016 base. Similar to the population forecasts in section 4, the distribution of projected residential growth has been derived from TDC and NCC information as part of a customised dataset of household projections by Statistics New Zealand with the key base input being the most recent 2013 NZ census population and household counts.



A more detailed breakdown of the settlement areas nominal population and household growth has been attached in Appendix 6: Settlement Population and Household Forecasts.

TABLE 26: NELSON TASMAN SETTLEMENT POPULATION GROWTH (2016-2038)

POPULATION	2028	2038	% OF TOTAL MARKET GROWTH
North	11%	16%	10%
Central East	2%	0%	0%
Central West	5%	6%	8%
Tahunanui	7%	9%	5%
Stoke	11%	17%	33%
<b>NELSON SUBTOTAL</b>	<b>8%</b>	<b>11%</b>	<b>56%</b>
Takaka	-1%	-6%	-2%
Kaiteriteri	7%	12%	1%
Collingwood	-1%	-5%	-1%
Richmond	9%	13%	29%
Wakefield	11%	18%	7%
Brightwater	13%	21%	6%
Motueka	4%	4%	5%
Tapawera	2%	0%	0%
St Arnaud	0%	-5%	0%
Murchison	-3%	-10%	-1%
<b>TASMAN SUBTOTAL</b>	<b>6%</b>	<b>8%</b>	<b>44%</b>
<b>TOTAL</b>	<b>7%</b>	<b>10%</b>	<b>100%</b>

Source: Property Economics

Breaking down each region's medium (2028) and long term (2033) growth by settlement has identified Richmond, North and Stoke as the primary areas of population growth and forecast to experience the highest levels of growth 'pressure points', with proportional growth (of the total regional market) of 29%, 10% and 33% respectively. With Stoke and Richmond adjacent to each other, the key growth corridor of the market is very confined and focused.

Murchison, Collingwood, and Takaka all experience minor negative growth over the forecast period, and subsequently have a net negative impact on total regional growth, albeit due to their small sizes comparatively, the 'real' impact of this is negligible.

## 13.2. SETTLEMENT AREA SUMMARY

This section provides an overview of the current retail environment and business sector activity that exists in each settlement. An analysis of the existing business activity, employment base trends (by sector) and each business area by settlement area has provided a more solid understanding of what is occurring on the ground and the temporal changes that have been taking place geospatially within each region.

In addition to this employment, retail expenditure, and land demand forecasts have been carried out to illustrate the ability for each settlement area to accommodate given levels of demand and guide future strategic decision making. This essentially links to the amount of future land requirements locally within each Region to provide TDC and NCC with a relevant and reliable basis to assess business land provision across the Region.

A more detailed overview of each settlement specifically can be seen in Section 12.4.

### **Current Retail Environment**

Tasman/Nelson's unified market, as identified in Section 7, currently has around 700 retail stores totalling close to 205,580 sqm of retail GFA. The retail provision is distributed relatively evenly between the two Regions, with Nelson accounting for just over half of the retail market (55%).

Given the smaller, more rural nature of Tasman/Nelson's wider retail market, most of the smaller centres outside of Nelson's CBD and Richmond primarily focus on servicing the convenience retail and commercial service / professional requirements of their localised markets (or Settlement Areas). Given this context, it is not surprising that the Regions retail provision is dominated by two main settlements, Central West (Nelson CBD) and Richmond which when combined make up almost 70% of the total markets retail stores.

Central West has the markets largest retail provision representing close to 46% of the market's stores equating to around 91,100 sqm of retail GFA. This is the region's primary (historically, current and future) commercial hub and a critical economic engine for the regions. Richmond accounts for closer to 27% by store count accounting for around 55,500 sqm of GFA. This emphasizes the critical role these commercial centres play in servicing the wider Regions.

Motueka also has a significant proportion of the markets retail, accounting for over 10% of retail stores and the third largest retail GFA of around 25,700sqm.

Takaka, Stoke, Tahunanui, Wakefield and Brightwater act as convenience centres for their settlement areas and visitors with retail provisions providing convenience based goods and services that are more frequently purchased, particularly food and beverage retailing, which can be accommodated in the settlement's commercial centre.

### **Retail Demand & Sustainable GFA Forecasts**

Around 40% of the total annual generated retail expenditure is generated within Central West and Richmond which can sustain around 30% of the markets GFA. Because these settlements have a wider role and function and service the wider region, they tend to have more LFR and Supermarkets than smaller convenience based centres which explains why they have a proportionately higher amount of the market's GFA.



Central West currently generates around \$440m of retail expenditure per annum, which can sustain almost 123,200 sqm of GFA. Retail expenditure is forecast to increase by \$180m to total just over \$620m per annum by 2038, this can sustain an estimated 123,100 sqm of retail GFA.

Richmond currently generates almost \$300m of retail expenditure per annum, this is forecast to increase to \$430m by 2038. Given demand, Richmond can currently sustain around 53,600 sqm of retail GFA, this is forecast to increase to 75,000 over the projected period to 2038.

Motueka is also forecast to experience significant increases in demand. Motueka accounts for almost 15% of total generated retail expenditure per annum, currently generating around \$145m, the settlement is expected to see an increase of \$60m to a total of \$200m by 2038. This translates into an increase in sustainable retail GFA of 10,000sqm over the projected period.

The balance of the forecasted retail demand (19% of the total market) is distributed between the remaining settlements with a weighting towards Takaka and Stoke.

### Commercial Activity

In terms of overall business activity, the landscape is similar to that of retail, with a few settlements dominating the market. Central West and Richmond are currently the most significant commercial centres accounting for 32% and 20% (respectively) of total employment.

Commercial activity however, is concentrated more heavily in Central West with almost 45% of commercial employment locating in the settlement compared to 16% coming from Richmond. **This is a result of Nelson CBD's historical position and strength in the market.** Motueka is also significant accounting for 12% of the markets commercial employment. The remaining 27% of commercial activity, like retail, is dispersed among the other settlements with a weighting towards Stoke and Tahunanui (9% for each).

In terms of Industrial activity, it is Tahunanui that dominates accounting for 22%. The Tahunanui settlement has the largest industrial area in Nelson and has consequently attracted large scale operations such as timber yards, contractors' depots and processing plants, as well as the Nelson Airport. Richmond follows as the second largest industrial settlement, accounting for 21% of total industrial employment.

Central West, Stoke and Motueka make up the largest proportion of the remainder (19%, 15% and 11% respectively) accounting for an additional 45%, indicating that there is little industrial activity taking place in the balance of settlements.

### Business Sector Forecasts

#### 1. *Trended proportional growth distribution for employment*

Under the growth distribution scenario that is based on current trends (identified above), future demand is distributed assuming the historical proportions of each settlement area will continue as they have in the past.

Tahunanui has the largest future demand for commercial activity under low, medium and high growth scenarios representing almost ¼ of all additional commercial employment over the next 15 years. This is higher than major settlements such as Central West and Richmond, diminishing the future role and function of Tasman/Nelson's two most significant commercial centres. This

undesirable growth distribution highlights some regional issues that the Tasman Nelson market is facing with the current commercial growth distribution between settlements and the implications for the regional composition if this trend continues.

## *2. Zoned land growth distribution scenario for employment*

Looking at the forecast business sector growth based on zoned land for each settlement provides a more desirable distribution based more accurately on the role and function that each settlement area plays within the Region.

Under this distribution scenario Central West and Richmond experience the highest level of commercial sector growth by 2038 which equates to around 36% of total commercial sector growth. Central West accounts for almost 20% of future commercial sector growth by 2038. Channelling higher levels of commercial sector growth into the Nelson CBD would provide increased economic benefits for the region due to critical mass and clustering efficiencies.

Kaiteriteri and Motueka also see a significant proportion of the markets commercial growth, accounting for 15% and 8% respectively.

In terms of Industrial growth, the total market is forecast to see a decrease in activity by 2038 under both the low and trended growth scenarios with negative growth in settlements outweighing the positive growth. Central West is forecast to see the largest negative growth nominally, accounting for almost 40% of the decrease in employees over the projected period, this is followed by Tahunanui (32%) and Stoke (13%).

Richmond is the most significant settlement for positive industrial growth, accounting for 36%.

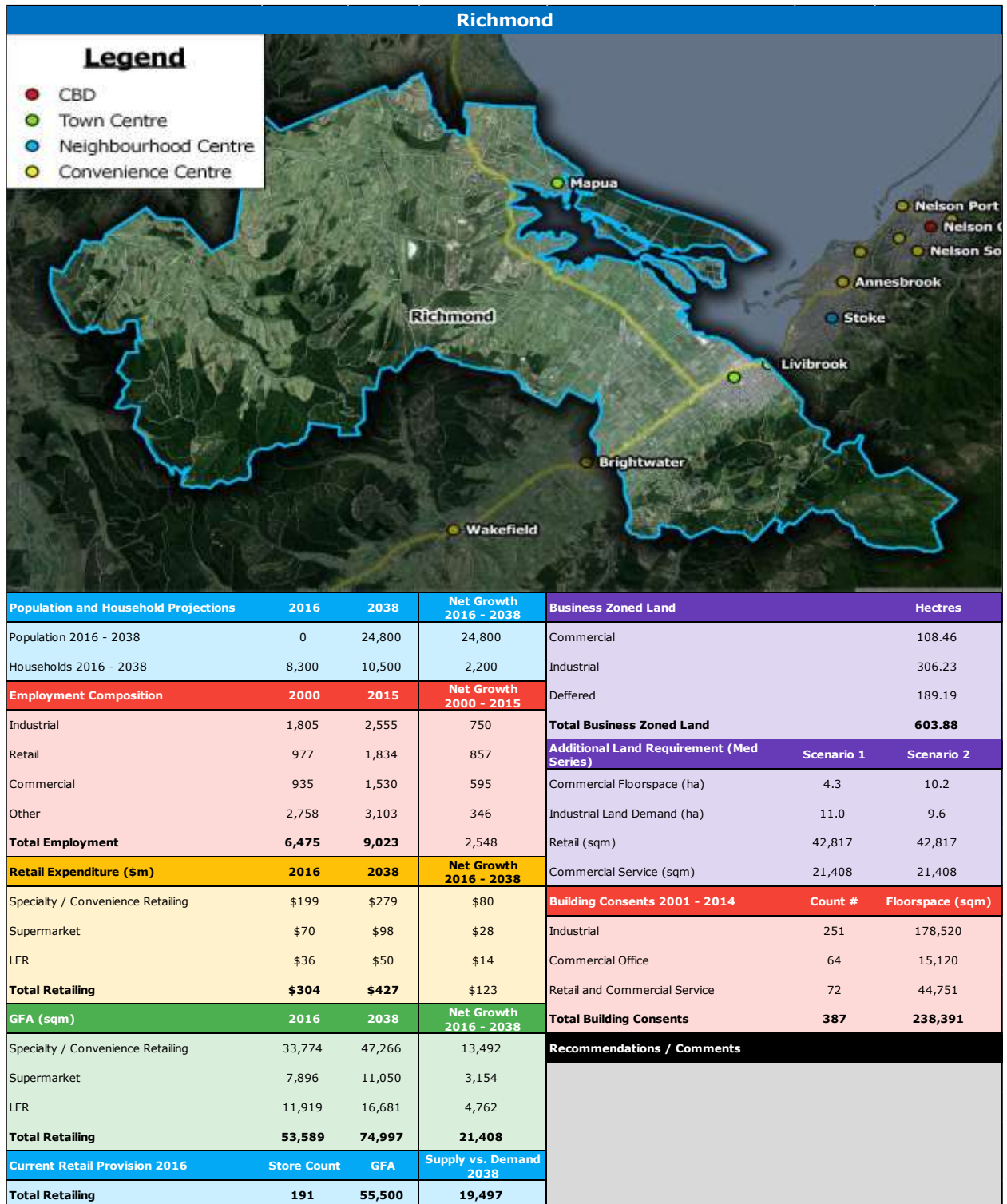
### **Total Land Requirements**

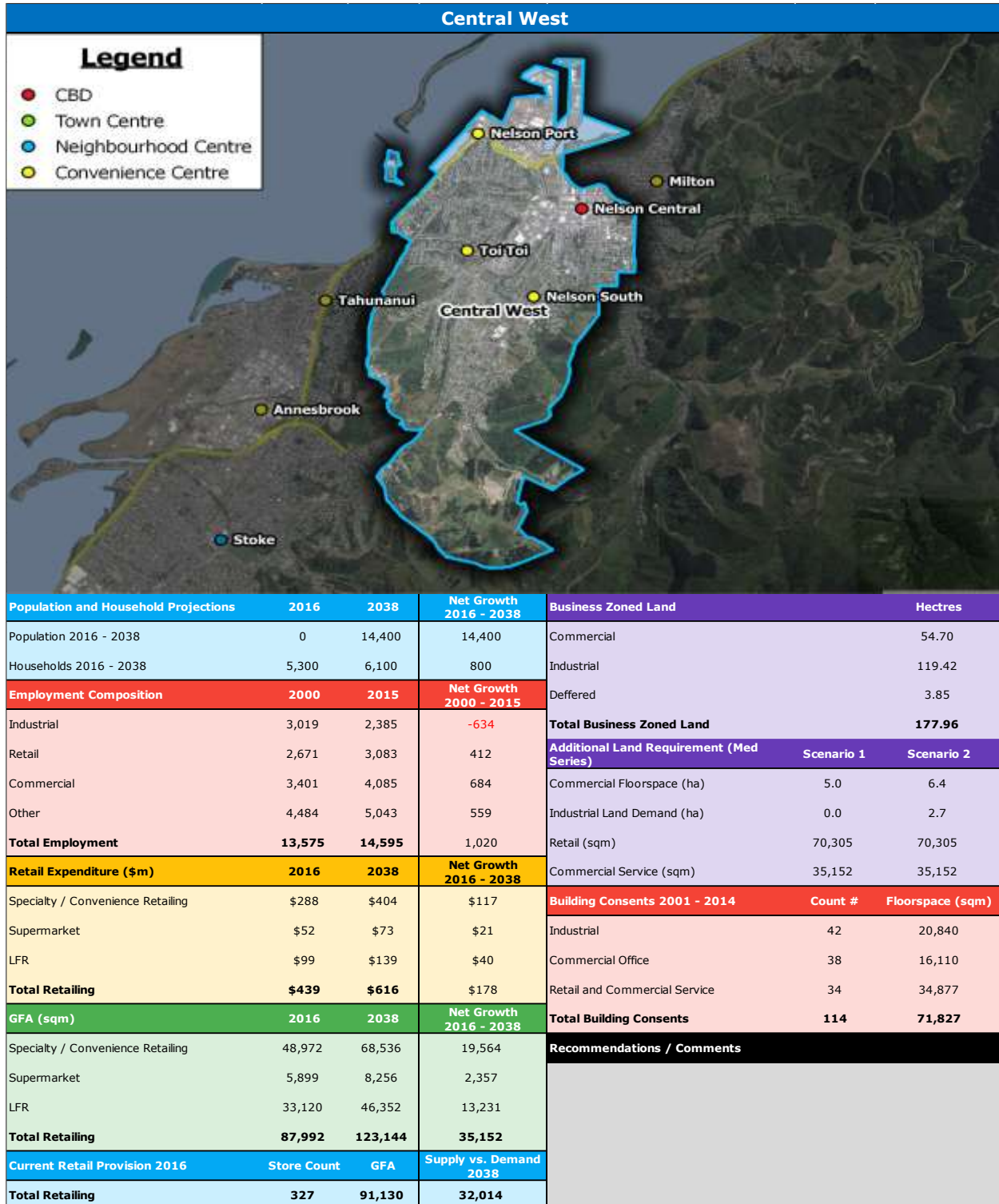
Due to the undesirable growth distribution that arises under the Trended Proportional growth distribution scenario from an economic and functional perspective, the future land requirements under the zoned growth distribution approach is promoted as a more appropriate pathway forward. Under the high growth scenario, Richmond and Central West require the highest amount of business land in order to meet demand by 2038. Richmond accounts for over 30% of the total market requirement (26.3ha out of 83.3ha) with almost one third of future industrial activity being located within this settlement (10ha out of 33ha).

Central West represents just over 20% of total future business land requirements, accounting for 19ha. This settlement accounts for the majority of Nelson's Retail, Commercial services and Commercial office land requirements (over 60% across all sectors).

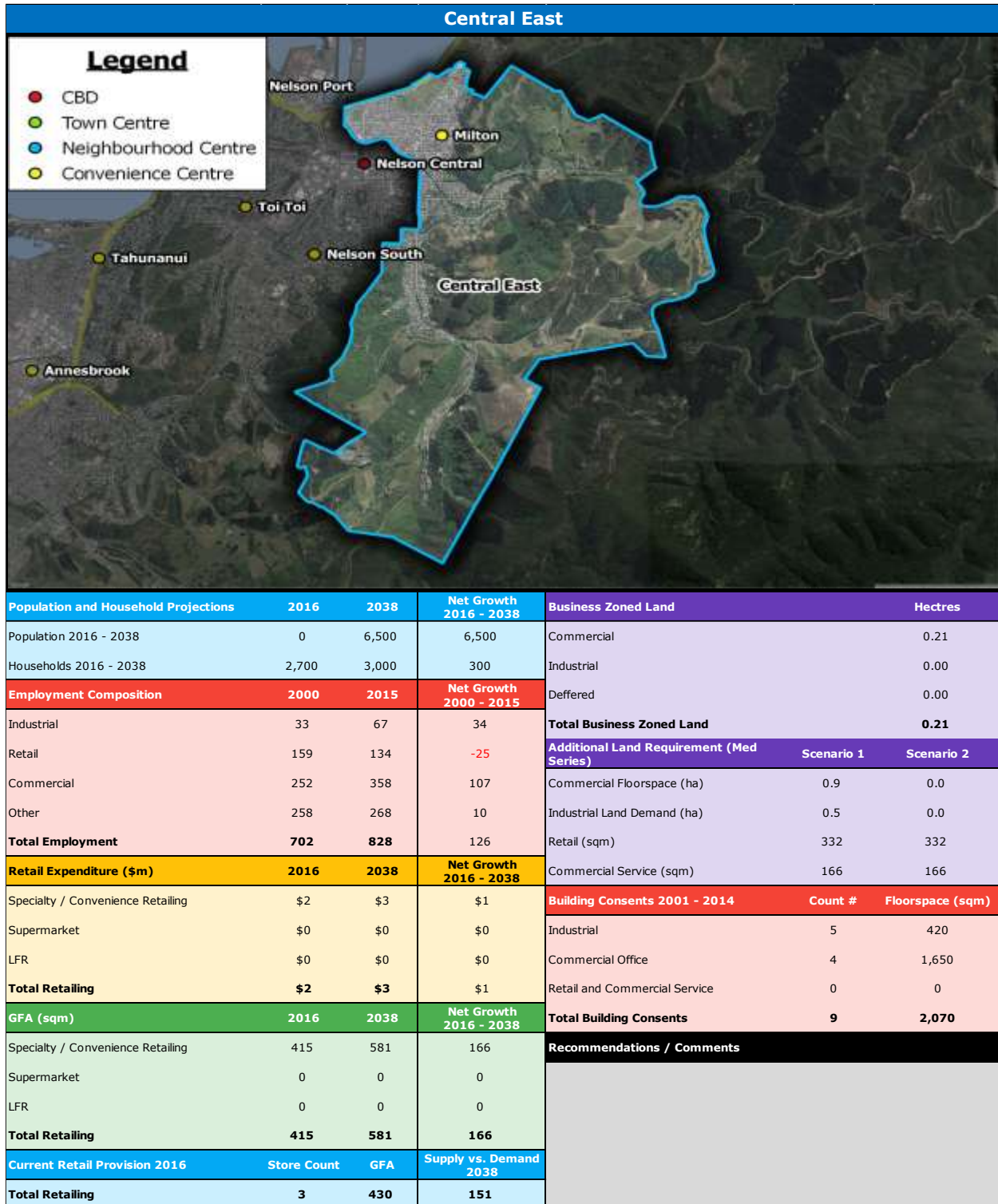
The balance of future land requirements is distributed between the other settlements with a weighting towards Motueka (9%) and Tahunanui (8%). These are comfortably met within the current business land provisions for the Tasman Nelson market.

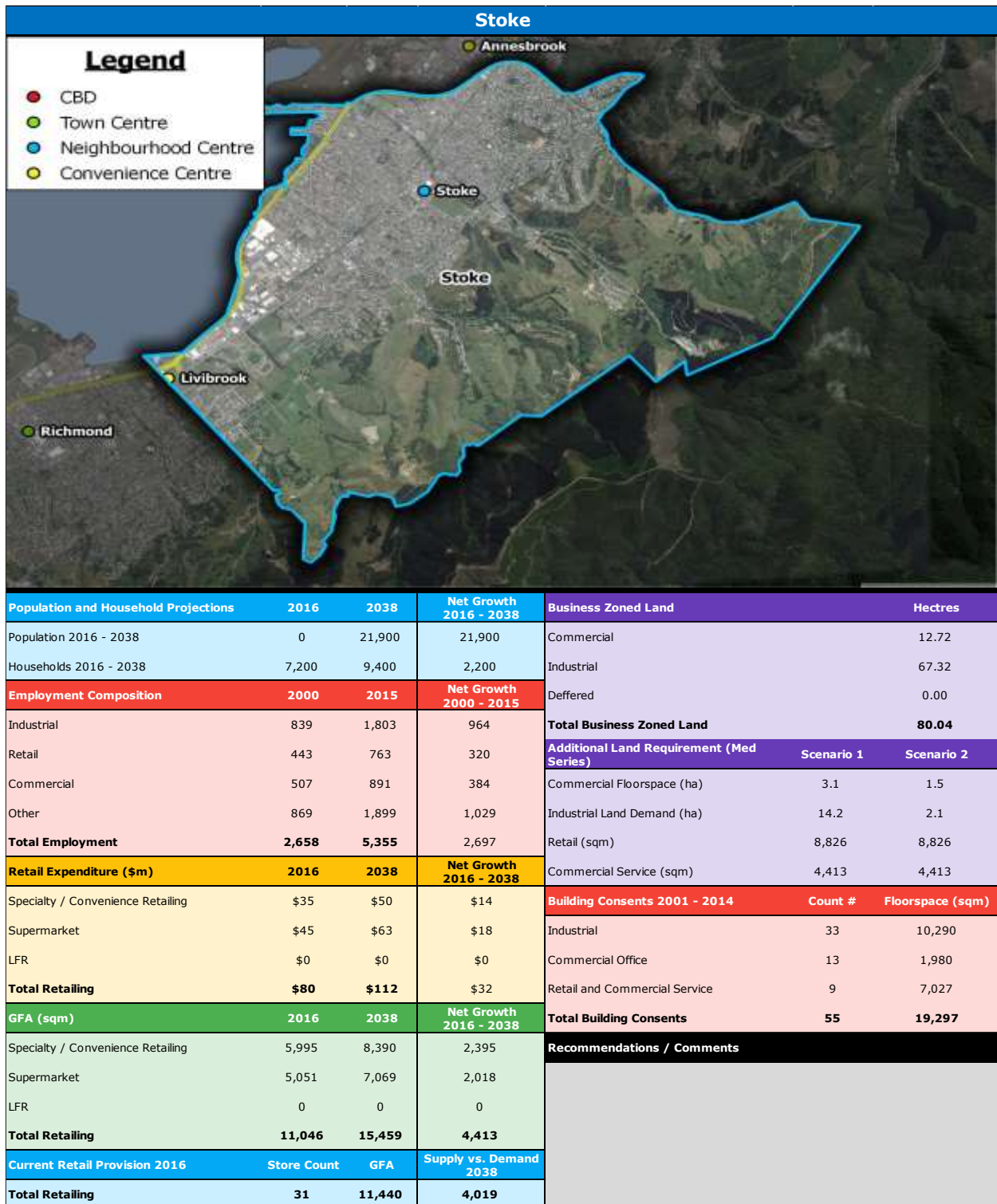
### 13.3. SETTLEMENT OVERVIEW

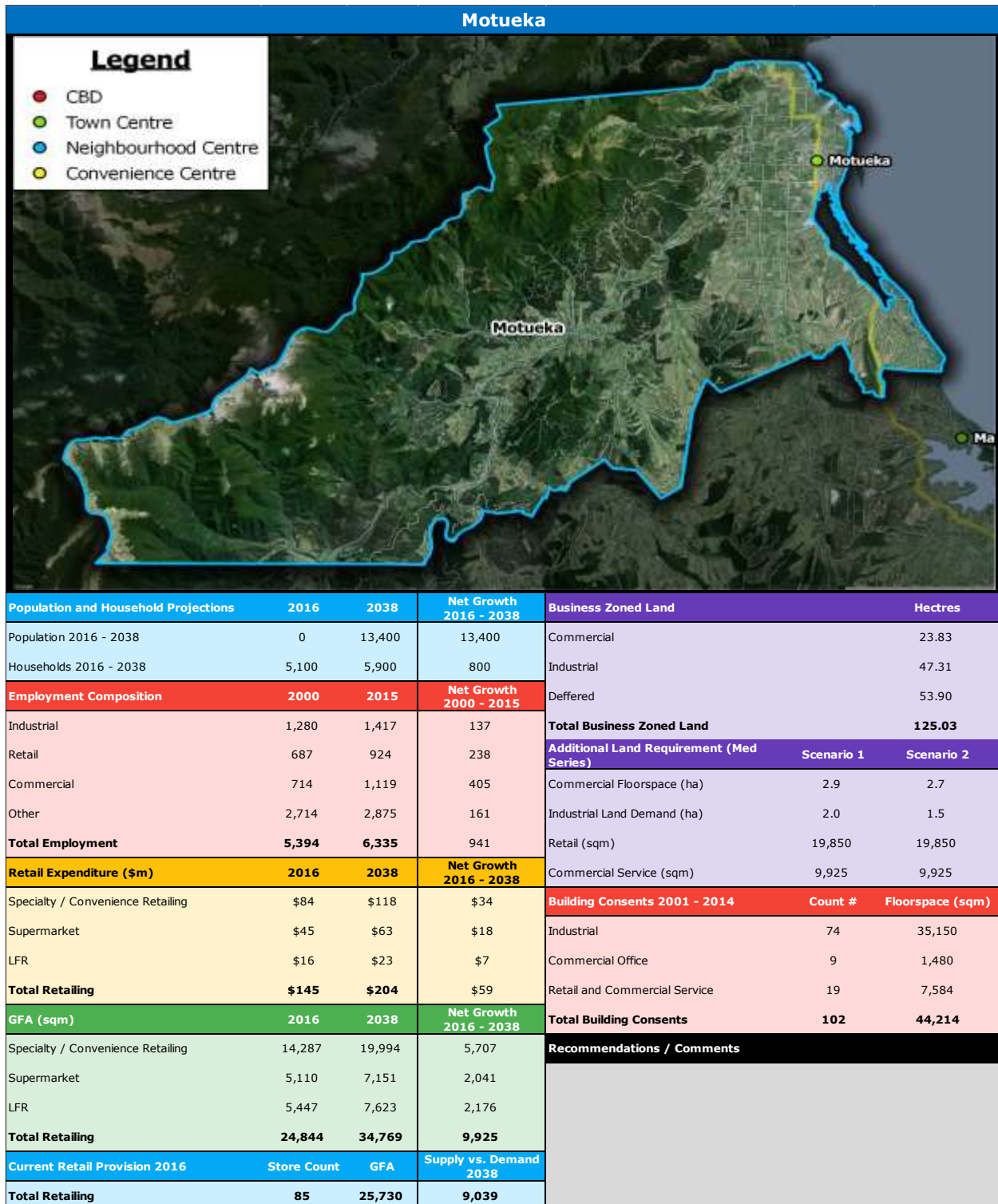




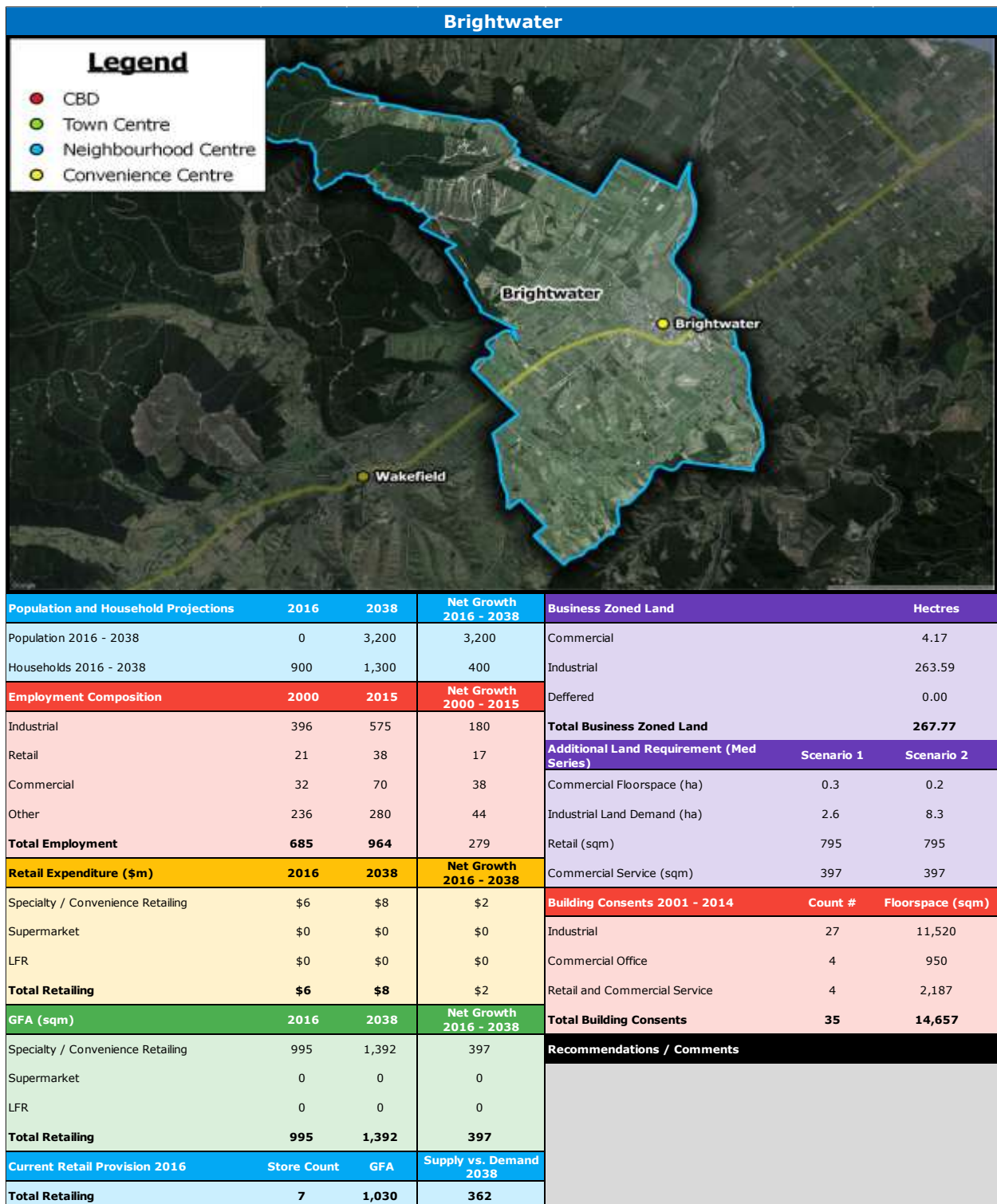




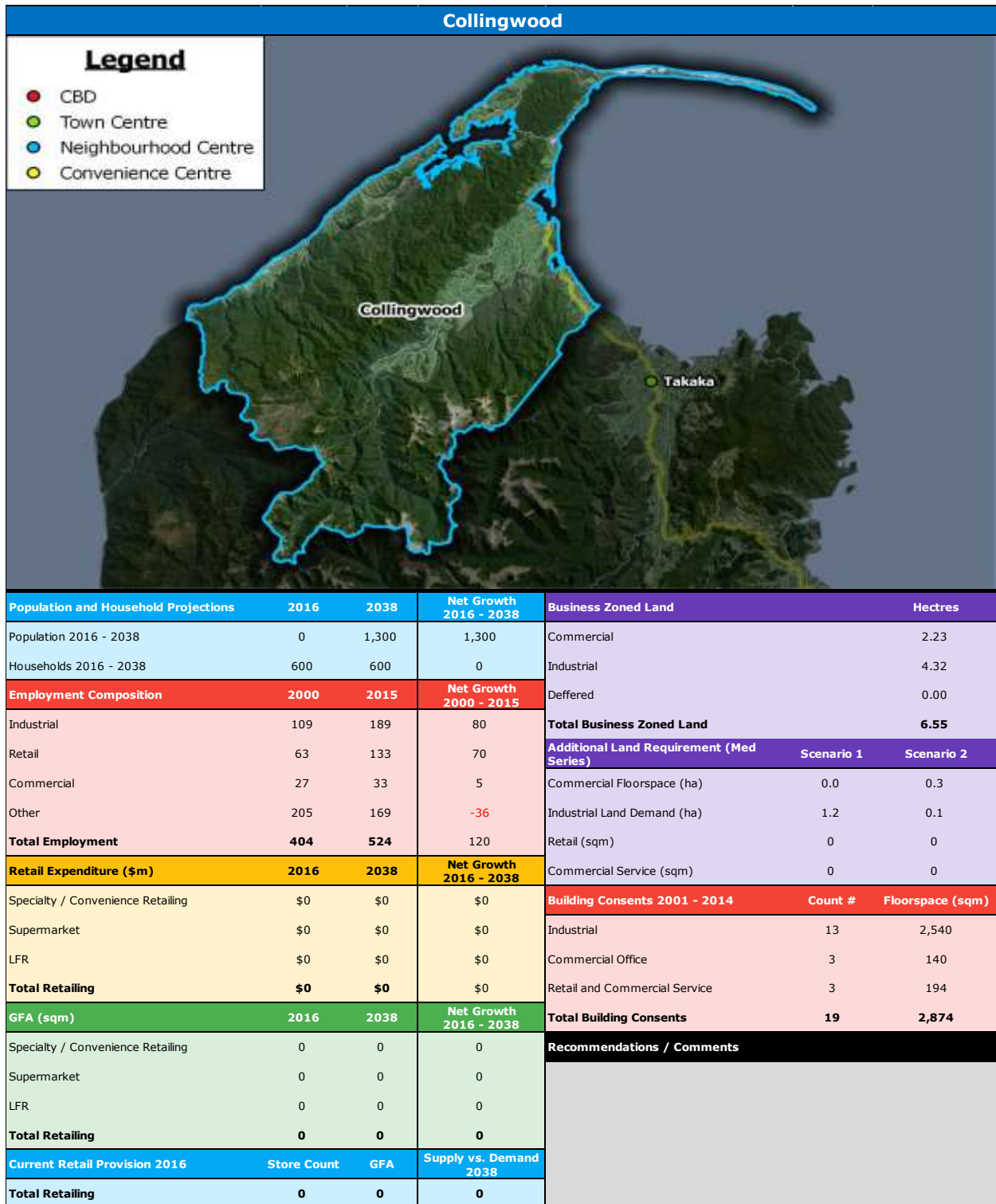






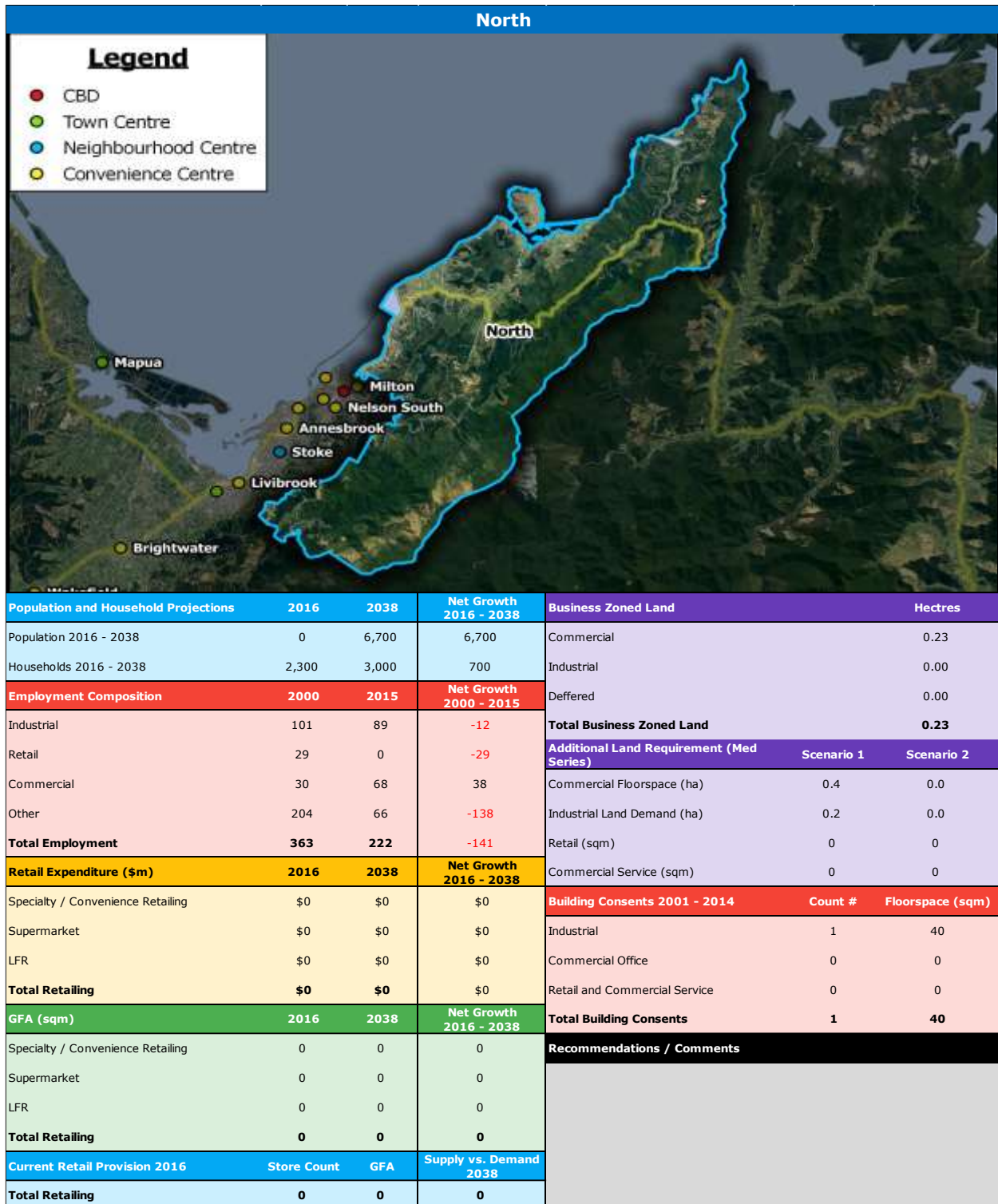


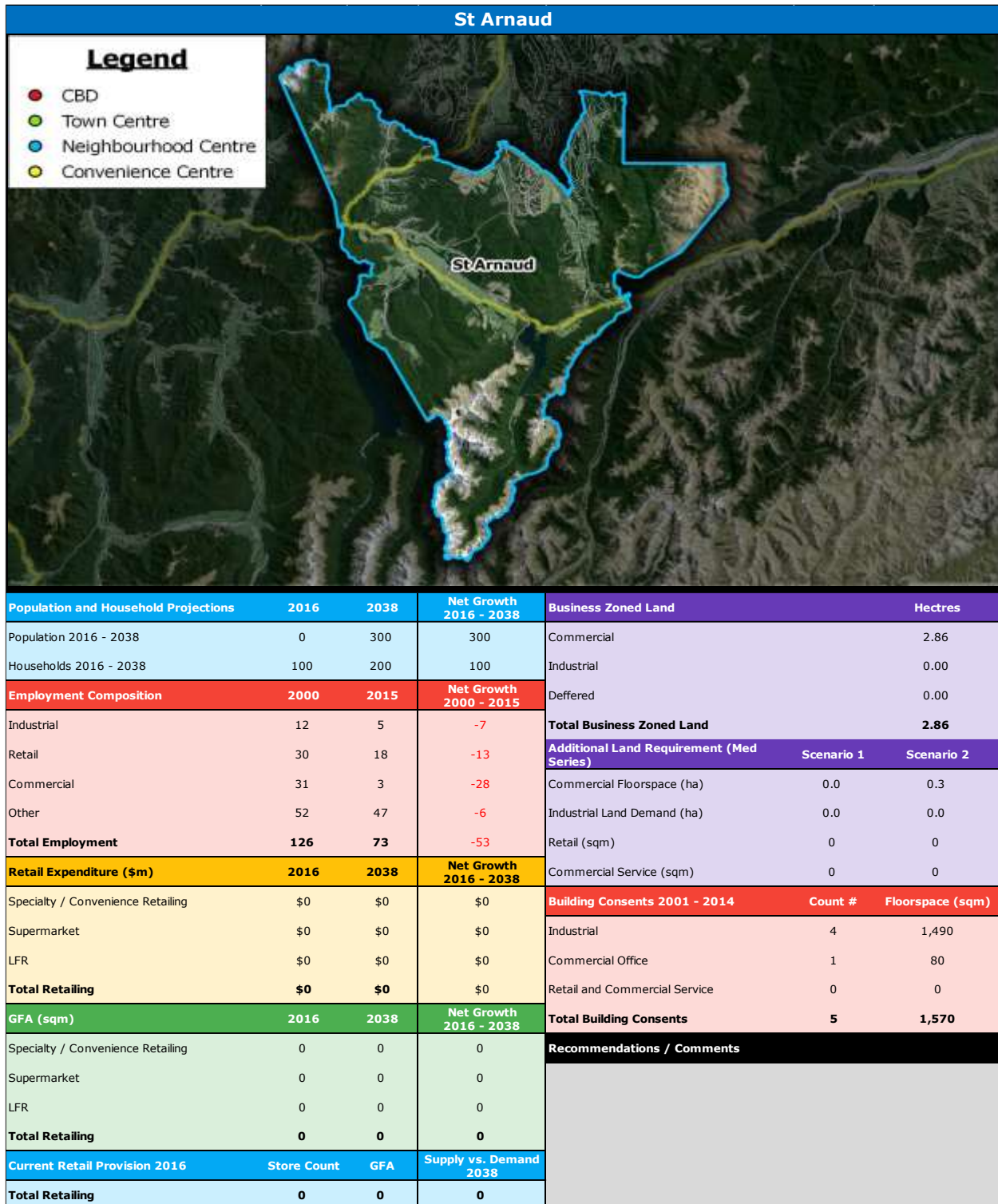




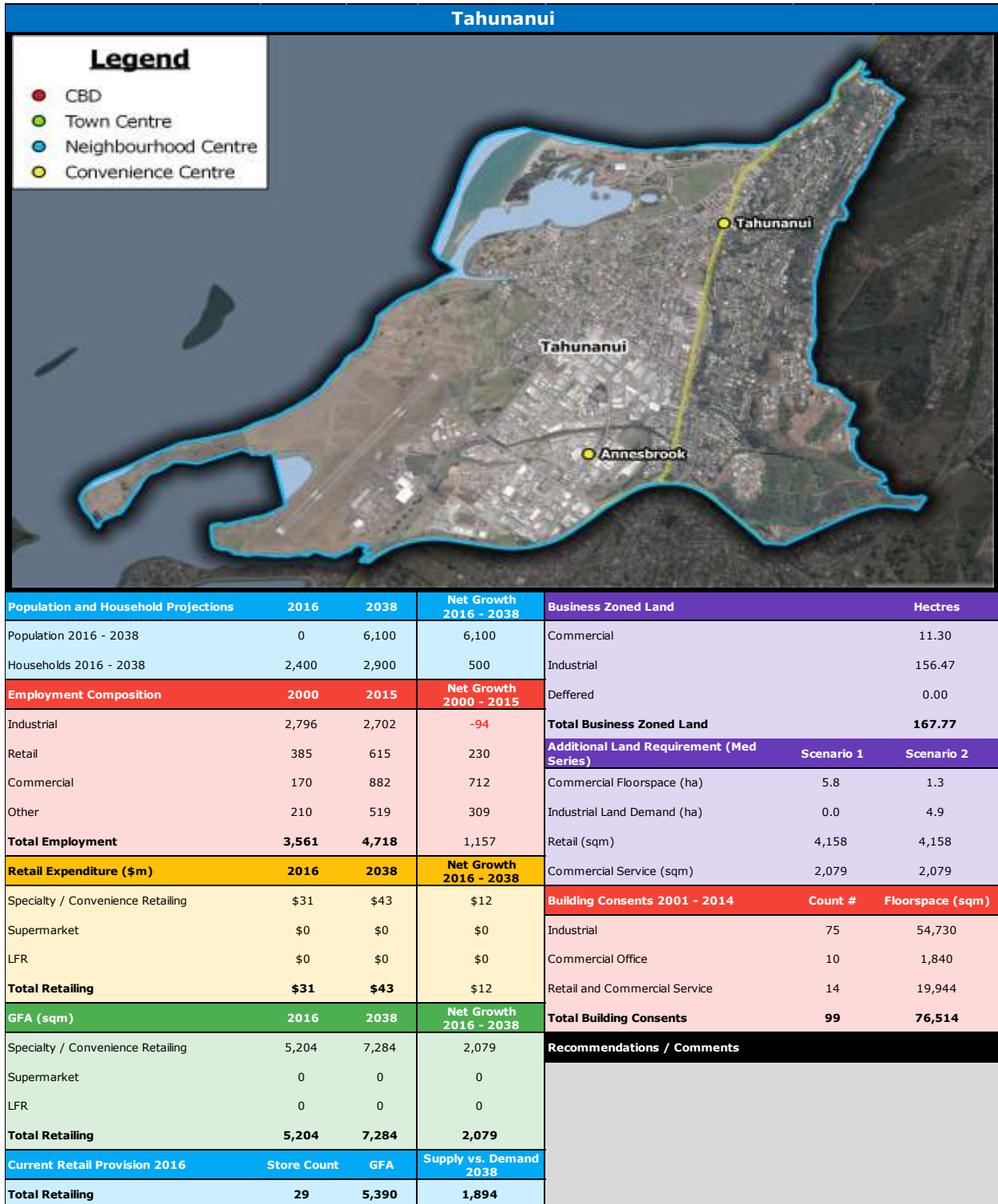


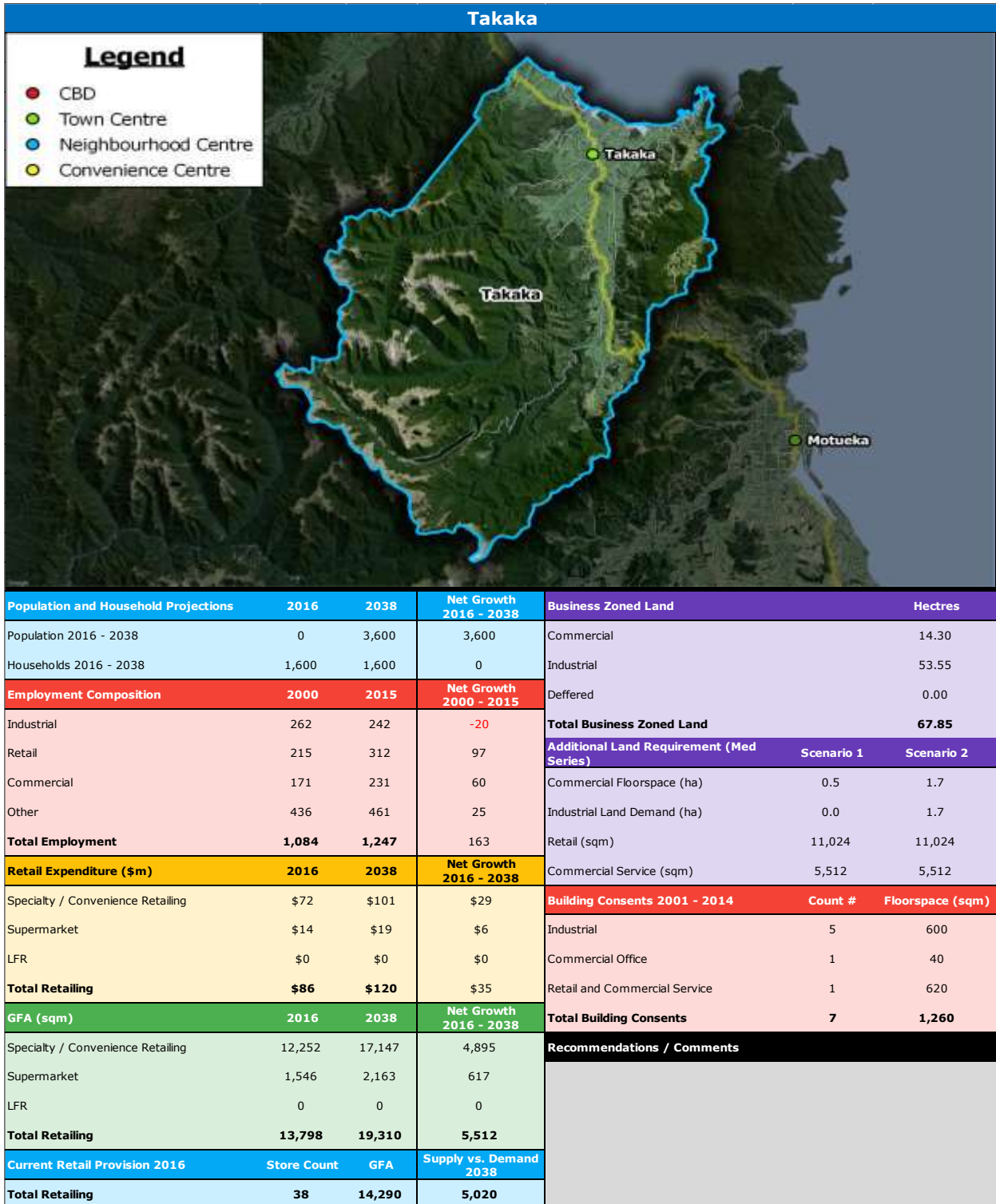
Murchison			
<b>Legend</b> ● CBD ● Town Centre ● Neighbourhood Centre ● Convenience Centre			
<b>Population and Household Projections</b>	<b>2016</b>	<b>2038</b>	<b>Net Growth 2016 - 2038</b>
Population 2016 - 2038	0	900	900
Households 2016 - 2038	400	400	0
<b>Employment Composition</b>	<b>2000</b>	<b>2015</b>	<b>Net Growth 2000 - 2015</b>
Industrial	27	65	38
Retail	109	106	-3
Commercial	29	15	-14
Other	126	129	3
<b>Total Employment</b>	<b>291</b>	<b>315</b>	<b>24</b>
<b>Retail Expenditure (\$m)</b>	<b>2016</b>	<b>2038</b>	<b>Net Growth 2016 - 2038</b>
Specialty / Convenience Retailing	\$0	\$0	\$0
Supermarket	\$0	\$0	\$0
LFR	\$0	\$0	\$0
<b>Total Retailing</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>GFA (sqm)</b>	<b>2016</b>	<b>2038</b>	<b>Net Growth 2016 - 2038</b>
Specialty / Convenience Retailing	0	0	0
Supermarket	0	0	0
LFR	0	0	0
<b>Total Retailing</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Current Retail Provision 2016</b>	<b>Store Count</b>	<b>GFA</b>	<b>Supply vs. Demand 2038</b>
<b>Total Retailing</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Business Zoned Land</b>			
			<b>Hectres</b>
Commercial			6.83
Industrial			19.37
Deffered			0.00
<b>Total Business Zoned Land</b>			<b>26.20</b>
<b>Additional Land Requirement (Med Series)</b>			
			<b>Scenario 1</b>
			<b>Scenario 2</b>
Commercial Floorspace (ha)			0.0
Industrial Land Demand (ha)			0.6
Retail (sqm)			0
Commercial Service (sqm)			0
<b>Building Consents 2001 - 2014</b>			
		<b>Count #</b>	<b>Floorspace (sqm)</b>
Industrial		10	850
Commercial Office		1	290
Retail and Commercial Service		1	198
<b>Total Building Consents</b>		<b>12</b>	<b>1,338</b>
<b>Recommendations / Comments</b>			

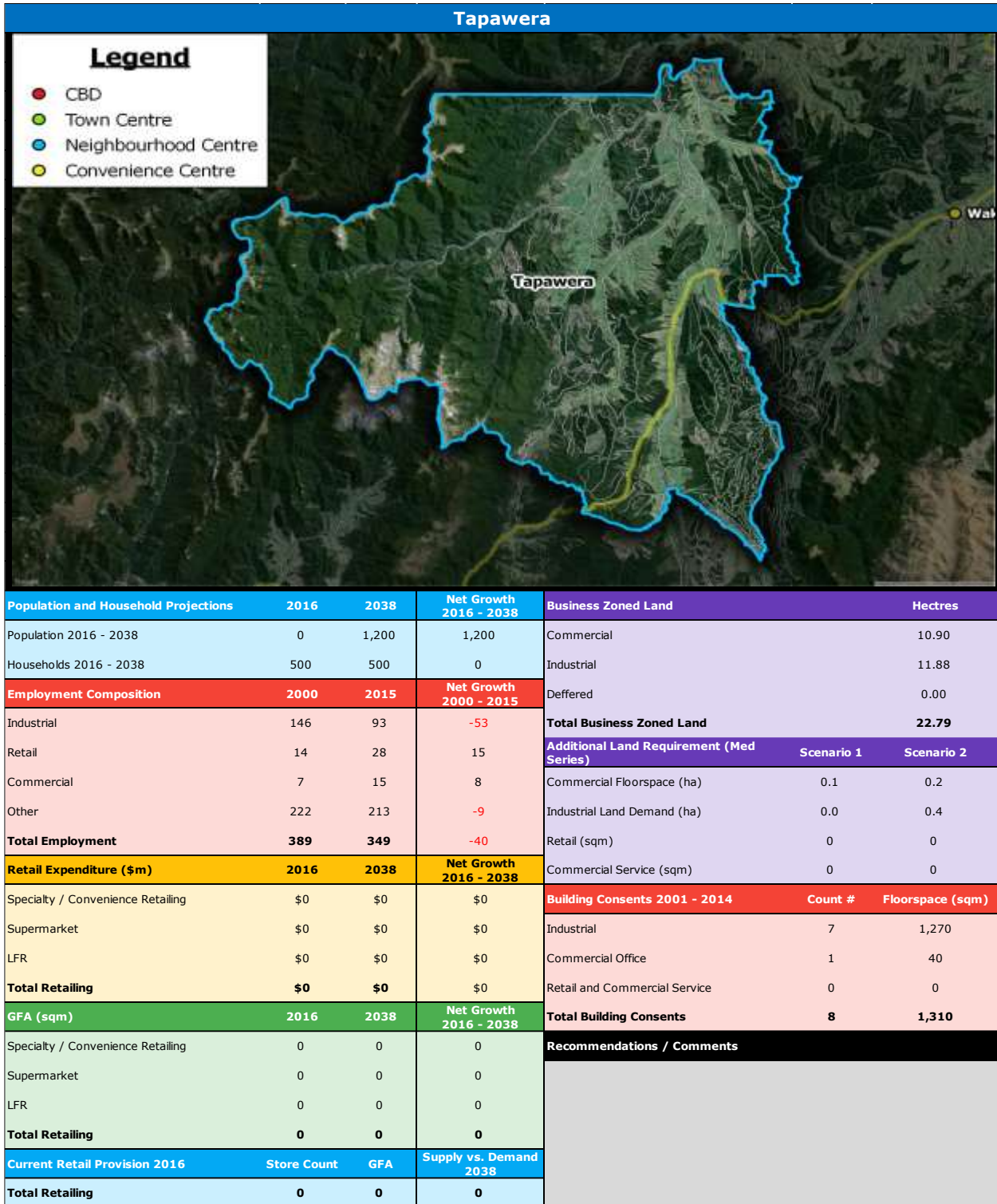




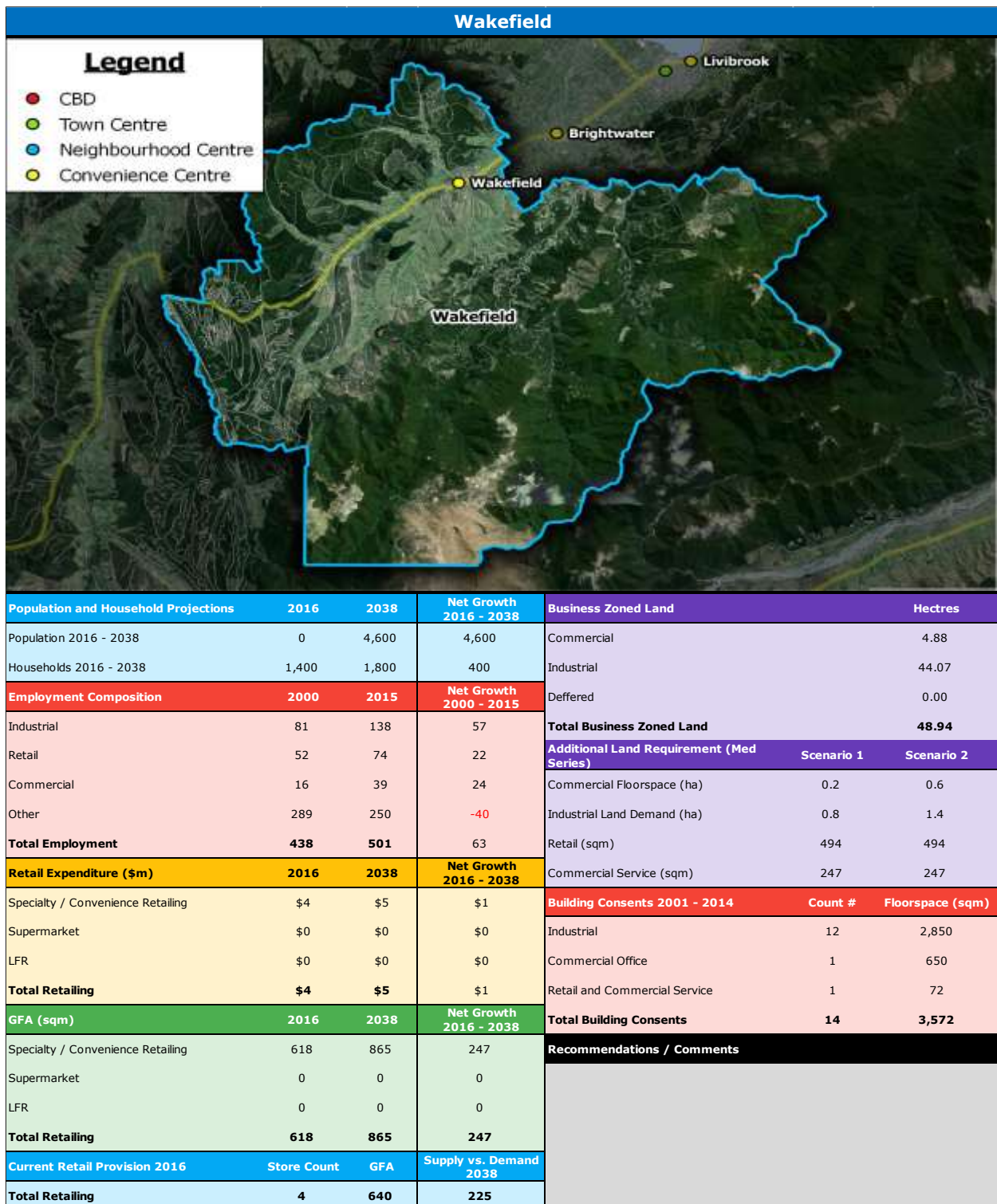






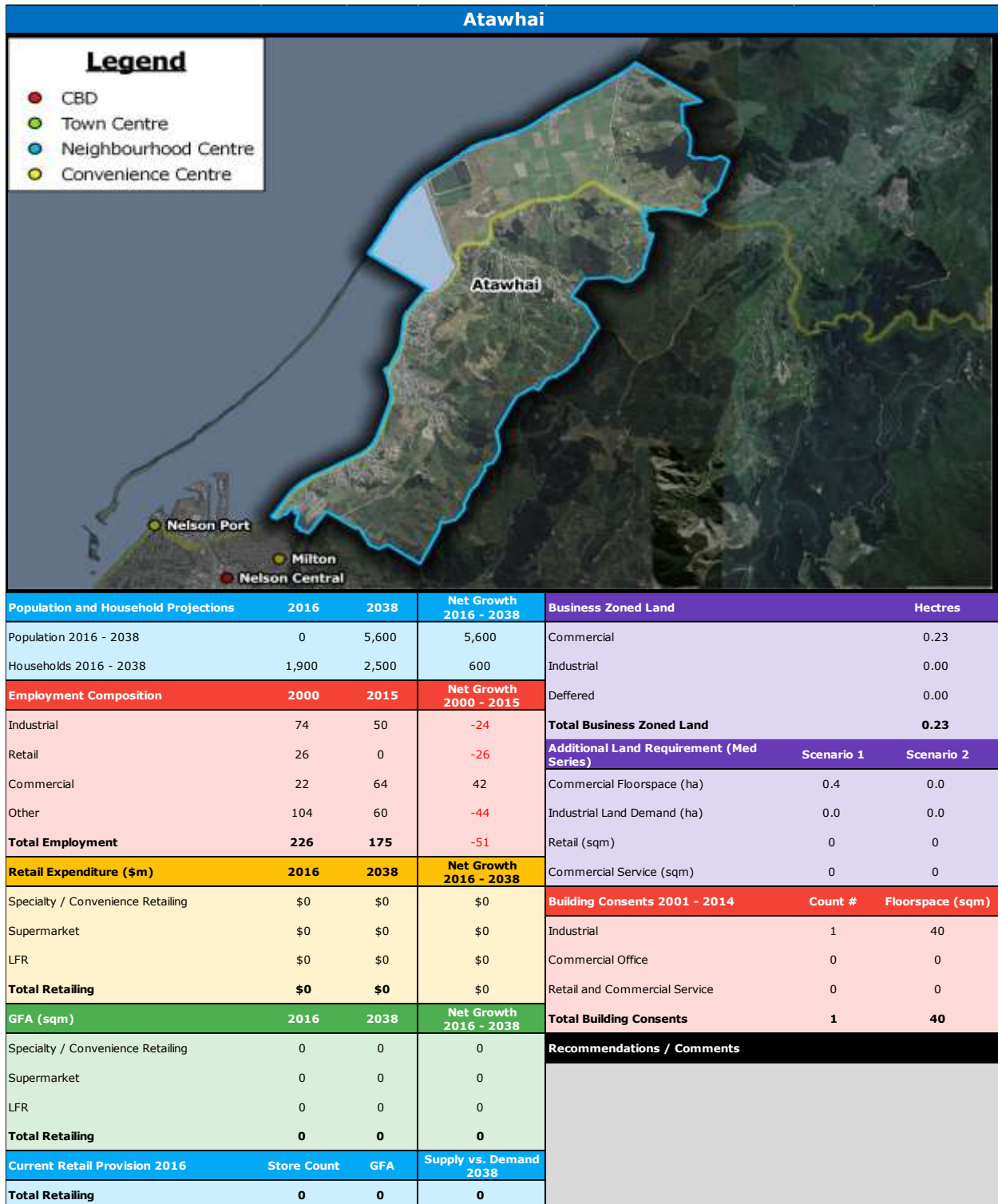








Kaiteriteri						
<b>Legend</b>						
●	CBD					
●	Town Centre					
●	Neighbourhood Centre					
●	Convenience Centre					
<b>Population and Household Projections</b>		2016	2038	Net Growth 2016 - 2038	<b>Business Zoned Land</b>	
Population 2016 - 2038		0	1,100	1,100	Hectres	
Households 2016 - 2038		400	500	100	Commercial	46.94
<b>Employment Composition</b>		2000	2015	Net Growth 2000 - 2015	Industrial	0.00
Industrial		41	56	15	Deffered	3.67
Retail		114	185	71	<b>Total Business Zoned Land</b>	
Commercial		62	65	3	<b>50.61</b>	
Other		159	204	45	<b>Additional Land Requirement (Med Series)</b>	
<b>Total Employment</b>		<b>375</b>	<b>510</b>	<b>135</b>	Commercial Floorspace (ha)	Scenario 1: 0.0, Scenario 2: 0.1
<b>Retail Expenditure (\$m)</b>		2016	2038	Net Growth 2016 - 2038	Industrial Land Demand (ha)	0.2, 0.0
Specialty / Convenience Retailing		\$0	\$0	\$0	Retail (sqm)	0, 0
Supermarket		\$0	\$0	\$0	Commercial Service (sqm)	0, 0
LFR		\$0	\$0	\$0	<b>Building Consents 2001 - 2014</b>	
<b>Total Retailing</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	Count #	Floorspace (sqm)
<b>GFA (sqm)</b>		2016	2038	Net Growth 2016 - 2038	Industrial	4, 330
Specialty / Convenience Retailing		0	0	0	Commercial Office	2, 260
Supermarket		0	0	0	Retail and Commercial Service	2, 625
LFR		0	0	0	<b>Total Building Consents</b>	<b>8, 1,215</b>
<b>Total Retailing</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>Recommendations / Comments</b>	
<b>Current Retail Provision 2016</b>		Store Count	GFA	Supply vs. Demand 2038		
<b>Total Retailing</b>		<b>0</b>	<b>0</b>	<b>0</b>		

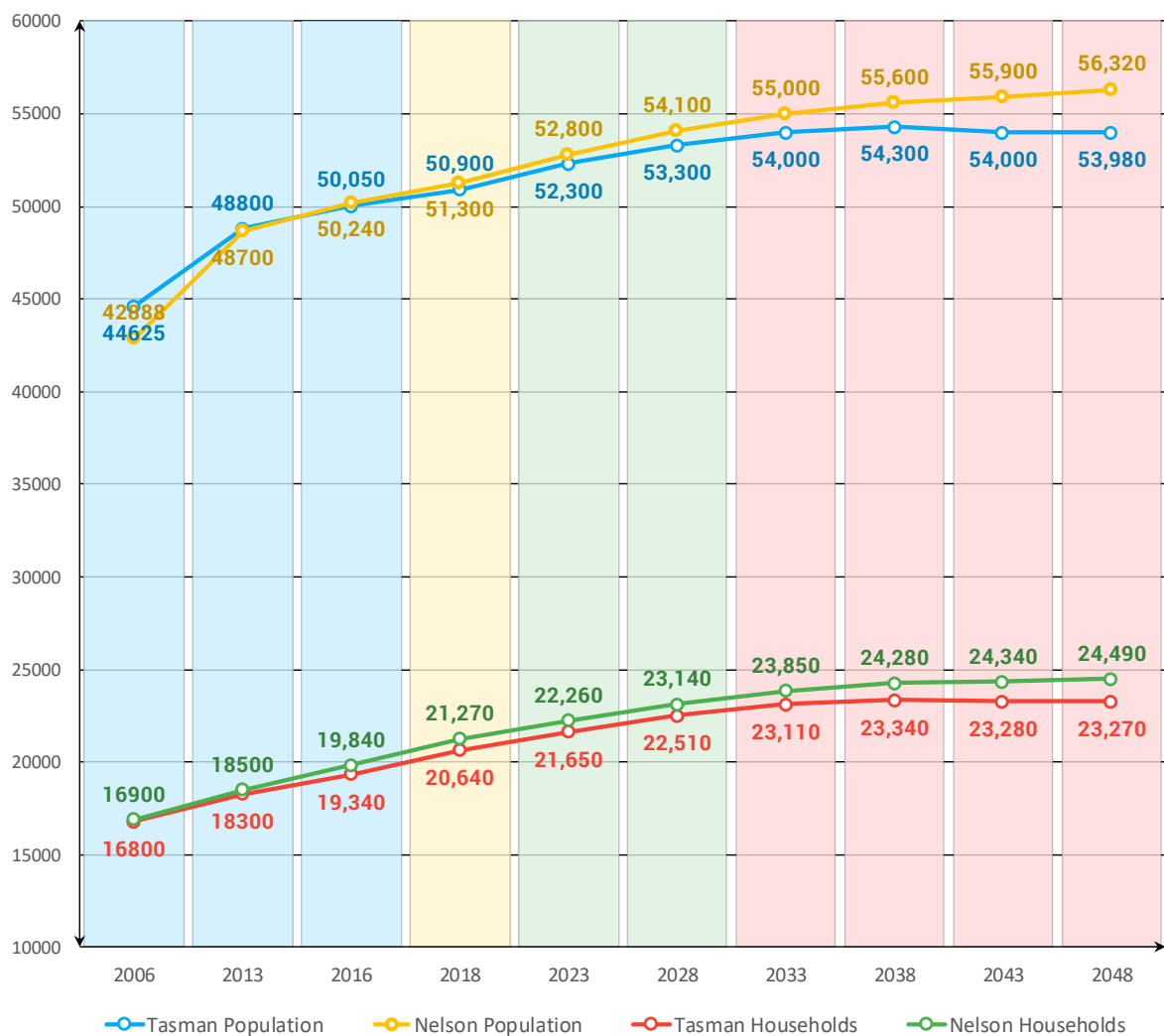


## 14. POST 2038 GROWTH FORECAST IMPLICATIONS

This section of the report extends the population and household forecasts and assesses the extended term land requirements for business land over the years of 2038 - 2048. These projections have been based on the Statistics New Zealand subnational medium series population projections and growth trends of the Tasman District and Nelson City territorial authority forecasts to extend beyond the Statistics New Zealand projection period. These projections are considered a distant planning horizon to provide indicative guidance on implications only.

Figure 27 illustrates these projections as well as household counts for the two territorial authorities.

FIGURE 27: LONG TERM POPULATION AND HOUSEHOLD PROJECTIONS



Source: Property Economics

Overall population and household growth is estimated to stagnate somewhat from 2038-2048 at this stage, with net population growth equating to less than 400 people or less than 1% growth over the 2038 – 2048 period. The Tasman District is forecast to decrease slightly in population and households over the period, albeit at a negligible quantum nominally.

This trend of stagnating (or potentially decreasing marginally) in the extended term is not a phenomenon isolated to the Tasman and Nelson territorial authorities but one expected to be experienced by a number of districts and cities throughout New Zealand in the long term. This is largely, but not exclusively, due to the trend of peoples wanting to live in more urban and populous city environments for either educational, employment or lifestyle purposes, where the benefits of business and population clustering are more evident and population numbers have reached a critical mass to grow at a self-sustaining rate.

In terms of its effects on on-the-ground business land requirements in Tasman Nelson, a change of 300 additional people equates to no consequential change the business employment or GFA requirement post 2038. This level of population and any subsequent employment changes have negligible implications for longer term planning purposes (post 2038) as they would fall within the margin of error of the 2038 projections.

In general, Property Economics consider it is sufficient and appropriate to adopt the 2038 business land demand projections for extended term planning purposes given the projected future growth in the market, and the conclusions formed in this report for 2038 are likely to remain valid out to 2048 given the negligible growth impact of the 2038-2048 period.



## APPENDIX 1: DEMOGRAPHIC PROFILING

		Tasman	Nelson	New Zealand
GENERAL	Population	50,049	50,244	4,558,393
	Households	19,340	19,840	1,764,065
	Person Per Dwelling Ratio	2.59	2.53	2.58
AGE PROFILE	0-4 Years	6%	6%	7%
	5-9 Years	7%	6%	7%
	10-14 Years	7%	6%	7%
	15-19 Years	6%	6%	7%
	20-24 Years	4%	5%	7%
	25-29 Years	4%	5%	6%
	30-34 Years	4%	5%	6%
	35-39 Years	6%	6%	6%
	40-44 Years	8%	7%	7%
	45-49 Years	8%	7%	7%
	50-54 Years	8%	8%	7%
	55-59 Years	8%	7%	6%
	60-64 Years	7%	6%	5%
65 years and Over	18%	18%	14%	
HOUSEHOLD INCOME	\$20,000 or Less	11%	12%	11%
	\$20,001-\$30,000	14%	14%	11%
	\$30,001-\$50,000	22%	21%	18%
	\$50,001-\$70,000	17%	16%	15%
	\$70,001-\$100,000	18%	18%	18%
	\$100,001 or More	18%	19%	28%
	PERSONAL INCOME	\$5,000 or Less	12%	12%
\$5,001-\$10,000		5%	5%	5%
\$10,001-\$20,000		22%	21%	18%
\$20,001-\$30,000		17%	17%	14%
\$30,001-\$50,000		22%	23%	21%
\$50,001 or More		21%	22%	27%
ETHNICITY	European Ethnic Groups	87%	83%	67%
	Māori Ethnic Group	7%	9%	13%
	Pacific Peoples' Ethnic Groups	1%	2%	7%
	Asian Ethnic Groups	2%	4%	11%
	MELAA Ethnic Groups	0%	0%	1%
	Other Ethnic Groups	2%	2%	2%
QUALIFICATION ATTAINMENT	No Qualification	23%	22%	21%
	Level 1 Certificate	15%	14%	13%
	Level 2 Certificate	12%	11%	11%
	Level 3 Certificate	7%	7%	10%
	Level 4 Certificate	13%	11%	10%
	Level 5 or Level 6 Diploma	11%	11%	9%
	Bachelor Degree and Level 7 Qualification	10%	12%	14%
	Postgraduate and Honours Degrees	3%	3%	3%
	Masters Degree	2%	2%	3%
	Doctorate Degree	1%	1%	1%
	Overseas Secondary School Qualification	5%	5%	7%

		Tasman	Nelson	New Zealand
<b>EMPLOYMENT NT</b>	Employed - Full Time	47%	45%	48%
	Employed - Part Time	17%	17%	14%
	Unemployed	3%	4%	5%
	Not in Labour Force	33%	34%	33%
<b>EMPLOYMENT CLASSIFICATION</b>	Managers	21%	15%	19%
	Professionals	17%	22%	23%
	Technicians and Trades Workers	12%	13%	12%
	Community and Personal Service Workers	8%	10%	9%
	Clerical and Administrative Workers	10%	11%	12%
	Sales Workers	8%	10%	9%
	Machinery Operators and Drivers	6%	5%	5%
	Labourers	18%	13%	11%
<b>STUDENT RATIO</b>	Full Time	7%	8%	11%
	Part Time	4%	4%	4%
	Full-time and Part-time Study	0%	0%	0%
	Not Studying	90%	88%	85%
<b>HOUSEHOLD INCOME SOURCES</b>	Wages, Salary, Commissions, Bonu	65%	67%	69%
	Self-employment or Business	29%	22%	22%
	Interest, Dividends, Rent, Other Inv	33%	32%	27%
	Payments from a Work Accident Ins	2%	2%	2%
	NZ Superannuation or Veterans Pe	26%	25%	22%
	Other Super., Pensions, Annuities	5%	6%	4%
	Unemployment Benefit	2%	3%	4%
	Sickness Benefit	3%	3%	3%
	Domestic Purposes Benefit	4%	5%	4%
	Invalids Benefit	2%	3%	3%
	Student Allowance	2%	3%	4%
	Other Govt Benefits, Payments or P	6%	7%	6%
	Other Sources of Income	2%	2%	3%
	No Source of Income During That Ti	0%	0%	1%
<b>INDUSTRY OF EMPLOYMENT</b>	Agriculture, Forestry and Fishing	19%	4%	7%
	Mining	0%	0%	0%
	Manufacturing	11%	11%	10%
	Electricity, Gas, Water and Waste S	0%	0%	1%
	Construction	9%	8%	8%
	Wholesale Trade	3%	4%	5%
	Retail Trade	10%	12%	10%
	Accommodation and Food Services	6%	7%	6%
	Transport, Postal and Warehousing	4%	5%	4%
	Information Media and Telecommur	1%	1%	2%
	Financial and Insurance Services	2%	2%	4%
	Rental, Hiring and Real Estate Servi	3%	3%	2%
	Professional, Scientific and Technica	6%	9%	9%
	Administrative and Support Service:	3%	3%	3%
	Public Administration and Safety	2%	3%	5%
	Education and Training	7%	8%	8%
	Health Care and Social Assistance	8%	14%	10%
	Arts and Recreation Services	2%	2%	2%
	Other Services	4%	4%	4%

		Tasman	Nelson	New Zealand
<b>HOUSEHOLDS</b>	Single	23%	27%	23%
	Couple	36%	32%	29%
	Single Parent With Children	10%	12%	13%
	Two Parent Family	29%	25%	30%
	Other Multi-person	2%	4%	5%
<b>NUMBER OF RESIDENTS</b>	1 Residents	23%	26%	23%
	2 Residents	40%	38%	34%
	3 Residents	15%	15%	16%
	4 Residents	14%	13%	15%
	5 Residents	6%	5%	7%
	6 Residents	2%	1%	3%
	7 Residents	0%	1%	1%
	8 Plus Residents	0%	0%	1%
<b>HOME OWNERSHIP</b>	Dwelling Owned or Partly Owned	59%	55%	50%
	Dwelling Not Owned and Not Held in a Trust	25%	32%	35%
	Dwelling Held in a Family Trust	17%	14%	15%
<b>YEARS AT RESIDENCE</b>	0 Years	19%	23%	22%
	1-4 Years	29%	32%	30%
	5-9 Years	22%	19%	21%
	10-14 Years	13%	11%	11%
	15-29 Years	13%	12%	11%
	30 Years or More	5%	4%	5%
<b>NUMBER OF BEDROOMS</b>	One Bedroom	6%	5%	6%
	Two Bedrooms	16%	24%	19%
	Three Bedrooms	45%	45%	45%
	Four Bedrooms	25%	21%	23%
	Five Bedrooms	6%	4%	6%
	Six Bedrooms	1%	0%	1%
	Seven Bedrooms	0%	0%	0%
	Eight or More Bedrooms	0%	0%	0%
<b>WEEKLY RENT PAID</b>	Under \$100	5%	11%	9%
	\$100-\$149	12%	7%	7%
	\$150-\$199	11%	8%	8%
	\$200-\$249	11%	11%	10%
	\$250-\$299	17%	18%	13%
	\$300-\$349	16%	17%	14%
	\$350 and Over	28%	28%	39%

## APPENDIX 2: PROPERTY ECONOMICS RETAIL MODEL

This overview outlines the methodology that has been used to estimate retail spend generated at Census Area Unit (CAU) level for the identified catchment out to 2038.

### CAU 2013 Boundaries

All analysis has been based on Census Area Unit 2013 boundaries, the most recent available.

### Permanent Private Households (PPH) 2013

These are the total Occupied Households as determined by the Census 2013. PPHs are the primary basis of retail spend generation and account for approximately 71% of all retail sales. PPHs have regard for (exclude) the proportion of dwellings that are vacant at any one time in a locality, which can vary significantly, and in this respect account for the movement of some domestic tourists.

### Permanent Private Household Forecasts 2006-2038

These are based on Statistics NZ Census Area Unit (CAU) Medium Series Population Growth Projections and have been adjusted to account for residential building consent activity occurring between 2006 and 2015, with this extrapolated to the year of concern. This accounts for recent building activity, particularly important for the 5-10 year forecasts, and effectively updates Statistics NZ projections to reflect recent trends.

### International Tourist Spend

The total international tourism retail spend has been derived from the Ministry of Economic Development Tourism Strategy Group (MEDTSG) estimates nationally. This has been distributed regionally on a 'spend per employee' basis, using regional spend estimates prepared by the MEDTSG. Domestic and business based tourism spend is incorporated in the employee and PPH estimates. Employees are the preferred basis for distributing regional spend geo-spatially as tourists tend to gravitate toward areas of commercial activity, however they are very mobile.

### Total Tourist Spend Forecast

Growth is conservatively forecast in the model at 2% per annum for the 2015-2038 period.



## 2013-2038 PPH Average Household Retail Spend

This has been determined by analysing the national relationship between PPH average household income (by income bracket) as determined by the 2013 Census, and the average PPH expenditure of retail goods (by income bracket) as determined by the Household Economic Survey (HES) prepared by Statistics NZ.

While there are variables other than household income that will affect retail spending levels, such as wealth, access to retail, population age, household types and cultural preferences, the effects of these are not able to be assessed given data limitations, and have been excluded from these estimates.

### Real Retail Spend Growth (excl. trade based retailing)

Real retail spend growth has been factored in at 1% per annum. This accounts for the increasing wealth of the population and the subsequent increase in retail spend. The following explanation has been provided.

Retail Spend is an important factor in determining the level of retail activity and hence the 'sustainable amount' of retail floorspace for a given catchment. For the purposes of this outline 'retail' is defined by the following categories:

- Food Retailing
- Footwear
- Clothing and Softgoods
- Furniture and Floor coverings
- Appliance Retailing
- Chemist
- Department Stores
- Recreational Goods
- Cafes, Restaurants and Takeaways
- Personal and Household Services
- Other Stores.

These are the retail categories as currently defined by the ANZSIC codes (Australia New Zealand Standard Industry Classification).

Assessing the level and growth of retail spend is fundamental in planning for retail networking and land use within a regional network.

## Internet Retail Spend Growth

Internet retailing within New Zealand has seen significant growth over the last few decades. This growth has led to an increasing variety of business structures and retailing methods including; internet auctions, just-in-time retailing, online ordering, virtual stores, and etc.

As some of internet spend is being made to on-the-ground stores, a proportion of internet expenditure is being represented in the Statistics NZ Retail Trade Survey (RTS) while a large majority remain unrecorded. At the same time this expenditure is being recorded under the Household Economic Survey (HES) as a part of household retail spending, making the two datasets incompatible. For this reason, Property Economics has assumed a flat 5% adjustment percentage on HES retail expenditure, representing internet retailing that was never recorded within the RTS.

Additionally, growth of internet retailing for virtual stores, auctions and overseas stores is leading to a decrease in on-the-ground spend and floor space demand. In order to account for this, a non-linear percentage decrease of 2.5% in 2016 growing to 9% by 2038 has been applied to retail expenditure encompassing all retail categories in our retail model. These losses represent the retail diversion from on-the-ground stores to internet based retailing that will no longer contribute to retail floor space demand.

## Retail Spend Determinants

Retail Spend for a given area is determined by: the population, number of households, size and composition of households, income levels, available retail offer and real retail growth. Changes in any of these factors can have a significant impact on the available amount of retail spend generated by the area. The coefficient that determines the level of 'retail spend' that eventuates from these factors is the MPC (Marginal Propensity to Consume). This is how much people will spend of their income on retail items. The MPC is influenced by the amount of disposable and discretionary income people are able to access.

## Retail Spend Economic Variables

Income levels and household MPC are directly influenced by several macroeconomic variables that will alter the amount of spend. Real retail growth does not rely on the base determinants changing but a change in the financial and economic environment under which these determinants operate. These variables include:

**Interest Rates:** Changing interest rates has a direct impact upon households' discretionary income as a greater proportion of income is needed to finance debt and typically lowers general domestic business activity. Higher interest rates typically lower real retail growth.

**Government Policy (Spending):** Both Monetary and Fiscal Policy play a part in domestic retail spending. Fiscal policy, regarding government spending, has played a big part recently with government policy being blamed for inflationary spending. Higher government spending (targeting on consumer goods, direct and indirectly) typically increases the amount of nominal retail spend. Much of this spend does not, however, translate into floors pace since it is inflationary and only serves to drive up prices.

**Wealth/Equity/Debt:** This in the early-mid 2000s had a dramatic impact on the level of retail spending nationally. The increase in property prices has increased home owners unrealised equity in their properties. This has led to a significant increase in debt funded spending, with residents borrowing against this equity to fund consumable spending. This debt spending is a growth facet of New Zealand retail. In 1960 households saved 14.6% of their income, while households currently spend 14% more than their household income.

**Inflation:** As discussed above, this factor may increase the amount spent by consumers but typically does not dramatically influence the level of sustainable retail floor space. This is the reason that productivity levels are not adjusted but similarly inflation is factored out of retail spend assessments.

**Exchange Rate:** Apart from having a general influence over the national balance of payments accounts, the exchange rate directly influences retail spending. A change in the \$NZ influences the price of imports and therefore their quantity and the level of spend.

**General consumer confidence:** This indicator is important as consumers consider the future and the level of security/finances they will require over the coming year.

**Economic/Income growth:** Income growth has a similar impact to confidence. Although a large proportion of this growth may not impact upon households MPC (rather just increasing the income determinant) it does impact upon households discretionary spending and therefore likely retail spend.

**Mandatory Expenses:** The cost of goods and services that are necessary has an impact on the level of discretionary income that is available from a household's disposal income. Important factors include housing costs and oil prices. As these increase the level of household discretionary income drops reducing the likely real retail growth rate.

## **Current and Future Conditions**

Retail spend has experienced a significant real increase in the early-mid 2000s. This was due in large part to the increasing housing market. Although retail growth is tempered or crowded out in some part by the increased cost of housing it showed massive gains as home owners, prematurely, access their potential equity gains. This resulted in strong growth in debt / equity spending as residents borrow against capital gains to fund retail spending on consumption goods. A seemingly strong economy also influenced these recent spending trends, with decreased employment and greater job security producing an environment where households were more willing to accept debt.

Over the last 5 years this has now reversed with the worldwide GFC recession taken grip. As such, the economic environment has undergone rapid transformation. The national market is currently experiencing low interest rates (although expected to increase over this coming year) and a highly inflated \$NZ (increasing importing however disproportionately). Now emerging is a rebound in the property market and an increase in general business confidence as the economy starts to recover from the post-GFC hangover. These factors will continue to influence retail spending throughout the next 5 or so years. Given the previous years (pre-2008) substantial growth and high levels of debt repayment likely to be experienced by New Zealand households it is expected that real retail growth rates will continue to be subdued for the short term.

## **Impacts of Changing Retail Spend**

At this point in time a 1% real retail growth rate is being applied by Property Economics over the longer term 20-year period. This rate is highly volatile however and is likely to be in the order of 0.5% to 1% over the next 5 - 10 years rising to 1% - 2% over the more medium term as the economy stabilises and experiences cyclical growth. This would mean that it would be prudent in the shorter term to be conservative with regard to the level of sustainable retail floor space within given centres.

## **Business Spend 2013**

This is the total retail spend generated by businesses. This has been determined by subtracting PPH retail spend and Tourist retail spend from the Total Retail Sales as determined by the Retail Trade Survey (RTS) which is prepared by Statistics NZ. All categories are included with the exception of accommodation and automotive related spend. In total, Business Spend accounts for 26% of all retail sales in NZ. Business spend is distributed based on the location of employees in each Census Area Unit and the national average retail spend per employee.



### **Business Spend Forecast 2013-2038**

Business spend has been forecasted at the same rate of growth estimated to be achieved by PPH retail sales in the absence reliable information on business retail spend trends. It is noted that while working age population may be decreasing as a proportion of total population, employees are likely to become more productive over time and therefore offset the relative decrease in the size of the total workforce.

## APPENDIX 3: ANZSIC RETAIL CLASSIFICATIONS

### DIVISION G – RETAIL TRADE

The Retail Trade Division includes units mainly engaged in the purchase and onselling of goods, without significant transformation, to the general public. Units are classified to the Retail Trade Division in the first instance if they buy goods and then onsell them (including on a commission basis) to the general public. Retail units generally operate from premises located and designed to attract a high volume of walk-in customers, have an extensive display of goods, and/or use mass media advertising designed to attract customers. The display and advertising of goods may be physical or electronic.

Physical display and advertising includes shops, printed catalogues, billboards and print advertisements. Electronic display and advertising includes catalogues, internet websites, television and radio advertisements and infomercials. While non-store retailers, by definition, do not possess the physical characteristics of traditional retail units with a physical shop-front location, these units share the requisite function of the purchasing and onselling of goods to the general public, and are therefore included in this division.

A unit which sells to both businesses and the general public will be classified to the Retail Trade Division if it operates from shop-front premises, arranges and displays stock to attract a high proportion of walk-in customers and utilises mass media advertising to attract customers.

The buying of goods for resale to the general public is a characteristic of Retail Trade units that distinguishes them from units in the Agriculture, Forestry and Fishing; Manufacturing; and Construction industries. For example, farms that sell their products, at or from, the point of production are not classified in Retail Trade, but rather in Agriculture as the production of agricultural output are these units primary activity. Units in all these industries provide their output to the market for sale. Similarly, units that both manufacture and sell their products to the general public are not classified in Retail Trade, but rather in Manufacturing.

Wholesale units also engage in the buying of goods for resale, but typically operate from a warehouse or office and neither the design nor the location of these premises is intended to solicit a high volume of walk-in traffic. In general, wholesale units have large storage facilities and small display area, while the reverse is true for retail units. Units in Retail often undertake non-retail secondary activities, such as watch and jewellery stores, that undertake repairs of these goods as well as retailing new items. However, units whose primary activity is the provision of repair and maintenance services are excluded from this division, and are classified to the Other Services Division.

## **411 SUPERMARKET AND GROCERY STORES**

### **4110 Supermarket and Grocery Stores**

This class consists of units mainly engaged in retailing groceries or non-specialised food lines (including convenience stores), whether or not the selling is organised on a self-service basis.

#### *Primary activities*

- Convenience store operation
- Grocery retailing
- Grocery supermarket operation

#### *Exclusions/References*

Units mainly engaged in retailing specialised food lines are included in the appropriate classes of Group 412 Specialised Food Retailing.

## **412 SPECIALISED FOOD RETAILING**

### **4121 Fresh Meat, Fish and Poultry Retailing**

This class consists of units mainly engaged in retailing fresh meat, fish or poultry.

#### *Primary Activities*

- Butcher's shop operation (retail)
- Fish, fresh, retailing
- Meat, fresh, retailing
- Poultry, fresh, retailing
- Seafood, fresh, retailing

### **4122 Fruit and Vegetable Retailing**

This class consists of units mainly engaged in retailing fresh fruit or vegetables.

#### *Primary activities*

- Fruit, fresh, retailing
- Greengrocery operation (retail)
- Vegetable, fresh, retailing

### 4123 Liquor Retailing

This class consists of units mainly engaged in retailing beer, wine or spirits for consumption off the premises only.

#### *Primary activities*

- Alcoholic beverage retailing (for consumption off the premises only)

#### *Exclusions/References*

Units mainly engaged in selling alcoholic beverages for consumption on the premises, such as hotels, bars and similar units (except hospitality clubs), are included in Class 4520 Pubs, Taverns and Bars.

### 4129 Other Specialised Food Retailing

This class consists of units mainly engaged in retailing specialised food lines, such as confectionery or smallgoods or bread and cakes (not manufactured on the same premises).

#### *Primary activities*

- Biscuit retailing (not manufactured on the same premises)
- Bread retailing (not manufactured on the same premises)
- Bread vendor (not manufactured on the same premises)
- Cake retailing (not manufactured on the same premises)
- Confectionery retailing
- Non-alcoholic drinks retailing
- Pastry retailing (not manufactured on the same premises)
- Smallgoods retailing
- Specialised food retailing n.e.c.

#### *Exclusions/References*

Units mainly engaged in

- retailing a wide range of food lines are included in Class 4110 Supermarket and Grocery Stores;
- providing food services for immediate consumption for taking away or consumption in limited seating areas are included in Class 4512 Takeaway Food Services;
- manufacturing bakery products and selling those products from the same premises are included in Class 1174 Bakery Product Manufacturing (Non-factory based); and
- retailing food through vending machines or other non-store means (except mobile vans) are included in Class 4310 Non-Store Retailing.

## **421 FURNITURE, FLOOR COVERINGS, HOUSEWARE AND TEXTILE GOODS RETAILING**

### 4211 Furniture Retailing

This class consists of units mainly engaged in retailing furniture, blinds or awnings.

#### *Primary activities*



- Antique reproduction furniture retailing
- Awning retailing
- Blind retailing
- Furniture retailing
- Mattress retailing

*Exclusions/References*

Units mainly engaged in

- the installation of household blinds or awnings are included in Class 3239 Other Building Installation Services;
- manufacturing blinds or awnings are included in the appropriate classes of Division C Manufacturing, according to the materials used in the manufacturing process;
- retailing second-hand or antique furniture are included in Class 4273 Antique and Used Goods Retailing; and
- retailing curtains are included in Class 4214 Manchester and Other Textile Goods Retailing.

#### **4212 Floor Coverings Retailing**

This class consists of units mainly engaged in retailing floor coverings (except ceramic floor tiles).

*Primary activities*

- Carpet retailing
- Floor coverings retailing (except ceramic floor tiles)
- Floor rug retailing
- Floor tile retailing (lino, vinyl, cork, carpet or rubber)
- Parquetry retailing

*Exclusions/References*

Units mainly engaged in

- laying floor coverings are included in the appropriate classes of Division E Construction; and
- retailing ceramic floor tiles are included in Class 4231 Hardware and Building Supplies Retailing.

#### **4213 Houseware Retailing**

This class consists of units mainly engaged in retailing kitchenware, china, glassware, silverware or other houseware goods.

*Primary activities*

- Brushware retailing
- Chinaware retailing
- Cooking utensil retailing (except electric)

- Crockery retailing
- Cutlery retailing
- Enamelware retailing
- Glassware retailing
- Kitchenware retailing
- Picnicware retailing
- Plastic container retailing
- Silverware retailing

*Exclusions/References*

Units mainly engaged in retailing electric cooking utensils are included in Class 4221 Electrical, Electronic and Gas Appliance Retailing.

#### **4214 Manchester and Other Textile Goods Retailing**

This class consists of units mainly engaged in retailing fabrics, curtains or household textiles.

*Primary activities*

- Blanket retailing
- Curtain retailing
- Dressmaking requisites retailing
- Fabric, textile, retailing
- Household textile retailing
- Linen retailing
- Piece-goods retailing
- Soft furnishing retailing
- Yarn retailing

*Exclusions/References*

Units mainly engaged in

- installing awnings, blinds, shutters or curtains are included in Class 3239 Other Building Installation Services; and
- manufacturing curtains or cushions are included in Class 1333 Cut and Sewn Textile Product Manufacturing.

#### **422 ELECTRICAL AND ELECTRONIC GOODS RETAILING**

##### **4221 Electrical, Electronic and Gas Appliance Retailing**

This class consists of units mainly engaged in retailing electrical, electronic or gas appliances (except computers and computer peripherals).

*Primary activities*

- Air conditioner retailing
- Appliance, electric, retailing
- Barbecue retailing
- Camera retailing
- Compact disc player retailing
- Cooking utensil, electric, retailing
- Digital versatile disc (DVD) player retailing
- Electronic beeper retailing
- Fan, electric, retailing
- Floor polisher, electric, retailing
- Gas appliance retailing
- Heating equipment, electric or gas, retailing
- Mobile phone retailing
- Modem retailing
- Pager retailing
- Pocket calculator, electronic, retailing
- Projector retailing
- Radio receiving set retailing (except car radios)
- Refrigerator, retailing
- Shaver, electric, retailing
- Sound reproducing equipment retailing
- Stereo retailing
- Stove, retailing
- Television antennae retailing
- Television set retailing
- Two-way radio equipment retailing
- Vacuum cleaner retailing
- Video cassette recorder (VCR) retailing
- Washing machine retailing

#### *Exclusions/References*

Units mainly engaged in

- retailing computer or computer peripheral equipment are included in Class 4222 Computer and Computer Peripheral Retailing;
- retailing CDs, DVDs or other entertainment media are included in Class 4242 Entertainment Media Retailing;
- retailing car radios are included in Class 3921 Motor Vehicle Parts Retailing;

- installing heating, refrigeration or air conditioning equipment are included in Class 3233 Air Conditioning and Heating Services;
- hiring household appliances are included in Class 6639 Other Goods and Equipment Rental and Hiring n.e.c.; and
- repairing and maintaining electrical, electronic and gas domestic appliances are included in Class 9421 Domestic Appliance Repair and Maintenance.

#### **4222 Computer and Computer Peripheral Retailing**

This class consists of units mainly engaged in retailing computers or computer peripheral equipment.

##### *Primary activities*

- Compact disc burner retailing
- Computer equipment retailing
- Computer game console retailing
- Computer hardware retailing
- Computer software retailing (except computer games)
- Printer retailing
- Visual display unit (VDU) retailing

##### *Exclusions/References*

Units mainly engaged in retailing computer games are included in Class 4242 Entertainment Media Retailing.

#### **4229 Other Electrical and Electronic Goods Retailing**

This class consists of units mainly engaged in retailing electrical and electronic goods not elsewhere classified.

##### *Primary activities*

- Dry cell battery retailing
- Electric light fittings retailing
- Electrical goods retailing n.e.c.
- Electronic goods retailing n.e.c.

#### **423 HARDWARE, BUILDING AND GARDEN SUPPLIES RETAILING**

##### **4231 Hardware and Building Supplies Retailing**

This class consists of units mainly engaged in retailing hardware or building supplies.

##### *Primary activities*

- Carpenters' tool retailing
- Cement retailing

- Ceramic floor tile retailing
- Garden tool retailing
- Hardware retailing
- Lacquer retailing
- Lawn mower retailing
- Lock retailing
- Mineral turpentine retailing
- Nail retailing
- Paint retailing
- Plumbers' fittings retailing
- Plumbers' tools retailing
- Timber retailing
- Tool retailing
- Wallpaper retailing
- Woodworking tool retailing

*Exclusions/References*

Units mainly engaged in

- wholesaling builders' hardware or supplies (except plumbing supplies) are included in Class 3339 Other Hardware Goods Wholesaling; and
- wholesaling timber are included in Class 3331 Timber Wholesaling.

#### **4232 Garden Supplies Retailing**

This class consists of units mainly engaged in retailing garden supplies or nursery goods.

*Primary activities*

- Bulb, flower, retailing
- Fertiliser retailing
- Garden ornament retailing
- Garden supplies retailing n.e.c.
- Nursery stock retailing
- Pesticide retailing
- Plant, garden, retailing
- Pot plant retailing
- Seedlings retailing
- Seed, garden, retailing
- Shrub or tree retailing
- Tuber, flower, retailing

*Exclusions/References*

Units mainly engaged in retailing cut flowers are included in Class 4274 Flower Retailing.

#### **424 RECREATIONAL GOODS RETAILING**

##### **4241 Sport and Camping Equipment Retailing**

This class consists of units mainly engaged in retailing sporting goods, camping equipment or bicycles.

###### *Primary activities*

- Ammunition retailing
- Bicycle retailing
- Camping equipment retailing
- Canoe retailing
- Equestrian equipment retailing
- Fishing tackle retailing
- Fitness equipment retailing
- Golfing equipment retailing
- Gun or rifle retailing
- Gymnasium equipment retailing
- Sailboard retailing
- Snow ski retailing
- Sporting equipment retailing (except clothing or footwear)
- Wetsuit retailing

###### *Exclusions/References*

Units mainly engaged in

- retailing sports apparel (clothing and footwear) are included in Classes 4251 Clothing Retailing and 4252 Footwear Retailing; and
- retailing new or used boats are included in Class 4245 Marine Equipment Retailing.

##### **4242 Entertainment Media Retailing**

This class consists of units mainly engaged in retailing audio tapes, compact discs, computer games, digital versatile discs or video cassettes.

###### *Primary activities*

- Audio cassette retailing
- Compact disc retailing
- Computer game retailing
- Digital versatile disc (DVD) retailing
- Video cassette retailing

### *Exclusions/References*

Units mainly engaged in

- retailing second-hand records, tapes, CDs, DVDs or videos are included in Class 4273 Antique and Used Goods Retailing;
- retailing CD players, DVD players, VCRs or other appliances are included in Class 4221 Electrical, Electronic and Gas Appliance Retailing; and
- retailing computers and computer peripherals are included in Class 4222 Computer and Computer Peripheral Retailing.

### **4243 Toy and Game Retailing**

This class consists of units mainly engaged in retailing toys or games (except computer games).

#### *Primary activities*

- Doll retailing
- Game retailing
- Toy retailing

### *Exclusions/References*

Units mainly engaged in retailing computer games are included in Class 4242 Entertainment Media Retailing.

### **4244 Newspaper and Book Retailing**

This class consists of units mainly engaged in retailing books, periodicals and newspapers.

#### *Primary activities*

- Book retailing
- Magazine retailing
- Newspaper retailing
- Periodical retailing
- Religious book retailing

### *Exclusions/References*

Units mainly engaged in

- retailing stationery and writing goods are included in Class 4272 Stationery Goods Retailing; and
- retailing second-hand books are included in Class 4273 Antique and Used Goods Retailing.

## **425 CLOTHING, FOOTWEAR AND PERSONAL ACCESSORY RETAILING**

### **4251 Clothing Retailing**

This class consists of units mainly engaged in retailing clothing or clothing accessories.

#### *Primary activities*

- Clothing accessory retailing
- Clothing retailing
- Foundation garment retailing
- Fur clothing retailing
- Glove retailing
- Hosiery retailing
- Leather clothing retailing
- Millinery retailing
- Sports clothing retailing
- Work clothing retailing

*Exclusions/References*

Units mainly engaged in

- retailing second-hand clothing are included in Class 4273 Antique and Used Goods Retailing; and
- retailing personal accessories (except clothing and footwear) are included in Class 4259 Other Personal Accessory Retailing.

#### **4252 Footwear Retailing**

This class consists of units mainly engaged in retailing boots, shoes or other footwear.

*Primary activities*

- Boot retailing
- Footwear retailing
- Shoe retailing
- Sports footwear retailing

#### **4253 Watch and Jewellery Retailing**

This class consists of units mainly engaged in retailing new watches and jewellery (except clocks and silverware).

*Primary activities*

- Jewellery retailing
- Watch retailing

*Exclusions/References*

- Units mainly engaged in
- retailing second-hand jewellery are included in Class 4273 Antique and Used Goods Retailing;
- retailing clocks are included in Class 4279 Other Store-Based Retailing n.e.c.; and
- retailing silverware are included in Class 4213 Houseware Retailing.



## 4259 Other Personal Accessory Retailing

This class consists of units mainly engaged in retailing other personal accessories, including new handbags, sunglasses, leather goods, luggage and other personal accessories not elsewhere classified.

### *Primary activities*

- Briefcase retailing
- Handbag retailing
- Leather goods retailing (except clothing and footwear)
- Luggage retailing
- Personal accessory retailing n.e.c.
- Sunglass retailing
- Umbrella retailing
- Wig retailing

### *Exclusions/References*

Units mainly engaged in

- retailing leather clothing are included in Class 4251 Clothing Retailing; and
- retailing leather footwear are included in Class 4252 Footwear Retailing.

## **426 DEPARTMENT STORES**

### **4260 Department Stores**

This class consists of units engaged in retailing a wide variety of goods, other than food or groceries, but the variety is such that no predominant activity can be determined. These units have predominant retail sales in at least four of the following six product groups:

- Clothing
- Furniture
- Kitchenware, china, glassware and other housewares
- Textile goods
- Electrical, electronic and gas appliances
- Perfumes, cosmetics and toiletries

The products primary to these headings, as well as other products, are normally sold by or displayed in separate departments or sections supervised by managers (with specialised product knowledge) within the store, and, generally, merchandising, advertising, customer service, accounting and budgetary control functions are undertaken on a departmentalised basis.

### *Primary activities*

- Department store operation

### *Exclusions/References*

Units mainly engaged in



- retailing food and groceries on a departmentalised basis are included in Class 4110 Supermarket and Grocery Stores;
- retailing clothing; furniture; kitchenware, china, glassware and other housewares; textile goods; electrical, electronic and gas appliances; or perfumes, cosmetics and toiletries on a specialised basis are included in the appropriate classes of Subdivision 42 Other Store-Based Retailing; and
- retailing a wide variety of products that are not sold, displayed, managed or administered on a departmentalised basis (i.e. gift shops or souvenir shops) are included in Class 4279 Other Store-Based Retailing n.e.c.

## **427 PHARMACEUTICAL AND OTHER STORE-BASED RETAILING**

### **4271 Pharmaceutical, Cosmetic and Toilet Goods Retailing**

This class consists of units mainly engaged in retailing prescription drugs or patent medicines, cosmetics or toiletries.

#### *Primary activities*

- Cosmetic retailing
- Drug retailing
- Patent medicine retailing
- Perfume retailing
- Pharmacy, retail, operation
- Prescription, medicine, dispensing
- Toilet retailing

### **4272 Stationery Goods Retailing**

This class consists of units mainly engaged in retailing stationery goods and writing materials.

#### *Primary activities*

- Artists' supplies retailing
- Ink retailing
- Note book retailing
- Pen or pencil retailing
- Stationery retailing
- Writing material retailing

#### *Exclusions/References*

Units mainly engaged in retailing books or magazines are included in Class 4244 Newspaper and Book Retailing.

### **4273 Antique and Used Goods Retailing**

This class consists of units mainly engaged in retailing antiques or second-hand goods (except motor vehicles or motor cycles and parts).

#### *Primary activities*

- Antique retailing
- Coin dealing (retailing)
- Disposals retailing
- Pawnbroking
- Second-hand book retailing
- Second-hand cloth retailing
- Second-hand electrical, electronic or computer equipment retailing
- Second-hand furniture retailing

- Second-hand goods retailing n.e.c.
- Second-hand jewellery retailing
- Second-hand record, tape, CD, DVD or videos retailing
- Second-hand sports card retailing
- Stamp, collectible, dealing (retailing)

*Exclusions/References*

Units mainly engaged in

- retailing second-hand motor vehicles are included in Class 3911 Car Retailing;
- retailing second-hand motor cycles are included in Class 3912 Motor Cycle Retailing;
- retailing second-hand motor vehicle or motor cycle parts are included in Class 3921 Motor Vehicle Parts Retailing; and
- providing auctioning services are included in Class 3800 Commission-Based Wholesaling.

#### **4274 Flower Retailing**

This class consists of units mainly engaged in retailing cut flowers or display foliage.

*Primary Activities*

- Cut flower retailing
- Display foliage retailing
- Dried flower retailing
- Florist, retail, operation

#### **4279 Other Store-Based Retailing n.e.c.**

This class consists of units mainly engaged in retailing goods not elsewhere classified from store-based premises.

*Primary activities*

- Art gallery operation (retail)
- Binocular retailing
- Bottled liquefied petroleum gas (LPG) retailing
- Briquette retailing
- Clock retailing
- Coal retailing
- Coke retailing
- Computer consumables (toners, inks) retailing
- Craft goods retailing
- Duty free store operation

- Firewood retailing
- Firework retailing
- Greeting card retailing
- Ice retailing
- Map retailing
- Musical instrument retailing
- Pet and pet accessory retailing
- Photographic chemical retailing
- Photographic film or paper retailing
- Pram retailing
- Religious goods (except books) retailing
- Specialty stores n.e.c.
- Store-based retailing n.e.c.
- Swimming pool retailing
- Tobacco product retailing
- Variety store operation

*Exclusions/References*

Units mainly engaged in

- retailing second-hand sports cards are included in Class 4273 Antique and Used Goods Retailing;
- retailing religious books are included in Class 4244 Newspaper and Book Retailing;
- retailing goods without the use of a shopfront or physical store presence are included in Class 4310 Non-Store Retailing; and
- retailing goods on a commission basis are included in Class 4320 Retail Commission-Based Buying and/or Selling.

## **451 CAFES, RESTAURANTS AND TAKEAWAY FOOD SERVICES**

### **4511 Cafes and Restaurants**

This class consists of units mainly engaged in providing food and beverage serving services for consumption on the premises. Customers generally order and are served while seated (i.e. waiter/waitress service) and pay after eating.

*Primary activities*

- Cafe operation
- Restaurant operation

*Exclusions/References*

Units mainly engaged in

- providing food ready to be taken away for immediate consumption are included in Class 4512 Takeaway Food Services;
- providing catering services (including airline food catering services) at specified locations or events are included in Class 4513 Catering Services;
- selling alcoholic beverages both for consumption on and off the premises are included in Class 4520 Pubs, Taverns and Bars; and
- operating theatre restaurants mainly engaged in providing live theatrical productions with food and beverages are included in Class 9001 Performing Arts Operation.

### **4512 Takeaway Food Services**

This class consists of units mainly engaged in providing food services ready to be taken away for immediate consumption. Customers order or select items and pay before eating. Items are usually provided in takeaway containers or packaging. Food is either consumed on the premises in limited seating facilities, taken away by the customer or delivered. This class also includes units mainly engaged in supplying food services in food halls and food courts.

#### *Primary activities*

- Juice bar operation
- Mobile food van operation
- Takeaway food operation

#### *Exclusions/References*

Units mainly engaged in

- providing food services for consumption on the premises only are included in Class 4511 Cafes and Restaurants;
- providing catering services (including airline food catering services) at specified locations or events are included in Class 4513 Catering Services;
- retailing baked goods manufactured on the same premises are included in Class 1174 Bakery Product Manufacturing (Non-factory based);
- retailing baked goods manufactured at other premises are included in Class 4129 Other Specialised Food Retailing; and
- retailing beer, wine or spirits for consumption off the premises only are included in Class 4123 Liquor Retailing.
- Cafes and Restaurants;
- providing food ready to be taken away for immediate consumption are included in Class 4512 Takeaway Food Services; and
- manufacturing food products (including snack foods and prepared meals) are included in Class 1199 Other Food Product Manufacturing n.e.c.

## **452 PUBS, TAVERNS AND BARS**

### **4520 Pubs, Taverns and Bars**

This class consists of hotels, bars or similar units (except hospitality clubs) mainly engaged in serving alcoholic beverages for consumption on the premises, or in selling alcoholic beverages



both for consumption on and off the premises. These units may also provide food services and/or present live entertainment.

*Primary activities*

- Bar operation
- Hotel bar operation
- Night club operation
- Pub operation
- Tavern operation
- Wine bar operation

*Exclusions/References*

Units mainly engaged in

- retailing alcoholic beverages for consumption off the premises only are included in Class 4123 Liquor Retailing; and
- operating hospitality clubs are included in Class 4530 Clubs (Hospitality).

## APPENDIX 4: SPECIALTY RETAILING AND LFR COMPOSITION

<b>Specialty Retailing / LFR Composition</b>	<b>SPECIALTY</b>	<b>LFR</b>
Food retailing	25%	75%
Clothing, footwear and personal accessories retailing	90%	10%
Furniture, floor coverings, houseware and textile goods retailing	10%	90%
Electrical and electronic goods retailing	40%	60%
Pharmaceutical and personal care goods retailing	100%	0%
Department stores	0%	100%
Recreational goods retailing	40%	60%
Other goods retailing	95%	5%
Food and beverage services	100%	0%



## APPENDIX 5: BUSINESS CLASSIFICATIONS

Property Economics utilises the 2006 Australian and New Zealand Standard Industrial Classification (ANZSIC) as guidance, whereby businesses are assigned an industry according to their predominant economic activity.

A proportion of employees coded within industrial categories can work within other more commercial (office) arms of a business in other locations, i.e. employees in the sales branch of electrical companies are coded in the electricity, gas, water and waste services. Despite being in the industrial industry, these employees are technically not industrial employees, and as such.

For planning purposes commercial and industrial employees are those working on zoned business land corresponding their respective sector. Often this is not the case, whereby activities such as hospitals, schools, police services and etc. are classified under commercial services focused sectors but are typically not zoned as such. For this reason, Property Economics has divided these classifications into industrial, commercial, retail and other sectors. These sectors correspond to the zoning of industrial, commercial, retail and special land zonings by the local authorities.

Industrial activities in general refer to land extensive activities, it includes part of the primary sector, largely raw material extraction industries such as mining and farming; the secondary sector, involving refining, construction, and manufacturing; and part of the tertiary sector, which involves distribution of manufactured goods. The employees work for the following sectors are considered an industrial sector employee:

- 10% of Agriculture, Forestry and Fishing
- 10% of Mining
- Transport, Postal and Warehousing
- Manufacturing
- 30% Electricity, Gas, Water and Waste Services
- Construction
- Wholesale Trade

Commercial activities generally refer to land intensive activities. It includes a large proportion of the tertiary sector of an economy, which deals with services; and the quaternary sector, focusing on technological research, design and development. The employees work for the following sectors are considered a commercial sector employee:

- 15% of Accommodation and Food Services
- Information Media and Telecommunications
- Financial and Insurance Services
- Rental, Hiring and Real Estate Services
- Professional, Scientific and Technical Services
- Administrative and Support Services

- 35% Public Administration and Safety
- 15% Education and Training
- 25% Health Care and Social Assistance
- 25% Arts and Recreation Services

Retail Activities generally refer to units mainly engaged in the purchase and on-selling of goods, without significant transformation, to the general public. Retail units generally operate from premises located and designed to attract a high volume of walk-in customers, have an extensive display of goods, and/or use mass media advertising designed to attract customers.

Cafes bars and Restaurants have also been included as part of Retail Activities and includes units mainly engaged in providing food and beverage serving services for consumption on the premises. Customers generally order and are served while seated (i.e. waiter/waitress service) and pay after eating. The employees work for the following sectors are considered a commercial sector employee:

- 85% of Accommodation and Food Services
- Retail Trade

Other Activities constitutes the balance of total employment within an area, and is not defined by any particular business sector. It encompasses community activities such as Museum Operations, Universities, Hospitals, Schools, Sports grounds and other activities not typically located on commercial or industrial land.

## APPENDIX 6: NELSON TASMAN SETTLEMENT POPULATION & HOUSEHOLD FORECASTS

POPULATION	2016	2018	2023	2028	2033	2038
Rural North	971	985	1,018	1,052	1,085	1,101
Atawhai	4,791	4,951	5,169	5,346	5,519	5,612
Central East	6,509	6,574	6,598	6,637	6,606	6,534
Central West	13,607	13,833	14,151	14,311	14,385	14,359
Tahunanui	5,610	5,698	5,845	5,980	6,050	6,096
Stoke	18,755	19,259	20,019	20,774	21,354	21,899
<b>NELSON SUBTOTAL</b>	<b>50,244</b>	<b>51,300</b>	<b>52,800</b>	<b>54,100</b>	<b>55,000</b>	<b>55,600</b>
Takaka	3,779	3,790	3,787	3,757	3,667	3,551
Kaiteriteri	986	999	1,030	1,058	1,090	1,105
Collingwood	1,339	1,342	1,343	1,330	1,304	1,267
Richmond	21,949	22,393	23,201	23,850	24,384	24,758
Wakefield	3,929	4,034	4,216	4,378	4,521	4,641
Brightwater	2,663	2,754	2,901	3,010	3,127	3,229
Motueka	12,945	13,124	13,366	13,466	13,489	13,408
Tapawera	1,158	1,165	1,159	1,177	1,182	1,157
St Arnaud	306	307	310	307	302	292
Murchison	996	993	988	968	934	893
<b>TASMAN SUBTOTAL</b>	<b>50,049</b>	<b>50,900</b>	<b>52,300</b>	<b>53,300</b>	<b>54,000</b>	<b>54,300</b>
<b>TOTAL</b>	<b>100,293</b>	<b>102,200</b>	<b>105,100</b>	<b>107,400</b>	<b>109,000</b>	<b>109,900</b>

<b>HOUSEHOLDS</b>	<b>2016</b>	<b>2018</b>	<b>2023</b>	<b>2028</b>	<b>2033</b>	<b>2038</b>
Rural North	382	390	410	430	450	460
Atawhai	2,008	2,090	2,220	2,330	2,440	2,500
Central East	2,811	2,860	2,920	2,980	3,010	3,000
Central West	5,434	5,560	5,780	5,930	6,040	6,070
Tahunanui	2,503	2,560	2,670	2,770	2,840	2,880
Stoke	7,547	7,810	8,260	8,700	9,070	9,370
<b>NELSON SUBTOTAL</b>	<b>20,686</b>	<b>21,270</b>	<b>22,260</b>	<b>23,140</b>	<b>23,850</b>	<b>24,280</b>
Takaka	1,631	1,651	1,686	1,709	1,693	1,648
Kaiteriteri	399	408	430	451	471	481
Collingwood	608	616	630	637	633	619
Richmond	8,648	8,907	9,423	9,886	10,247	10,455
Wakefield	1,433	1,485	1,587	1,683	1,763	1,819
Brightwater	1,000	1,045	1,125	1,192	1,256	1,304
Motueka	5,321	5,447	5,669	5,832	5,926	5,922
Tapawera	470	477	485	503	513	505
St Arnaud	148	150	154	155	155	151
Murchison	451	454	461	462	452	435
<b>TASMAN SUBTOTAL</b>	<b>20,109</b>	<b>20,640</b>	<b>21,650</b>	<b>22,510</b>	<b>23,110</b>	<b>23,340</b>
<b>TOTAL</b>	<b>40,795</b>	<b>41,910</b>	<b>43,910</b>	<b>45,650</b>	<b>46,960</b>	<b>47,620</b>

## APPENDIX 7: SETTLEMENT AREA DEMOGRAPHICS

		Atawhai	Central East	Central West	Rural North
GENERAL	Population	4,791	6,509	13,607	971
	Households	1,890	2,740	5,250	370
	Person Per Dwelling Ratio	2.54	2.38	2.59	2.63
AGE PROFILE	0-4 Years	5%	5%	8%	6%
	5-9 Years	6%	6%	7%	7%
	10-14 Years	6%	5%	7%	9%
	15-19 Years	5%	5%	7%	6%
	20-24 Years	3%	5%	6%	2%
	25-29 Years	3%	5%	6%	2%
	30-34 Years	4%	5%	7%	3%
	35-39 Years	5%	6%	7%	8%
	40-44 Years	7%	7%	8%	9%
	45-49 Years	9%	7%	7%	11%
	50-54 Years	10%	8%	8%	12%
	55-59 Years	10%	7%	6%	8%
	60-64 Years	9%	6%	5%	7%
65 years and Over	18%	21%	11%	11%	
HOUSEHOLD INCOME	\$20,000 or Less	7%	14%	15%	9%
	\$20,001-\$30,000	8%	15%	13%	10%
	\$30,001-\$50,000	18%	22%	21%	23%
	\$50,001-\$70,000	16%	17%	16%	19%
	\$70,001-\$100,000	22%	16%	17%	14%
	\$100,001 or More	29%	16%	18%	23%
PERSONAL INCOME	\$5,000 or Less	10%	11%	14%	14%
	\$5,001-\$10,000	5%	6%	6%	5%
	\$10,001-\$20,000	17%	21%	19%	20%
	\$20,001-\$30,000	14%	19%	16%	13%
	\$30,001-\$50,000	23%	22%	24%	22%
	\$50,001 or More	31%	21%	21%	26%
ETHNICITY	European Ethnic Groups	90%	85%	76%	87%
	Māori Ethnic Group	5%	6%	11%	8%
	Pacific Peoples' Ethnic Groups	1%	1%	3%	1%
	Asian Ethnic Groups	2%	5%	8%	1%
	MELAA Ethnic Groups	0%	1%	1%	1%
	Other Ethnic Groups	2%	2%	2%	3%
QUALIFICATION ATTAINMENT	No Qualification	15%	18%	21%	15%
	Level 1 Certificate	11%	11%	13%	15%
	Level 2 Certificate	11%	10%	11%	8%
	Level 3 Certificate	7%	7%	8%	7%
	Level 4 Certificate	12%	11%	10%	13%
	Level 5 or Level 6 Diploma	13%	12%	10%	14%
	Bachelor Degree and Level 7 Qualifications	13%	15%	14%	15%
	Postgraduate and Honours Degrees	5%	4%	3%	5%
	Masters Degree	5%	4%	3%	3%
	Doctorate Degree	1%	1%	1%	0%
	Overseas Secondary School Qualification	7%	8%	6%	5%

		Atawhai	Central East	Central West	Rural North
EMPLOYMENT	Employed - Full Time	48%	41%	46%	49%
	Employed - Part Time	19%	18%	18%	21%
	Unemployed	3%	4%	5%	4%
	Not in Labour Force	30%	38%	31%	27%
EMPLOYMENT CLASSIFICATION	Managers	18%	15%	15%	18%
	Professionals	28%	28%	23%	28%
	Technicians and Trades Workers	12%	12%	12%	10%
	Community and Personal Service Workers	7%	11%	10%	8%
	Clerical and Administrative Workers	13%	10%	9%	10%
	Sales Workers	9%	9%	10%	8%
	Machinery Operators and Drivers	4%	4%	5%	5%
	Labourers	8%	11%	16%	13%
STUDENT RATIO	Full Time	6%	7%	10%	8%
	Part Time	4%	5%	5%	5%
	Full-time and Part-time Study	0%	0%	0%	0%
	Not Studying	90%	88%	85%	87%
HOUSEHOLD INCOME SOURCES	Wages, Salary, Commissions, Bonuses etc	68%	61%	70%	65%
	Self-employment or Business	32%	24%	23%	40%
	Interest, Dividends, Rent, Other Invest.	45%	33%	26%	32%
	Payments from a Work Accident Insurer	2%	2%	2%	2%
	NZ Superannuation or Veterans Pension	25%	29%	17%	15%
	Other Super., Pensions, Annuities	7%	8%	4%	4%
	Unemployment Benefit	1%	4%	5%	3%
	Sickness Benefit	2%	4%	4%	4%
	Domestic Purposes Benefit	2%	4%	7%	2%
	Invalids Benefit	2%	4%	4%	1%
	Student Allowance	1%	3%	4%	3%
	Other Govt Benefits, Payments or Pension	5%	8%	8%	4%
	Other Sources of Income	2%	3%	2%	1%
	No Source of Income During That Time	1%	0%	1%	2%
INDUSTRY OF EMPLOYMENT	Agriculture, Forestry and Fishing	3%	3%	4%	9%
	Mining	0%	0%	0%	0%
	Manufacturing	9%	7%	10%	11%
	Electricity, Gas, Water and Waste Services	0%	0%	1%	1%
	Construction	9%	7%	7%	8%
	Wholesale Trade	4%	3%	3%	2%
	Retail Trade	11%	11%	13%	6%
	Accommodation and Food Services	4%	9%	8%	3%
	Transport, Postal and Warehousing	5%	4%	4%	4%
	Information Media and Telecommunications	1%	1%	1%	1%
	Financial and Insurance Services	2%	2%	2%	1%
	Rental, Hiring and Real Estate Services	3%	2%	3%	2%
	Professional, Scientific and Technical Service	13%	11%	9%	9%
	Administrative and Support Services	3%	4%	3%	4%
	Public Administration and Safety	4%	4%	3%	5%
	Education and Training	8%	7%	8%	7%
	Health Care and Social Assistance	14%	17%	14%	18%
	Arts and Recreation Services	2%	2%	2%	4%
	Other Services	4%	5%	3%	6%

	Atawhai	Central East	Central West	Rural North	
<b>HOUSEHOLDS</b>	Single	18%	32%	27%	20%
	Couple	45%	29%	27%	35%
	Single Parent With Children	7%	12%	15%	8%
	Two Parent Family	27%	22%	25%	36%
	Other Multi-person	3%	5%	6%	1%
<b>NUMBER OF RESIDENTS</b>	1 Residents	18%	31%	26%	22%
	2 Residents	48%	37%	35%	38%
	3 Residents	16%	14%	16%	17%
	4 Residents	13%	11%	14%	17%
	5 Residents	5%	4%	5%	5%
	6 Residents	1%	1%	2%	1%
	7 Residents	0%	0%	1%	0%
	8 Plus Residents	0%	0%	0%	0%
<b>HOME OWNERSHIP</b>	Dwelling Owned or Partly Owned	62%	52%	50%	58%
	Dwelling Not Owned and Not Held in a Fami	19%	34%	39%	23%
	Dwelling Held in a Family Trust	19%	14%	10%	19%
<b>YEARS AT RESIDENCE</b>	0 Years	19%	22%	26%	14%
	1-4 Years	30%	31%	33%	26%
	5-9 Years	21%	19%	16%	28%
	10-14 Years	11%	11%	10%	16%
	15-29 Years	14%	13%	10%	11%
	30 Years or More	6%	4%	4%	6%
<b>NUMBER OF BEDROOMS</b>	One Bedroom	4%	6%	6%	10%
	Two Bedrooms	12%	32%	25%	18%
	Three Bedrooms	49%	44%	46%	34%
	Four Bedrooms	30%	15%	18%	28%
	Five Bedrooms	5%	3%	3%	8%
	Six Bedrooms	0%	0%	1%	1%
	Seven Bedrooms	0%	0%	0%	1%
	Eight or More Bedrooms	0%	0%	0%	0%
<b>WEEKLY RENT PAID</b>	Under \$100	10%	13%	10%	0%
	\$100-\$149	5%	6%	6%	17%
	\$150-\$199	8%	7%	9%	17%
	\$200-\$249	10%	14%	10%	33%
	\$250-\$299	10%	18%	22%	17%
	\$300-\$349	13%	18%	21%	0%
	\$350 and Over	45%	23%	22%	17%

		Stoke	Tahunanui	Brightwater	Collingwood
GENERAL	Population	18,755	5,610	2,663	1,339
	Households	7,170	2,420	937	598
	Person Per Dwelling Ratio	2.62	2.32	2.84	2.24
AGE PROFILE	0-4 Years	6%	6%	9%	6%
	5-9 Years	6%	6%	9%	5%
	10-14 Years	7%	6%	7%	6%
	15-19 Years	6%	6%	6%	4%
	20-24 Years	5%	6%	3%	3%
	25-29 Years	5%	6%	5%	5%
	30-34 Years	5%	5%	6%	5%
	35-39 Years	6%	6%	7%	6%
	40-44 Years	7%	7%	9%	6%
	45-49 Years	7%	7%	8%	5%
	50-54 Years	7%	8%	8%	9%
	55-59 Years	6%	8%	6%	12%
	60-64 Years	6%	7%	6%	9%
65 years and Over	22%	16%	13%	19%	
HOUSEHOLD INCOME	\$20,000 or Less	11%	14%	7%	14%
	\$20,001-\$30,000	15%	15%	9%	17%
	\$30,001-\$50,000	22%	21%	18%	28%
	\$50,001-\$70,000	16%	17%	21%	18%
	\$70,001-\$100,000	19%	16%	22%	13%
	\$100,001 or More	19%	18%	24%	10%
PERSONAL INCOME	\$5,000 or Less	11%	10%	13%	12%
	\$5,001-\$10,000	4%	5%	5%	6%
	\$10,001-\$20,000	23%	20%	18%	25%
	\$20,001-\$30,000	17%	18%	14%	17%
	\$30,001-\$50,000	23%	26%	23%	23%
	\$50,001 or More	21%	22%	27%	17%
ETHNICITY	European Ethnic Groups	86%	83%	90%	87%
	Māori Ethnic Group	8%	11%	5%	7%
	Pacific Peoples' Ethnic Groups	1%	2%	1%	1%
	Asian Ethnic Groups	2%	3%	1%	2%
	MELAA Ethnic Groups	0%	0%	0%	0%
	Other Ethnic Groups	2%	2%	3%	3%
QUALIFICATION ATTAINMENT	No Qualification	25%	22%	21%	20%
	Level 1 Certificate	16%	13%	17%	12%
	Level 2 Certificate	12%	13%	14%	9%
	Level 3 Certificate	7%	7%	7%	7%
	Level 4 Certificate	12%	11%	15%	14%
	Level 5 or Level 6 Diploma	10%	11%	10%	13%
	Bachelor Degree and Level 7 Qualifications	9%	11%	9%	14%
	Postgraduate and Honours Degrees	2%	3%	2%	4%
	Masters Degree	1%	2%	1%	2%
	Doctorate Degree	0%	1%	0%	1%
	Overseas Secondary School Qualification	4%	6%	4%	6%



	Stoke	Tahunanui	Brightwater Catchment	Collingwood Catchment	
<b>EMPLOYMENT</b>	Employed - Full Time	44%	49%	54%	47%
	Employed - Part Time	16%	17%	18%	19%
	Unemployed	3%	4%	2%	3%
	Not in Labour Force	37%	30%	26%	31%
<b>EMPLOYMENT CLASSIFICATION</b>	Managers	15%	16%	19%	38%
	Professionals	18%	21%	17%	15%
	Technicians and Trades Workers	14%	13%	14%	11%
	Community and Personal Service Workers	10%	9%	7%	5%
	Clerical and Administrative Workers	13%	11%	13%	6%
	Sales Workers	11%	10%	8%	4%
	Machinery Operators and Drivers	6%	7%	8%	4%
	Labourers	14%	14%	13%	17%
<b>STUDENT RATIO</b>	Full Time	7%	7%	7%	4%
	Part Time	4%	5%	4%	3%
	Full-time and Part-time Study	0%	0%	0%	0%
	Not Studying	89%	88%	88%	93%
<b>HOUSEHOLD INCOME SOURCES</b>	Wages, Salary, Commissions, Bonuses etc	66%	69%	74%	54%
	Self-employment or Business	17%	23%	31%	42%
	Interest, Dividends, Rent, Other Invest.	33%	28%	32%	32%
	Payments from a Work Accident Insurer	2%	2%	2%	3%
	NZ Superannuation or Veterans Pension	31%	22%	22%	23%
	Other Super., Pensions, Annuities	6%	5%	3%	4%
	Unemployment Benefit	2%	4%	1%	1%
	Sickness Benefit	3%	3%	2%	4%
	Domestic Purposes Benefit	4%	5%	2%	2%
	Invalids Benefit	3%	3%	1%	1%
	Student Allowance	2%	2%	1%	3%
	Other Govt Benefits, Payments or Pension	7%	7%	8%	5%
	Other Sources of Income	3%	2%	1%	2%
No Source of Income During That Time	0%	0%	0%	2%	
<b>INDUSTRY OF EMPLOYMENT</b>	Agriculture, Forestry and Fishing	4%	3%	16%	37%
	Mining	0%	0%	0%	1%
	Manufacturing	12%	11%	10%	4%
	Electricity, Gas, Water and Waste Services	0%	0%	0%	0%
	Construction	9%	8%	14%	5%
	Wholesale Trade	5%	5%	4%	4%
	Retail Trade	13%	12%	10%	11%
	Accommodation and Food Services	5%	10%	4%	10%
	Transport, Postal and Warehousing	6%	5%	5%	3%
	Information Media and Telecommunications	1%	1%	0%	1%
	Financial and Insurance Services	2%	2%	2%	1%
	Rental, Hiring and Real Estate Services	3%	3%	2%	4%
	Professional, Scientific and Technical Services	7%	8%	5%	3%
	Administrative and Support Services	3%	4%	1%	3%
	Public Administration and Safety	3%	3%	2%	0%
	Education and Training	8%	8%	6%	6%
	Health Care and Social Assistance	13%	11%	9%	4%
	Arts and Recreation Services	1%	2%	1%	3%
	Other Services	4%	4%	7%	1%

	Stoke	Tahunanui	Brightwater Catchment	Collingwood Catchment	
<b>HOUSEHOLDS</b>	Single	26%	29%	15%	29%
	Couple	33%	33%	37%	38%
	Single Parent With Children	11%	13%	6%	7%
	Two Parent Family	27%	21%	39%	24%
	Other Multi-person	3%	5%	2%	2%
<b>NUMBER OF RESIDENTS</b>	1 Residents	26%	30%	15%	30%
	2 Residents	38%	41%	39%	44%
	3 Residents	15%	14%	16%	13%
	4 Residents	14%	10%	20%	10%
	5 Residents	5%	3%	8%	3%
	6 Residents	2%	1%	2%	0%
	7 Residents	0%	1%	0%	0%
	8 Plus Residents	0%	0%	0%	0%
<b>HOME OWNERSHIP</b>	Dwelling Owned or Partly Owned	58%	50%	68%	55%
	Dwelling Not Owned and Not Held in a Family	27%	38%	17%	30%
	Dwelling Held in a Family Trust	15%	12%	14%	15%
<b>YEARS AT RESIDENCE</b>	0 Years	21%	26%	15%	19%
	1-4 Years	33%	30%	28%	29%
	5-9 Years	19%	19%	25%	17%
	10-14 Years	12%	8%	15%	12%
	15-29 Years	11%	12%	12%	16%
	30 Years or More	4%	5%	5%	8%
<b>NUMBER OF BEDROOMS</b>	One Bedroom	4%	9%	3%	10%
	Two Bedrooms	23%	29%	8%	23%
	Three Bedrooms	46%	41%	50%	41%
	Four Bedrooms	23%	17%	31%	19%
	Five Bedrooms	4%	3%	6%	6%
	Six Bedrooms	0%	0%	1%	1%
	Seven Bedrooms	0%	0%	0%	0%
	Eight or More Bedrooms	0%	0%	0%	0%
<b>WEEKLY RENT PAID</b>	Under \$100	11%	9%	0%	10%
	\$100-\$149	9%	5%	0%	20%
	\$150-\$199	6%	11%	0%	40%
	\$200-\$249	9%	14%	9%	10%
	\$250-\$299	15%	20%	0%	10%
	\$300-\$349	14%	18%	55%	10%
	\$350 and Over	37%	23%	36%	0%

	Kaiteriteri	Motueka	Murchison	Richmond	
<b>GENERAL</b>	Population	986	12,945	996	21,949
	Households	385	5,138	447	8,274
	Person Per Dwelling Ratio	2.56	2.52	2.23	2.65
<b>AGE PROFILE</b>	0-4 Years	4%	6%	7%	5%
	5-9 Years	6%	7%	4%	7%
	10-14 Years	7%	7%	6%	8%
	15-19 Years	4%	5%	5%	7%
	20-24 Years	4%	5%	6%	4%
	25-29 Years	2%	4%	3%	3%
	30-34 Years	4%	5%	5%	4%
	35-39 Years	6%	6%	5%	5%
	40-44 Years	6%	7%	8%	8%
	45-49 Years	9%	7%	8%	8%
	50-54 Years	8%	7%	8%	8%
	55-59 Years	9%	7%	10%	7%
	60-64 Years	11%	7%	10%	7%
65 years and Over	21%	21%	17%	19%	
<b>HOUSEHOLD INCOME</b>	\$20,000 or Less	17%	13%	13%	9%
	\$20,001-\$30,000	14%	16%	16%	13%
	\$30,001-\$50,000	21%	25%	23%	20%
	\$50,001-\$70,000	12%	18%	22%	17%
	\$70,001-\$100,000	19%	16%	16%	18%
	\$100,001 or More	17%	12%	11%	23%
<b>PERSONAL INCOME</b>	\$5,000 or Less	11%	11%	10%	12%
	\$5,001-\$10,000	5%	6%	7%	5%
	\$10,001-\$20,000	24%	26%	23%	20%
	\$20,001-\$30,000	20%	20%	18%	16%
	\$30,001-\$50,000	22%	23%	22%	22%
	\$50,001 or More	19%	16%	21%	24%
<b>ETHNICITY</b>	European Ethnic Groups	88%	83%	89%	89%
	Māori Ethnic Group	6%	10%	7%	6%
	Pacific Peoples' Ethnic Groups	1%	2%	0%	1%
	Asian Ethnic Groups	1%	2%	2%	2%
	MELAA Ethnic Groups	1%	0%	0%	0%
	Other Ethnic Groups	3%	2%	2%	2%
<b>QUALIFICATION ATTAINMENT</b>	No Qualification	19%	28%	32%	22%
	Level 1 Certificate	10%	15%	18%	15%
	Level 2 Certificate	8%	11%	15%	12%
	Level 3 Certificate	7%	7%	5%	7%
	Level 4 Certificate	13%	12%	9%	13%
	Level 5 or Level 6 Diploma	14%	9%	8%	11%
	Bachelor Degree and Level 7 Qualifications	12%	9%	7%	10%
	Postgraduate and Honours Degrees	3%	2%	2%	3%
	Masters Degree	3%	2%	1%	2%
	Doctorate Degree	1%	1%	0%	1%
	Overseas Secondary School Qualification	10%	6%	3%	4%

	Kaiteriteri	Motueka	Murchison	Richmond
Employed - Full Time	50%	45%	56%	46%
Employed - Part Time	18%	16%	18%	17%
Unemployed	2%	3%	2%	3%
Not in Labour Force	30%	36%	24%	34%
<b>Managers</b>	30%	18%	37%	19%
<b>Professionals</b>	14%	15%	6%	19%
<b>Technicians and Trades Workers</b>	9%	11%	9%	13%
<b>Community and Personal Service Workers</b>	10%	8%	9%	8%
<b>Clerical and Administrative Workers</b>	10%	9%	5%	10%
<b>Sales Workers</b>	4%	8%	4%	9%
<b>Machinery Operators and Drivers</b>	4%	7%	12%	6%
<b>Labourers</b>	19%	24%	18%	14%
Full Time	5%	6%	3%	8%
Part Time	3%	3%	3%	4%
Full-time and Part-time Study	0%	0%	0%	0%
Not Studying	92%	91%	94%	89%
<b>Wages, Salary, Commissions, Bonuses etc</b>	55%	62%	60%	67%
<b>Self-employment or Business</b>	36%	23%	37%	28%
<b>Interest, Dividends, Rent, Other Invest.</b>	36%	29%	18%	38%
<b>Payments from a Work Accident Insurer</b>	1%	2%	1%	2%
<b>NZ Superannuation or Veterans Pension</b>	22%	30%	17%	28%
<b>Other Super., Pensions, Annuities</b>	7%	5%	1%	5%
<b>Unemployment Benefit</b>	0%	3%	0%	2%
<b>Sickness Benefit</b>	4%	4%	2%	3%
<b>Domestic Purposes Benefit</b>	3%	4%	1%	4%
<b>Invalids Benefit</b>	3%	3%	2%	2%
<b>Student Allowance</b>	1%	1%	2%	2%
<b>Other Govt Benefits, Payments or Pension</b>	6%	6%	1%	7%
<b>Other Sources of Income</b>	0%	2%	1%	3%
<b>No Source of Income During That Time</b>	1%	0%	0%	0%
<b>Agriculture, Forestry and Fishing</b>	23%	25%	46%	11%
<b>Mining</b>	1%	0%	2%	0%
<b>Manufacturing</b>	5%	12%	1%	12%
<b>Electricity, Gas, Water and Waste Services</b>	0%	0%	0%	1%
<b>Construction</b>	4%	7%	7%	9%
<b>Wholesale Trade</b>	1%	3%	2%	4%
<b>Retail Trade</b>	6%	11%	4%	11%
<b>Accommodation and Food Services</b>	27%	6%	19%	5%
<b>Transport, Postal and Warehousing</b>	3%	3%	4%	4%
<b>Information Media and Telecommunications</b>	0%	1%	1%	1%
<b>Financial and Insurance Services</b>	1%	1%	0%	2%
<b>Rental, Hiring and Real Estate Services</b>	3%	2%	0%	3%
<b>Professional, Scientific and Technical Service</b>	3%	5%	0%	7%
<b>Administrative and Support Services</b>	5%	3%	5%	3%
<b>Public Administration and Safety</b>	0%	2%	0%	3%
<b>Education and Training</b>	6%	6%	3%	8%
<b>Health Care and Social Assistance</b>	6%	7%	3%	10%
<b>Arts and Recreation Services</b>	6%	2%	3%	2%
<b>Other Services</b>	2%	3%	1%	4%

	Kaiteriteri	Motueka	Murchison	Richmond
Single	27%	27%	24%	22%
Couple	39%	36%	42%	35%
Single Parent With Children	9%	10%	10%	10%
Two Parent Family	23%	25%	20%	31%
Other Multi-person	2%	2%	4%	2%
1 Residents	24%	26%	25%	21%
2 Residents	42%	41%	50%	38%
3 Residents	14%	13%	13%	15%
4 Residents	15%	12%	8%	16%
5 Residents	5%	6%	4%	6%
6 Residents	0%	1%	0%	2%
7 Residents	0%	0%	0%	1%
8 Plus Residents	0%	0%	0%	0%
Dwelling Owned or Partly Owned	51%	56%	63%	58%
Dwelling Not Owned and Not Held in a Fami	28%	28%	31%	23%
Dwelling Held in a Family Trust	22%	16%	6%	19%
0 Years	23%	21%	22%	19%
1-4 Years	21%	28%	25%	29%
5-9 Years	18%	22%	20%	21%
10-14 Years	16%	11%	14%	14%
15-29 Years	18%	12%	10%	13%
30 Years or More	5%	6%	8%	4%
One Bedroom	13%	8%	6%	5%
Two Bedrooms	16%	20%	12%	16%
Three Bedrooms	41%	47%	53%	42%
Four Bedrooms	21%	19%	22%	29%
Five Bedrooms	6%	5%	6%	6%
Six Bedrooms	2%	1%	0%	1%
Seven Bedrooms	1%	0%	0%	0%
Eight or More Bedrooms	0%	0%	1%	0%
Under \$100	13%	10%	0%	2%
\$100-\$149	25%	14%	0%	10%
\$150-\$199	25%	15%	100%	7%
\$200-\$249	25%	9%	0%	9%
\$250-\$299	13%	22%	0%	13%
\$300-\$349	0%	22%	0%	13%
\$350 and Over	0%	8%	0%	48%

	St Arnaud	Takaka	Tapawera	Wakefield
Population	306	3,779	1,158	3,929
Households	145	1,600	459	1,357
Person Per Dwelling Ratio	2.11	2.36	2.52	2.89
0-4 Years	2%	5%	6%	7%
5-9 Years	6%	7%	7%	7%
10-14 Years	7%	7%	8%	9%
15-19 Years	4%	5%	8%	7%
20-24 Years	2%	2%	4%	4%
25-29 Years	4%	3%	3%	4%
30-34 Years	5%	4%	5%	5%
35-39 Years	6%	6%	7%	6%
40-44 Years	9%	7%	9%	9%
45-49 Years	7%	7%	8%	7%
50-54 Years	10%	8%	9%	8%
55-59 Years	7%	10%	8%	7%
60-64 Years	11%	9%	7%	7%
65 years and Over	20%	19%	11%	12%
\$20,000 or Less	16%	18%	12%	8%
\$20,001-\$30,000	16%	17%	17%	11%
\$30,001-\$50,000	31%	24%	24%	18%
\$50,001-\$70,000	13%	16%	18%	18%
\$70,001-\$100,000	16%	16%	19%	21%
\$100,001 or More	9%	11%	10%	23%
\$5,000 or Less	8%	12%	16%	14%
\$5,001-\$10,000	5%	7%	8%	5%
\$10,001-\$20,000	25%	25%	20%	19%
\$20,001-\$30,000	21%	20%	17%	15%
\$30,001-\$50,000	23%	20%	25%	23%
\$50,001 or More	18%	17%	14%	24%
European Ethnic Groups	95%	88%	88%	90%
Māori Ethnic Group	1%	7%	9%	6%
Pacific Peoples' Ethnic Groups	0%	1%	1%	1%
Asian Ethnic Groups	0%	1%	1%	1%
MELAA Ethnic Groups	1%	0%	0%	0%
Other Ethnic Groups	2%	2%	2%	3%
No Qualification	13%	20%	29%	22%
Level 1 Certificate	19%	16%	16%	16%
Level 2 Certificate	11%	10%	13%	13%
Level 3 Certificate	10%	7%	8%	8%
Level 4 Certificate	13%	11%	12%	14%
Level 5 or Level 6 Diploma	13%	13%	8%	11%
Bachelor Degree and Level 7 Qualifications	13%	10%	7%	9%
Postgraduate and Honours Degrees	2%	4%	1%	2%
Masters Degree	5%	2%	1%	1%
Doctorate Degree	0%	1%	0%	0%
Overseas Secondary School Qualification	3%	6%	3%	4%

	St Arnaud	Takaka	Tapawera	Wakefield	
<b>EMPLOYMENT</b>	Employed - Full Time	54%	43%	52%	52%
	Employed - Part Time	18%	22%	16%	18%
	Unemployed	1%	2%	3%	3%
	Not in Labour Force	27%	33%	28%	27%
<b>EMPLOYMENT CLASSIFICATION</b>	Managers	36%	25%	29%	18%
	Professionals	16%	17%	9%	17%
	Technicians and Trades Workers	9%	12%	8%	14%
	Community and Personal Service Workers	9%	8%	7%	8%
	Clerical and Administrative Workers	7%	8%	9%	9%
	Sales Workers	4%	8%	2%	8%
	Machinery Operators and Drivers	7%	6%	7%	7%
	Labourers	13%	16%	28%	18%
<b>STUDENT RATIO</b>	Full Time	2%	5%	8%	8%
	Part Time	6%	3%	4%	5%
	Full-time and Part-time Study	0%	0%	0%	0%
	Not Studying	92%	92%	88%	87%
<b>HOUSEHOLD INCOME SOURCES</b>	Wages, Salary, Commissions, Bonuses etc	53%	57%	64%	73%
	Self-employment or Business	40%	39%	44%	30%
	Interest, Dividends, Rent, Other Invest.	28%	35%	16%	27%
	Payments from a Work Accident Insurer	0%	1%	2%	2%
	NZ Superannuation or Veterans Pension	20%	24%	15%	15%
	Other Super., Pensions, Annuities	3%	6%	1%	3%
	Unemployment Benefit	0%	1%	2%	1%
	Sickness Benefit	0%	3%	3%	2%
	Domestic Purposes Benefit	0%	4%	7%	2%
	Invalids Benefit	0%	1%	4%	1%
	Student Allowance	0%	2%	1%	0%
	Other Govt Benefits, Payments or Pension	3%	6%	4%	5%
	Other Sources of Income	0%	2%	1%	1%
	No Source of Income During That Time	3%	0%	0%	0%
<b>INDUSTRY OF EMPLOYMENT</b>	Agriculture, Forestry and Fishing	50%	24%	54%	22%
	Mining	0%	0%	1%	1%
	Manufacturing	0%	5%	7%	15%
	Electricity, Gas, Water and Waste Services	0%	1%	0%	0%
	Construction	0%	8%	5%	10%
	Wholesale Trade	0%	2%	2%	4%
	Retail Trade	0%	12%	3%	8%
	Accommodation and Food Services	25%	10%	3%	3%
	Transport, Postal and Warehousing	0%	4%	2%	5%
	Information Media and Telecommunications	0%	0%	1%	0%
	Financial and Insurance Services	0%	1%	1%	0%
	Rental, Hiring and Real Estate Services	0%	3%	1%	2%
	Professional, Scientific and Technical Service	0%	5%	5%	5%
	Administrative and Support Services	0%	3%	1%	3%
	Public Administration and Safety	0%	2%	1%	1%
	Education and Training	0%	7%	7%	6%
	Health Care and Social Assistance	0%	7%	2%	9%
	Arts and Recreation Services	25%	3%	1%	1%
	Other Services	0%	4%	2%	4%

		St Arnaud	Takaka	Tapawera	Wakefield
HOUSEHOLDS	Single	32%	25%	21%	12%
	Couple	35%	39%	32%	40%
	Single Parent With Children	5%	10%	11%	8%
	Two Parent Family	25%	23%	32%	38%
	Other Multi-person	3%	3%	3%	2%
NUMBER OF RESIDENTS	1 Residents	32%	26%	22%	13%
	2 Residents	47%	44%	40%	42%
	3 Residents	6%	14%	13%	15%
	4 Residents	9%	11%	15%	18%
	5 Residents	6%	4%	8%	6%
	6 Residents	0%	1%	1%	2%
	7 Residents	0%	0%	2%	1%
	8 Plus Residents	0%	1%	0%	2%
HOME OWNERSHIP	Dwelling Owned or Partly Owned	51%	57%	61%	71%
	Dwelling Not Owned and Not Held in a Fami	27%	29%	29%	14%
	Dwelling Held in a Family Trust	22%	14%	10%	15%
YEARS AT RESIDENCE	0 Years	13%	20%	16%	16%
	1-4 Years	30%	27%	27%	30%
	5-9 Years	30%	20%	24%	25%
	10-14 Years	14%	12%	13%	12%
	15-29 Years	7%	14%	14%	13%
	30 Years or More	6%	7%	6%	4%
NUMBER OF BEDROOMS	One Bedroom	10%	8%	5%	5%
	Two Bedrooms	17%	17%	11%	8%
	Three Bedrooms	48%	48%	50%	45%
	Four Bedrooms	21%	22%	25%	32%
	Five Bedrooms	3%	4%	8%	7%
	Six Bedrooms	0%	0%	1%	2%
	Seven Bedrooms	0%	0%	1%	0%
	Eight or More Bedrooms	0%	1%	0%	0%
WEEKLY RENT PAID	Under \$100	#DIV/0!	3%	0%	0%
	\$100-\$149	#DIV/0!	9%	13%	100%
	\$150-\$199	#DIV/0!	13%	13%	0%
	\$200-\$249	#DIV/0!	25%	38%	0%
	\$250-\$299	#DIV/0!	34%	38%	0%
	\$300-\$349	#DIV/0!	16%	0%	0%
	\$350 and Over	#DIV/0!	0%	0%	0%



## APPENDIX 8: LAND REQUIREMENTS BY SETTLEMENT 2038

Low Growth Scenario Land (ha)	TRENDED BUSINESS LAND GROWTH DISTRIBUTION				Total
	Retail	Commercial Services	Industrial	Commercial Office	
Rural North					
Atawhai			0.0	0.2	0.2
Central East			0.3	0.6	0.9
Central West	6.6	3.3	0.0	3.1	13.0
Tahunanui	0.5	0.2	0.0	3.6	4.3
Stoke	1.0	0.5	0.0	1.9	3.4
<b>Nelson Subtotal</b>	<b>8.1</b>	<b>4.0</b>	<b>0.3</b>	<b>9.3</b>	<b>21.7</b>
Takaka	1.2	0.6	4.0	0.3	6.2
Kaiteriteri			0.0	0.0	
Collingwood			3.1	0.0	3.1
Richmond	4.3	2.1	5.6	2.7	14.7
Wakefield	0.1	0.0	0.0	0.1	0.2
Brightwater	0.1	0.0	2.0	0.2	2.4
Motueka	2.2	1.1	0.0	1.8	5.1
Tapawera			0.2	0.0	0.2
St Arnaud			0.1	0.0	0.1
Murchison			0.0	0.0	0.0
<b>Tasman Subtotal</b>	<b>7.8</b>	<b>3.9</b>	<b>15.0</b>	<b>5.2</b>	<b>31.9</b>
<b>Total Tasman / Nelson</b>	<b>15.9</b>	<b>7.9</b>	<b>15.3</b>	<b>14.5</b>	<b>53.6</b>

Medium Growth Scenario Land (ha)	TRENDED BUSINESS LAND GROWTH DISTRIBUTION				Total
	Retail	Commercial Services	Industrial	Commercial Office	
Rural North			0.2		0.2
Atawhai				0.4	0.4
Central East			0.5	0.9	1.4
Central West	6.6	3.3		5.0	14.9
Tahunanui	0.5	0.2		5.8	6.5
Stoke	1.0	0.5	14.2	3.1	18.8
<b>Nelson Subtotal</b>	<b>8.1</b>	<b>4.0</b>	<b>14.8</b>	<b>15.1</b>	<b>42.1</b>
Takaka	1.2	0.6		0.5	2.3
Kaiteriteri			0.2		0.2
Collingwood			1.2		1.2
Richmond	4.3	2.1	11.0	4.3	21.8
Wakefield	0.1	0.0	0.8	0.2	1.1
Brightwater	0.1	0.0	2.6	0.3	3.1
Motueka	2.2	1.1	2.0	2.9	8.2
Tapawera			0.0	0.1	0.1
St Arnaud					0.0
Murchison			0.6		0.6
<b>Tasman Subtotal</b>	<b>7.8</b>	<b>3.9</b>	<b>18.5</b>	<b>8.4</b>	<b>38.6</b>
<b>Total Tasman / Nelson</b>	<b>15.9</b>	<b>7.9</b>	<b>33.3</b>	<b>23.5</b>	<b>80.6</b>

High Growth Scenario Land Demand (sqm)	TRENDED BUSINESS LAND GROWTH DISTRIBUTION				Total
	Retail	Commercial Services	Industrial	Commercial Office	
Rural North			0.3		0.3
Atawhai				0.5	0.5
Central East			0.9	1.3	2.2
Central West	6.6	3.3		8.1	18.0
Tahunanui	0.5	0.2		8.4	9.1
Stoke	1.0	0.5	25.4	4.5	31.4
<b>Nelson Subtotal</b>	<b>8.1</b>	<b>4.0</b>	<b>26.6</b>	<b>22.8</b>	<b>61.5</b>
Takaka	1.2	0.6	0.0	0.7	2.5
Kaiteriteri			0.4		0.4
Collingwood			2.1	0.1	2.2
Richmond	4.3	2.1	19.8	7.0	33.2
Wakefield	0.1	0.0	1.5	0.3	1.9
Brightwater	0.1	0.0	4.7	0.4	5.3
Motueka	2.2	1.1	3.6	4.8	11.6
Tapawera				0.1	0.1
St Arnaud					
Murchison			1.0	0.0	1.0
<b>Tasman Subtotal</b>	<b>7.8</b>	<b>3.9</b>	<b>33.2</b>	<b>13.4</b>	<b>58.3</b>
<b>Total Tasman / Nelson</b>	<b>15.9</b>	<b>7.9</b>	<b>59.8</b>	<b>36.2</b>	<b>119.8</b>

Low Growth Scenario Land (ha)	ZONED BUSINESS LAND GROWTH DISTRIBUTION				Total
	Retail	Commercial Services	Industrial	Commercial Office	
Rural North					
Atawhai					
Central East					
Central West	6.6	3.3	1.3	3.9	15.1
Tahunanui	0.5	0.2	2.3	0.8	3.8
Stoke	1.0	0.5	1.0	0.9	3.4
<b>Nelson Subtotal</b>	<b>8.1</b>	<b>4.0</b>	<b>4.5</b>	<b>5.7</b>	<b>22.2</b>
Takaka	1.2	0.6	0.8	1.0	3.6
Kaiteriteri					
Collingwood			0.1	0.2	0.2
Richmond	4.3	2.1	4.4	6.3	17.2
Wakefield	0.1	0.0	0.6	0.4	1.1
Brightwater	0.1	0.0	3.8	0.1	4.0
Motueka	2.2	1.1	0.7	1.7	5.6
Tapawera			0.2	0.1	0.3
St Arnaud			0.0	0.2	0.2
Murchison			0.3	0.4	0.7
<b>Tasman Subtotal</b>	<b>7.8</b>	<b>3.9</b>	<b>10.8</b>	<b>10.4</b>	<b>32.9</b>
<b>Total Tasman / Nelson</b>	<b>15.9</b>	<b>7.9</b>	<b>15.3</b>	<b>16.1</b>	<b>55.2</b>