Report Overview

This report will outline the strongest industries in the New Zealand and further evaluate niches in Auckland and Wellington. The research will focus on the cities previously mentioned and will have a focus on the top industries in those cities as well as a focus on the college's interest in Europe.

New Zealand at a Glance

New Zealand’s economy is developed, but it is comparatively small in the global marketplace. In the late 19th and early 20th centuries, New Zealand’s standard of living, based on the export of agricultural products, was one of the highest in the world, but after the mid-20th century, the rate of growth was one of the slowest among the developed countries. Impediments to economic expansion have been the slow growth of the economy of the United Kingdom (which formerly was the main destination of New Zealand’s exports) and its eventual membership in the European Community (later the European Union) and the high tariffs imposed by the major industrial nations against the country’s agricultural products (e.g., butter and meat). New Zealand’s economic history since the mid-20th century has consisted largely of attempts to grow and diversify its economy by finding new markets and new products (such as wine and paper products), expanding its manufacturing base, and entering into or supporting free-trade agreements.¹

- Population: 5.1 million
- GDP per capita: (NZD) 65,106 equiv. (USD) 42,940
- GDP: (NZD) 312.19 billion equiv. (USD) 205.9 billion
- Unemployment: 4.3%
- Youth unemployment: 9.3%
- Inflation: 2.7%²

Fertile soil and excellent growing conditions coupled with sophisticated farming methods and advanced agricultural technology provide the ideal environment for pastoral, forestry and horticulture activities. Various primary commodities account for around half of all goods exports and New Zealand is one of the top five dairy exporters in the world. Complementing primary production are sizeable manufacturing and service sectors and growing high-tech capabilities. Tourism, film production, and winemaking are also significant. It's an outward-looking, internationally competitive economy with exports accounting for about 30% of GDP. New Zealand has a low-inflation environment, with monetary policy managed by the Reserve Bank, the independent central bank that is charged with maintaining price stability.³

¹ https://www.britannica.com/place/New-Zealand/Economy
The labour market is tight, with unemployment reaching a ten-year low. However, wage growth is moderate. Inflation has increased to just under the 2% mid-point of the target range, pushed higher by petrol excise duty hikes and rising import prices following exchange rate depreciation and oil price rises. Core inflation is somewhat lower, reflecting the importance of transitory factors. House prices have been flat in Auckland over the past 18 months but have continued to grow elsewhere.4

*APercentage of firms expecting to increase investment in property, plant and equipment in a year's time less percentage expecting to decrease investment.**

**Source: ANZ Bank, Business Outlook Survey; OECD Economic Outlook 104 database; and Reserve Bank of New Zealand (2018), Monetary Policy Statement, November.5

Auckland overview

Auckland, based around 2 large harbors, is a major city in the north of New Zealand’s North Island. In the center, the iconic Sky Tower has views of Viaduct Harbor, which is full of superyachts and lined with bars and cafes. Auckland Domain, the city’s oldest park, is based around an extinct volcano and home to the formal Wintergardens.6

Population: 1.61 million
GDP per capita: (NZD) 89,027 equiv. (USD) 58,717

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4 https://www.heritage.org/index/country/newzealand
The top industries here in Auckland are in manufacturing, Health, Hospitality, Food and Beverage, Construction and Engineering, Business and Management Services, Accounting, and marketing. The top employers here are Abano Healthcare Group, Air New Zealand, ASB Bank, Fonterra, APN News and Media, Carter Hold Hurvey, Datacom Group Ltd., Eurest New Zealand, and Mainfreight Ltd.⁷

### Wellington overview

Wellington, the capital of New Zealand, sits near the North Island’s southernmost point on the Cook Strait. A compact city, it encompasses a waterfront promenade, sandy beaches, and a working harbour. Strong winds through the Cook Strait gives it the nickname "Windy Wellington," as known by its people.⁸

**Population:** 418,500  
**Unemployment rate:** 2.8%  
**GDP per capita:** (NZD) 105,909 equiv. (USD) 69,851

The top industries here in Auckland are in web based and digital technology, screen and creatives, game development, manufacturing, business process outsourcing, professional services, scientific/technical, financial services, and health. The top employers here are Contact Energy Limited, HP Enterprise Services, IBM New Zealand, Opus International Consultants Ltd., Orica New Zealand Ltd., Tower Financial Advisory Services, Barnados New Zealand, AMP Financial Services, and the Correspondence School.⁹

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⁷ https://www.backpackerguide.nz/10-business-that-are-putting-new-zealand-on-the-map/  
⁹ https://www.enz.org/major-wellington-employers.html