DWC MONTHLY UPDATE

NOVEMBER 2024



Te Ohu Whakawhanake o Te Tai Poutini



COAST GAINS JOBS AND VISITORS

The West Coast economy remains in the thick of it, with tough operating conditions according to Infometrics' latest economic update.

Data for the year to September 2024 shows a 0.2% decline in regional GDP for the West Coast, trailing a flat national average.

"While the past year presented a mixed economic picture, we're encouraged by the rebound seen in the September quarter," said Heath Milne, DWC Chief Executive.

The most recent quarter recorded a 0.6% increase in economic activity for the West Coast, compared to no growth nationally.

Employment on the West Coast grew by 1.6%, outpacing the national rate of 1.2%, with total employment increasing to 15,122—an addition of 238 new jobs.

With major mineral sector projects on the horizon, Milne highlighted the potential for further job growth in the region. "To support this, DWC is helping host an excavation and mining info session next week in Westport, connecting mining companies with job seekers."

Nationally, tourism expenditure remained stagnant, growing just 0.9% due to declining domestic visitor spending and marginal increases in international spending. In contrast, the West Coast outperformed all other regions, achieving a 10.4% increase in visitor spending. This translated to a \$48.1 million boost, bringing total tourism revenue to \$511 million. Westland had an 11% rise in spending, Buller 15%, and Grey District saw a 5.6% increase.

Guest nights on the West Coast also rose by 4.1%, reaching 1,317,200 for the year ending September 2024, significantly outpacing the national growth rate of 1.7%.

However, Milne noted that the tourism recovery is beginning to lose momentum as cost-of-living pressures and an uncertain labour market result in fewer New Zealanders taking holidays. The recent SH6 closure between Haast and Lake Moeraki has further highlighted the region's vulnerability.

"While it's a huge relief that the road has reopened, the long-term reputational impact of such events is a significant risk," Milne added. "Concerns about roading reliability West Coast

New Zealand

Employment

+1.6%

+1.2%

Tourism expenditure

+10.4%

+0.9%

Guest Nights

+4.1%

+1.7%

House values

+10.7%

-0.3%

could see the West Coast excluded from future international itineraries. With international group tours contributing around \$100 million annually to visitor spending, any disruption to this market would be a major challenge for the region."

The West Coast housing market remains strong, with values up 11% in the September quarter, significantly outpacing the national decline of 0.3%. The average home value stands at \$406,300, making it the most affordable housing in the country. However, the region faces a pressing housing shortage, particularly with the anticipated creation of new mining jobs.

"Addressing the housing shortage is a key focus for DWC as we prepare for growth in our workforce," Milne emphasised.

In agriculture, the recent increase in Fonterra's forecast farmgate milk price to \$9.50 per kilogram of milksolids—matched by Westland Milk Products with an additional 10c—reflects strong demand for dairy commodities and signals a resurgence in the sector.

UPCOMING EVENT



Buller Excavation and Mining Info Session | Westport

28 November, 4pm-7pm | FREE | Buller High School This event is designed to connect mining companies with new workers from across the region.



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FREE BUSINESS DEVELOPMENT SESSIONS

Did you know DWC offers free one-on-one business development sessions across the region?

Book an appointment to meet with DWC's business support team to:

Assess your needs through a confidential discovery session.

Receive tailored support and recommended solutions.

Explore available funding and/or support with funding application process.

Build skills through identified business development training or networking opportunities.

Connect with specialised expertise, advisors, mentors, or key partners.

Innovation/research and development support if developing new products or wanting to involve students in your R&D activities.

Leverage an extensive network of organisations and resources.

Clarify your thinking and gain valuable feedback on your plans.

Book a 1:1 session with one of our Capability & Growth Advisors during the scheduled session times or contact us at info@dwc.org.nz to arrange an onsite visit to your business at a time that works best for you.



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