

GDP strengthens in September quarter

Embargoed until 10:45am – 22 December 2016

Gross domestic product rose 1.1 percent in the September 2016 quarter, following an increase of 0.7 percent (revised) in the June 2016 quarter, Statistics New Zealand said today.

“This quarter’s rise points to broad-based growth,” national accounts senior manager Gary Dunnet said. “Thirteen of the 16 industries were up, with the main weakness coming from agriculture.”

Household spending continued its strong growth, increasing 1.6 percent this quarter, following a 2.0 percent increase in the June quarter.

“We’ve seen Kiwis spend more on domestic travel, accommodation, eating out, and recreation,” Mr Dunnet said.

Exports edged back from last quarter’s increase. While growth fell over the September quarter, export volumes remain high. Imports rose in the September quarter, reflecting large purchases of aircraft.

Service industries continued to grow, increasing 1.1 percent in the September quarter. The main drivers were business services; transport, postal and warehousing; and arts, recreation, and other services.

Manufacturing activity rose on the back of food, beverage, and tobacco manufacturing; and transport equipment, machinery and equipment manufacturing.

Construction grew 2.1 percent, with all construction sub-industries showing increases. This growth also reflected higher construction-related investment, with continued investment in residential building.

GDP per capita increased 0.6 percent this quarter, following a 0.2 percent increase in the June quarter.

Annual GDP growth for the year ended September 2016 increased to 3.0 percent. The size of the economy in current prices was \$256 billion.

Due to the 14 November earthquake we delayed this release from its scheduled date of 15 December 2016. This revised date allowed for delays in source data that contribute to GDP. We were then able to undertake our normal quality assurance processes to meet our regular quality standards.

Ends

For media enquiries contact: Daniel Griffiths, Wellington 021 384 185, info@stats.govt.nz
Authorised by Liz MacPherson, Government Statistician, 22 December 2016