

NZ's fastest growing region revealed

By [Susie Nordqvist](#) NZ Herald
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Photo / Richard Robinson

New Zealand's fastest growing region is still Auckland, with the region buoyed by a strong housing market.

The Super City has retained its place at the top of a scoreboard measuring economic activity for the eighth consecutive quarter, ahead of the Waikato and the Bay of Plenty who were tied for second place.

Southland made one of the strongest gains during the quarter, rebounding from the bottom of the table to the top half of the rankings, on a recovery of its employment and real estate sectors.

ASB said Auckland was near the top of the pack across a broad range of measures during the June quarter, causing a stronger recovery in consumer confidence than other regions.

"Construction activity remains weak although this is broadly in line with the nationwide experience," the bank said.

Waikato and the Bay of Plenty's rankings came on the back of a recovery in retail sales and an improved housing market.

However the Psa virus presented challenges for the kiwifruit producing region of the Bay of Plenty and the number of visitors to the region as represented by guest nights remained low.

Northland fell back to the bottom of the table on a weak housing market, retail sales and construction during the June quarter, ASB said.

Consumer confidence in the region languished behind most other regions and unemployment, while falling, remained the highest in New Zealand, the bank said.

"Tourism is a key industry for Northland, and although guest nights remain subdued, the Rugby World Cup pool games should provide a boost to the hospitality industry in the region."

Public sector restraint was likely to have slowed growth in Wellington during the quarter, although retail sales in the region had held up well and consumer confidence topped the country.

Further south, ASB said there had already been a rebound in retail sales and in the housing market in Canterbury during quarter two, however employment, car registrations and guest nights had fallen against year-ago levels.

"We expect rebuilding to gather momentum over 2012, and this will strongly boost activity in the region."

"For now, the rebound in retail sales and housing turnover in quarter two indicates underlying demand is returning in Canterbury."

Otago topped the rankings for employment growth, but slipped back into the bottom half of the rankings on the overall scoreboard - reflecting a fall in retail sales, house prices, guest nights and construction activity.

NZ economic scoreboard:

1. Auckland
- 2 = Waikato / Bay of Plenty
4. Nelson
5. Tasman
6. Southland
7. Hawkes Bay
8. Taranaki
- 9 = Canterbury / Wellington
11. Otago
12. West Coast
13. Manawatu / Wanganui
14. Marlborough
15. Gisborne
16. Northland

The scoreboard takes the latest quarterly regional statistics and ranks the economic performance of New Zealand's 16 regional council areas.