



## News Release

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# Latest business confidence survey good news for Rotorua's economy

ROTORUA Tuesday 25 January 2005:

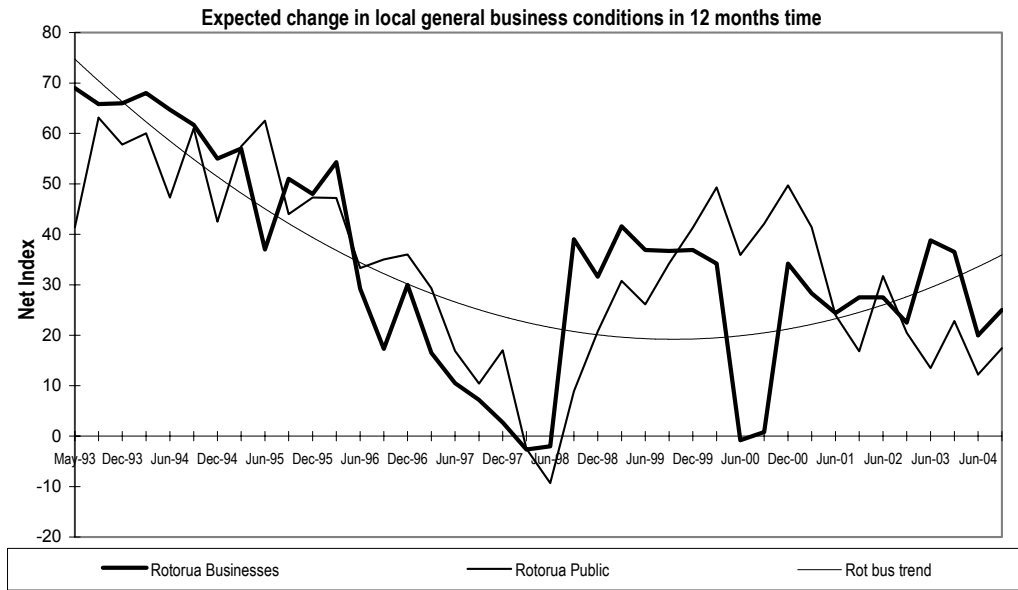
Local business people and consumers are increasingly optimistic about local business conditions in Rotorua over the next 12 months, according to the latest APR National and Rotorua Business and Public Confidence Survey just released.

The survey, carried out every six months to identify confidence levels, shows that most local indices have positive expectations. The survey shows that in Rotorua there is confidence that:

- local general business conditions will improve,
- economic activity will increase,
- personal income will go up,
- business profits will rise,
- business employment will remain stable,
- local unemployment will stabilise,
- business investment will be at increased levels,
- promotional budgets will remain steady.
- export volumes will increase, and
- building construction levels will increase.

However nationally, inflation is likely to increase, and interest rates and prices to rise, although Rotorua households expect prices to remain at current levels.

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Local indices, both public and business, show an expectation that Rotorua general business conditions will continue to develop well over the next 12 months.

Destination Rotorua Economic Development’s General Manager, Mark Rawson, said the encouraging outlook from both sectors of the community is critical for the development of a positive investment and strong business growth environment in the district.

“These figures are very good news for Rotorua. The survey results are well backed up with news of the December Rotorua economic growth monitor (from the key indicators in the region) indicating business activity has stabilised over the past few months with a solid growth rate of around 4% up with the national average, record low unemployment with 2174 registered unemployed representing a 29 % decrease from 2003 levels. This is further supported by the recently released September quarter Economic Monitoring Report indicating that in Rotorua, new consents for non-residential buildings were up by 58.8% over the same quarter of last year, while the value of these consents was up a massive 339 % over the September 2003 quarter.

“This is capped off by the latest tourism statistics which show both visitor arrivals and visitor nights were up for the year ended November 04.”

Mr Rawson says Rotorua District’s economy has been sustaining its momentum through a combination of strong domestic demand, ongoing growth in the tourism industry and favourable activity in the dairy and other agriculture based industries.

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“While there are some very positive signs for the immediate future of the Rotorua economy, the strongest job market in New Zealand in 20 years could put the brakes on the current period of economic growth both locally and nationally.

“However we’ve every reason right now to feel really upbeat about Rotorua’s immediate economic future,” says Mr Rawson.

For more details on the latest APR National and Rotorua Business and Public Confidence Survey, plus other Rotorua economic information, visit the ‘publications’ section of Destination Rotorua Economic Development’s website at [www.rotorua-business.com](http://www.rotorua-business.com)

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