

Embargoed until 10:45am – 25 March 2010

## Manufacturing boosts New Zealand economy

New Zealand's gross domestic product (GDP), the official measure of economic growth, was up 0.8 percent in the December 2009 quarter, Statistics New Zealand said today. This rise follows an increase of 0.3 percent in the September 2009 quarter and is the third consecutive quarter of growth in New Zealand's economy.

By industry, the largest movements in the December 2009 quarter were:

- manufacturing activity, up 4.5 percent, the first increase after seven consecutive quarters of decline and led by food, beverage, and tobacco manufacturing
- wholesale trade, up 2.7 percent, also increased after seven consecutive quarters of decline
- retail, accommodation, and restaurants, up 1.7 percent
- personal, health, and community services, down 1.1 percent.

"Strong manufacturing activity contributed to growth in the December 2009 quarter," said National Accounts manager Rachael Milicich. "This growth reflects both increased demand and the need to replenish manufacturing inventories that have recently been run down."

The expenditure measure of GDP, which is released concurrently with the production measure and is conceptually the same, was also up 0.8 percent in the December 2009 quarter. While the production measure of GDP shows the volume of goods and services produced by the economy, the expenditure measure shows how those goods and services were used.

The volume of goods and services purchased by New Zealand households (household consumption expenditure) was up 0.9 percent in the December 2009 quarter. Demand for both durable goods (used cars and furniture and major appliances), and non-durable goods (mostly alcoholic beverages) increased this quarter, while household demand for services fell.

Imports of goods were up 7.6 percent in the December 2009 quarter. The main increases in imports were for plant, machinery, and transport equipment; and for cars. Exports of goods were down 0.3 percent this quarter, with volumes of dairy products down 7.1 percent.

Geoff Bascand  
Government Statistician

25 March 2010

END

For media enquiries contact:  
Jason Attewell  
Wellington 04 931 4600  
Email: [info@stats.govt.nz](mailto:info@stats.govt.nz)