

**‘Economic Development Indicators 2005 -  
Growth Through Innovation’  
(www.med.govt.nz)**

Updates and expands on the Benchmark Indicators Report, August 2003.  
Continued focus on the Growth and Innovation Framework (GIF) themes of:  
Innovation – Skills and Talent – International Connections, with additional indicators for:  
Labour Utilisation and Productivity – Entrepreneurial Activity, the Quality of Regulation  
and Indicators of Macroeconomic Stability and Performance.

Each Indicator lists: Why is it significant?  
How does NZ perform?  
What does this mean for NZ?

Indicator	Council			
	Auckland Regional	Env. Waikato	Nelson	Env. Southland
<b>1. Outcome Indicators</b> – re governments economic policy				
GDP per capita (1.1)	✓	✓	✓	✓
GNI per capita (1.1)	✓		✓	✓
Real wages (1.2)	✓	✓	✓	✓
<b>2. Components of Material Living Standards</b> – labour utilisation and labour productivity				
<b>Labour Utilisation</b> – number of hours worked per head of population per year, Aggregate (2.1):				
Proportion of pop. of working age (2.2)			✓	✓
Labour force participation rate (2.3)		✓	✓	✓
Unemployment rate (2.4)	✓	✓	✓	✓
Av. hours worked in paid employment (2.5)			✓	✓
<b>Labour Productivity</b> – amount of output (goods and services) produced per each unit of paid work (3.1)				
GDP per hour worked (3.1)				✓
Multi-factor productivity (3.2)				
Capital-Labour ratio (3.3)				
Sector Level labour productivity (3.4)		✓		
<b>3. Intermediate Indicators of the “Drivers” of productivity and growth</b>				
<b>Investment, savings and financial development (4.1)</b>				
- total investment (4.1.1)				
- business investment (4.1.2)				
- government investment (4.1.3)				
- net national savings (4.2)				
- financial market development (4.3)				

	<b>Auckland Regional</b>	<b>Env. Waikato</b>	<b>Nelson</b>	<b>Env. Southland</b>
<b>Innovation and technological change</b> – major underlying drives of long-term growth (5.0)				
- firm level innovation (5.1)				
- research and devel. (5.2)				
- levels of patenting (5.3)				
- technology adoption (5.4)				
- exports med-high tech (5.5)			✓	
- publications/citations (5.6)				
- innovation linkages (5.7)				
<b>Enterprise</b> – changes in individual businesses				
- firm entry and exit (5.8)				✓
- cost/time to register new firm (5.9)				
- firm survival and growth (5.10)				✓
<b>International Connections</b> – due to small NZ size, international connections key (6.0)				
- international trade (6.1)			✓	
- international investment (6.2)				
- migration flows (6.3)	✓			✓
- international education connections (6.4)				
- science and innovation linkages (6.5)				
<b>Skills and Talent</b> – human capital (7.0)				
- educational attainment (7.1)	✓	✓	✓	✓
- basic skills – literacy and numeracy (7.2)		✓	✓	✓
- upskilling labour force (7.3)		✓		✓
- management skills (7.4)				✓
- skill shortages (7.5)	✓			✓
<b>4. “Foundation” Indicators</b> – macroeconomic stability, quality of institutions and regulation and infrastructure (8.0)				
<b>Macroeconomic environment (8.1)</b>				
- GDP growth volatility (8.1.1)				
- Inflation and inflation volatility (8.1.2)				
- monetary conditions (interest and exchange rates) (8.1.3)				
- terms of trade (8.1.4)				
- fiscal aggregates (8.1.5)				
- external position (8.1.6)				
<b>Institutional and regulatory environment (8.2)</b>				
- quality of institutions		✓		
- quality of regulation and competition				
<b>Infrastructure (8.3)</b>				
- quality of infrastructure		(✓)		