

RESPONDING FOR OUR REGION // 2024 RESEARCH UPDATE

Toi Foundation seeks to understand how we can be impactful catalysts for change, by examining key indicators of Taranaki's economic performance and population wellbeing. To this end, we've recently commissioned an interim update to socioeconomic research by Infometrics.

The update looks at both the challenges Taranaki has faced post COVID-19 pandemic and improvements that have eventuated.

Worsening conditions are understandable and no less important to address, while improvements should be celebrated. Importantly, these findings provide us with valuable evidence to guide future funding decisions and clear direction when responding for our region – collaborating with the organisations that are doing, or looking to do great work in our community.

We will look to update the research again once census data is completed and available.

A mixed result is a good result.

Recently, New Zealand experienced high inflation driven by supply chain issues and economic stimulus, prompting the Reserve Bank to raise interest rates. Inflation peaked at 7.3% in June 2022 and fell to 4.0% by March 2024. However, persistent domestic inflation pressures mean interest rates are expected to remain high until late 2024 or early 2025.

Taranaki's key industries faced volatility. Dairy prices soared in 2022 but profitability was hindered by high costs and new freshwater regulations. The forestry sector struggled with reduced demand from China. The energy sector, impacted by a 2017 ban on new offshore exploration, is transitioning with projects like the South Taranaki Offshore Wind Project. The new Coalition Government's reversal of the exploration ban could bring new investments.

Port Taranaki saw record profits in 2022/23, bolstered by increased ship visits and the closure of Marsden Point oil refinery. However, Cyclone Gabrielle led to diverted government funding, creating financial constraints for Taranaki.

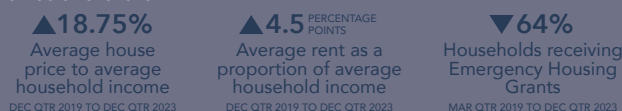
Despite these challenges, Taranaki's indicators show mixed results. Improvements in some areas, such as life expectancy and mental health metrics, contrast with declines in civic engagement, housing affordability, and school leaver achievement. Economic volatility has affected benefit dependency, and rates of NEET (Not in Education, Employment, or Training) and truancy, whilst the region's emissions reduction was above the national average fall. New Plymouth generally has better income, labour market, and educational outcomes, while South Taranaki fares worst in safety and economic measures but better in housing affordability.

A LOOK AT SOME OF THE FINDINGS:

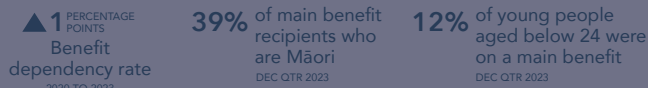
HEALTH – Life expectancy is increasing. Mental health presentation rates have fallen in Taranaki but remain above the national average. Taranaki has one of the highest rates of ambulatory sensitive hospitalisations (ASHs) in New Zealand despite a recent decline. Health support levels are lower than the national average but are improving.



HOUSING – Housing affordability significantly worsened then improved. Rental affordability worsened, now significantly worse than the national average. State housing needs have stabilised and Emergency Housing Grant recipient numbers have fallen.



INCOME, CONSUMPTION, AND JOBS – Median household income remains 18% below the national average. Benefit dependency rates spiked then declined, with Māori remaining over-represented in beneficiary numbers. High proportion of young people on a benefit. Unemployment begins to climb again.



EDUCATION, KNOWLEDGE AND SKILLS – ECE prior participation rate slightly above national average, lower among Māori. Industry training learner numbers recover. Truancy rate volatile but below the national average, with the exception of South Taranaki, where the rate is considerably higher.

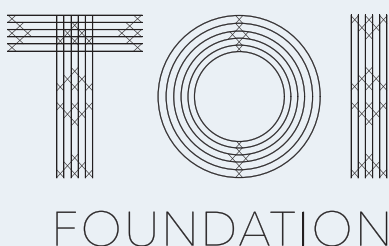


ENVIRONMENT – Although Taranaki remains one of the most emissions intensive regions, total emissions have fallen.



Toi Foundation is committed to reducing economic and social disparities in Taranaki by funding where there is the greatest need. We will continue to be strategic, use evidence to make informed decisions, and focus our efforts on child and youth wellbeing, empowering Māori aspirations and improving environmental outcomes.

Visit our website to view the full report, learn more about 'How We Fund', and explore 'Our Stories' to see the impact of investing in, facilitating, and co-creating opportunities for the success and wellbeing of Taranaki and its people.



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