

STRICTLY EMBARGOED UNTIL 5AM, MONDAY 26 JULY 2021

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Booming property industry grows by \$19.6 billion in a decade

Property is officially New Zealand's largest industry, with new analysis from Property Council New Zealand showing the sector has a direct contribution to GDP of \$41.2 billion, or 15% of total GDP.

Property Council Chief Executive Leonie Freeman says the Property Industry Impact Report 2021, commissioned by Property Council New Zealand in partnership with Urban Economics, underscores the impact of the sector, with property out-gunning other top GDP contributors such as manufacturing (11%), agriculture (6%) and health (7%).

"In 2019, the wider economic impact of the property industry was \$115.6 billion, this includes a direct impact of \$41.2 billion plus cumulative supplier and employee activity. As a sector, property employs 9% of New Zealand's workforce. That's nearly 200,000 people who make their livelihood from our industry.

"The numbers are vast and growing, with an extraordinary 19% (or \$19.6 billion) growth in the property industry's direct contribution to GDP between 2009 and 2019," says Freeman.

"Perhaps even more interesting is the number of Kiwis who unconsciously invest in property via their Kiwisaver schemes, with 1.8 million of us having an investment in property. Across all 29 of New Zealand's Kiwisaver schemes, \$3.3 billion (4.4%) in Kiwisaver funds is invested in property.

Freeman believes the data could help dispel the stereotypical image of a property investor that many of the public hold in their imagination saying, "many New Zealanders view property, especially commercial property, as reserved for the wealthy or elite when that couldn't be further from the truth. If you want to see what the typical commercial property investor looks like, I suggest you pick up a mirror.

"As of this year, the value of listed property companies (those listed on the NZX) was approximately \$53.0 billion, representing 30% of the value of the entire New Zealand stock market. Add to this the \$1,305 billion value of New Zealand's residential property stock and \$243 billion value of our commercial property stock and you have one enormous economic contributor," says Freeman.

"Property Council is proud to champion New Zealand's largest industry. Property is about so much more than buildings or profit, it's about people and communities. We chose to spend our lives in these spaces, to raise families, to create connections, to build businesses, to belong.

"Our members shape the cities and spaces where Kiwis live, work, play and shop - that is the power of property."

ENDS

For further comment please contact:

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NOTES TO THE EDITOR

About the Property Industry Impact Report

The Property Industry Impact Report was commissioned by Property Council New Zealand in partnership with Urban Economics to measure the scope and impact of the property industry on the New Zealand economy – both nationally and in the main regions.

It is based on analysis of the property industry's economic contribution, size, value and employment numbers. The statistics reinforce the significant role the property industry has on the New Zealand economy and the importance of the work which the Property Council undertakes.

[Read the full report](#)

About Property Council New Zealand

Property Council is the leading advocate for New Zealand's largest industry - property.

A not-for-profit organisation, the Property Council connects more than 15,000 property professionals, championing the interests of over 500 member companies who have a collective \$50 billion investment in New Zealand property.

Our membership is broad and includes some of the largest commercial and residential property owners and developers in New Zealand. The property industry comes together at our 80+ Property Council events, which offer professional development, exceptional networking and access to industry-leading research.

Property Council acts as a collective voice, giving our members a seat at the table with policy makers, ensuring they make informed decisions that benefit our industry whilst enabling a strong economy and thriving communities.

www.propertynz.co.nz

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