

Strong economic growth in the last three months of 2012

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Gross domestic product (GDP) rose 1.5 percent in the December 2012 quarter, the strongest quarterly growth since December 2009, Statistics New Zealand said today.

"Fifteen of the 16 industries recorded increases in the last three months of 2012, reflecting the broad-based nature of growth in this quarter," national accounts manager Rachael Millicich said.

The industries with the largest contributions to growth were:

- agriculture, forestry, and fishing (up 2.6 percent), mainly due to the largest quarterly increase in forestry and logging activity in 13 years
- retail trade and accommodation (up 2.3 percent), due to the largest quarterly movement in retail trade since the March 2007 quarter
- wholesale trade (up 2.1 percent), now back to pre-recession levels
- construction (up 1.8 percent), due to infrastructure construction which includes roads, bridges, and power plants.

Economic activity for the year ended December 2012 was up 2.5 percent. This is the highest annual growth in GDP since March 2008, when the economic recession began.

The expenditure measure of GDP was up 1.4 percent in the December 2012 quarter. The main features of this growth were:

- household expenditure on goods and services rose 1.6 percent, the largest quarterly volume increase in six years
- investment in fixed assets rose 2.2 percent, with increased investment in plant, machinery, and equipment, and infrastructure construction
- exports of goods rose 2.1 percent, with log exports up while dairy exports are down
- imports of goods fell 3.1 percent, mainly due to capital goods.

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