

## **Chair's Report – Finance/Performance**

I've been reflecting on the state of our local economy and perusing our quarterly economic updates. There's nothing better than an unbudgeted surplus to lift farmer morale as 30% of our district's GDP comes from the primary sector in addition to 26% of our employment opportunities.

The rural sector is experiencing significant growth in confidence. Last year was extremely challenging on the farm with record lows. Now we're back and now we are experiencing record highs with this on the back of a strong milk price, record lamb and beef prices and dropping interest rates.

Meanwhile, we see subdued customer spending and a significant ongoing impact of cost of living pressures. The struggle and hardship is real to some in our district. Typically, there is a lag of some 6 to 18 months before the positive effects in our rural economy flow to the other sectors. But green shoots are on the horizon and I look forward to a positive recovery throughout the district as our council tries to navigate the constant uncertainty and significant change that we seem to be negotiating. Here in lies our opportunity.