



AUCKLAND GROWTH MONITOR

A snapshot into Auckland's economy and place on the world stage.

OCTOBER 2017

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Welcome to the Auckland Growth Monitor



Auckland is an innovative globally connected city and the economic powerhouse of New Zealand – a country ranked first in the world for ease of doing business.

Our unique location provides the ideal gateway to the Asia-Pacific region, just one of the reasons that more than 100 multinational companies choose to operate here.

To provide a snapshot of Auckland's economy, Auckland Tourism, Events and Economic Development (ATEED) – the region's economic growth agency – has created the first Auckland Growth Monitor, which you are about to read.

The Auckland Growth Monitor, which will be updated annually, provides insight into key regional economic trends since the turn of the millennium, and in-depth analysis of the past 12 months.

It also highlights Auckland's sectors of competitiveness, and how our region ranks on the global stage.

The Auckland Growth Monitor is supported by the

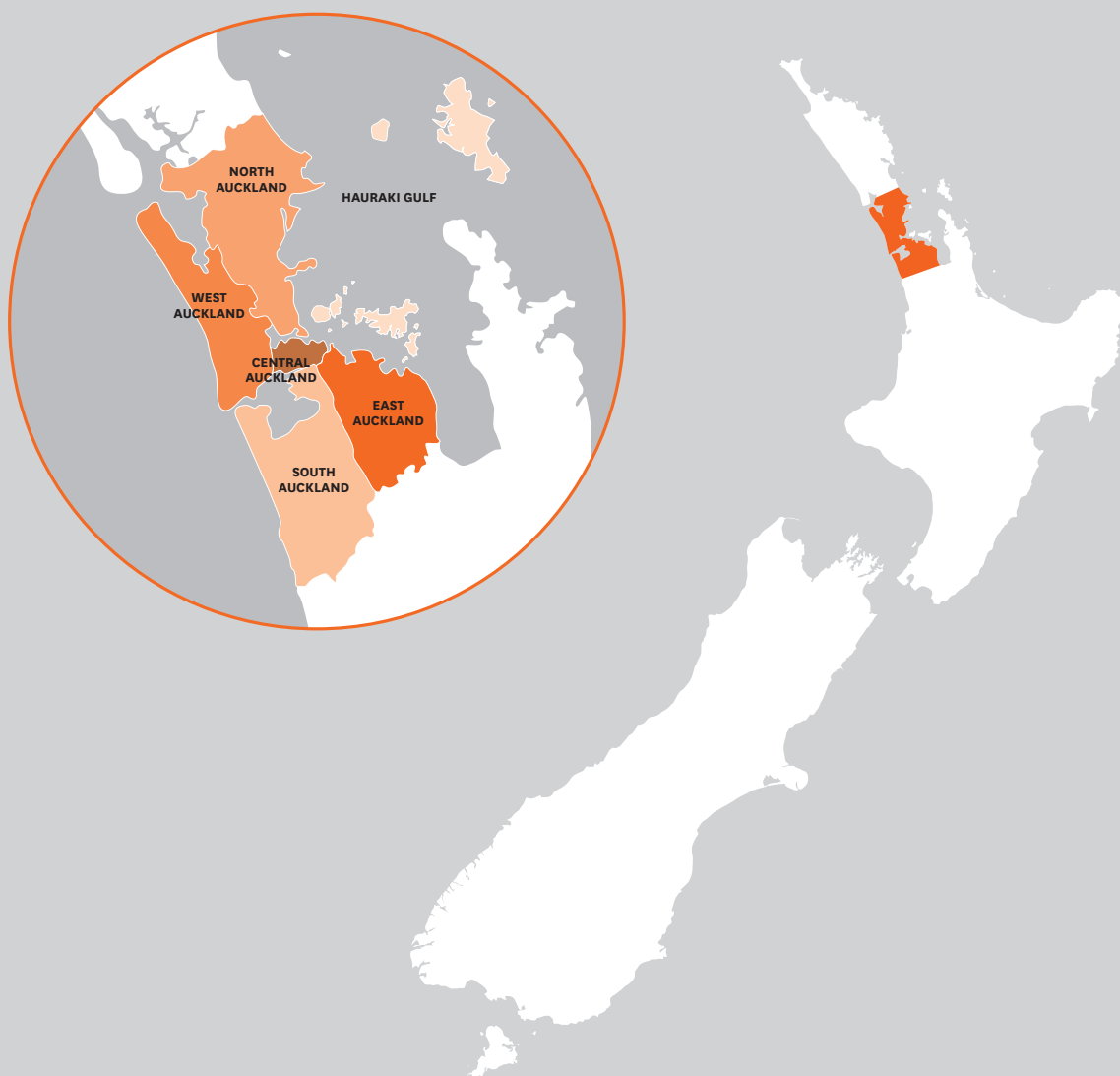
Auckland Index – an interactive online tool which will be updated quarterly – providing access to the most up to date Auckland data which can be personalised and shared online. The Auckland Index can be found at aucklandnz.com/auckland-index

As Auckland's economic growth agency, ATEED plays an important role in collating and disseminating quality data and insights about Auckland's economy.

These complementary tools achieve this, promoting Auckland as a business destination and providing further valuable support to our local businesses and organisations by enabling them to gain greater insights into emerging trends.

We hope you find this snapshot into Auckland's economy useful and informative.

For more information on Auckland visit aucklandnz.com



AUCKLAND AT A GLANCE

Auckland is New Zealand's economic and commercial powerhouse. With an estimated population of more than 1.65 million, it is New Zealand's only truly global city. Auckland is also diverse, with 39 per cent of residents born overseas.

Auckland is internationally regarded as a business-friendly, innovation-oriented city, with a diverse and growing population. It's the heart of New Zealand's technology, commercial services, and food and beverage processing sectors.

As home to the country's largest airport and a large

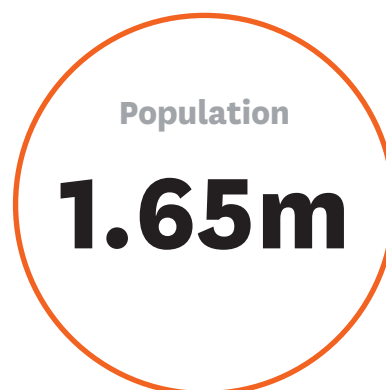
container port, Auckland is also New Zealand's primary international gateway.

Twenty-eight airlines bring more than two million international visitors to Auckland annually, while the Port of Auckland handles nearly one million containers a year – representing 32 per cent of New Zealand's exports by value, and 61 per cent of its imports.

About 70 per cent of the Auckland region's 4,900 sq/km is rural land, with a regional economy characterised by significant primary, secondary (manufacturing) and tertiary (services) components.

POPULATION

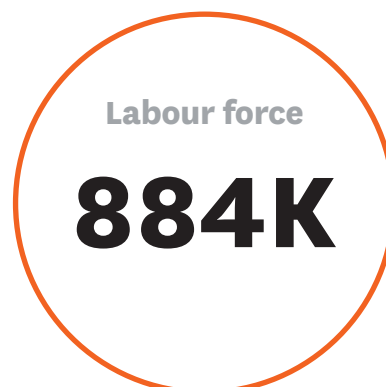
- Projected 2017 population is 1.65 million – 34 per cent of New Zealand's total population.
- Auckland is projected to gain 45,000 new residents in 2017.
- 13 per cent of Auckland's population is of Māori descent.
- 39 per cent of Auckland's population was born overseas: The International Organization for Migration ranked Auckland as the fourth most diverse city in the world in its 2015 World Migration Report, behind Dubai, Brussels and Toronto.



Statistics New Zealand (year ended June 2017)

LABOUR FORCE

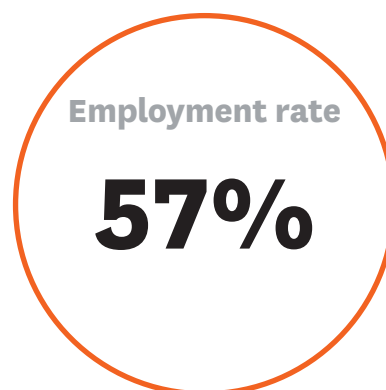
- At June 2016, Auckland's working age population reached 1.28 million with an active labour force of 0.88 million – participation rate at 69 per cent.
- Between 2000 and 2016, Auckland's labour force increased by 292,400 (+49.4 per cent).
- 48 per cent of Auckland's labour force is defined as highly skilled and medium/highly skilled (refer to page 13 for broad skill level definition).
- Auckland's under-25 population – our future labour force – represents 35 per cent of the population, compared to 33.9 per cent across New Zealand.



Statistics New Zealand (year ended June 2016)

EMPLOYMENT

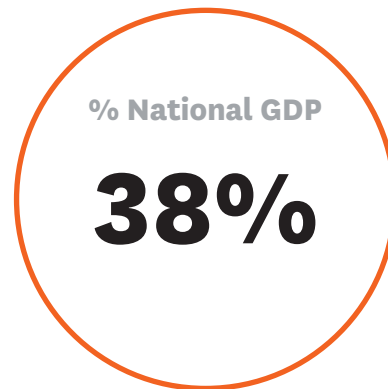
- Between 2000 and 2016, the number of Aucklanders in employment increased by 202,300 (+38.7 per cent).
- At June 2016, the number of Aucklanders in employment reached 724,400 – an employment rate of just under 57 per cent.
- Auckland's unemployment rate is 4.7 per cent, which has declined from a high of 8.1 per cent in 2010.



Statistics New Zealand (year ended June 2016)

ECONOMIC OUTPUT

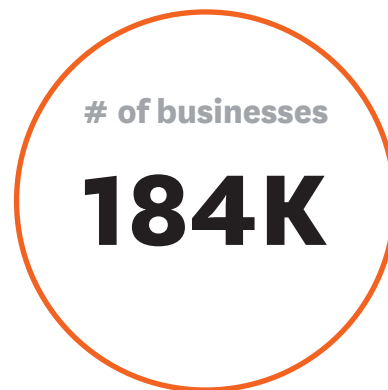
- Auckland's gross domestic product (GDP) in 2016 was \$84.8 billion (38 per cent of New Zealand's GDP).
- 3.4 per cent average annual GDP growth since 2011.
- \$12 billion exports in 2016.
- Construction is booming, with 72 long-term cranes in use – 55 per cent of all cranes in New Zealand.
- 2.6 million visitor arrivals in 2017.
- Technology, food and beverage and commercial services industries are Auckland's most competitive sectors.



Infometrics Ltd (year ended June 2016)

BUSINESS

- As at March 2016, Auckland is home to 184,000 registered businesses.
- Business confidence is on the rise: 25 per cent vs. –29 per cent (last five year average vs. previous five year average)
- 100+ multinationals have their Asia-Pacific headquarters in Auckland.



Infometrics Ltd (year ended March 2016)



People

Home to a diverse, growing and youthful population, that is amongst the most highly skilled in the Asia-Pacific.

- Population
- Labour market
- Demography
- Auckland Māori

POPULATION

A strong and growing population is important to Auckland's economic performance. A growing population supports demand for goods and services, and provides additional labour force capacity to enable growth.

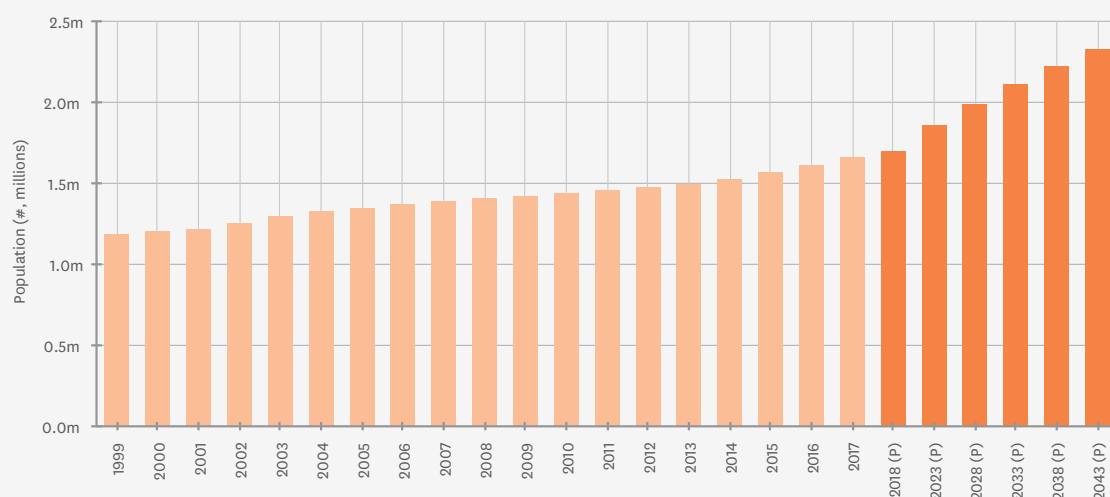
Auckland is New Zealand's most populous region. It is home to more than 1.65 million people, accounting for more than a third of New Zealand's population. Auckland's population is also growing rapidly: since 2000, it has grown at an average rate of 1.9 per cent per annum.

Between 2011 and 2016, Auckland's population increased by 154,700 (+10.6 per cent). Auckland's population growth rate more than doubled in this period, from 1.2 per cent in 2011 to 2.8 per cent in 2016.

Auckland is New Zealand's most populous region.

Auckland population

Estimations for year ended June, 1999 to 2017 and projections for 2018 to 2043 (P)



Source: Statistics New Zealand (2013 Census estimations) and Auckland Council Research and Evaluation Unit (RIMU) projections.

POPULATION

In 2016, Auckland's population grew by an estimated 44,500 people. This was driven largely by net migration, with 30,800 migrants moving to Auckland.

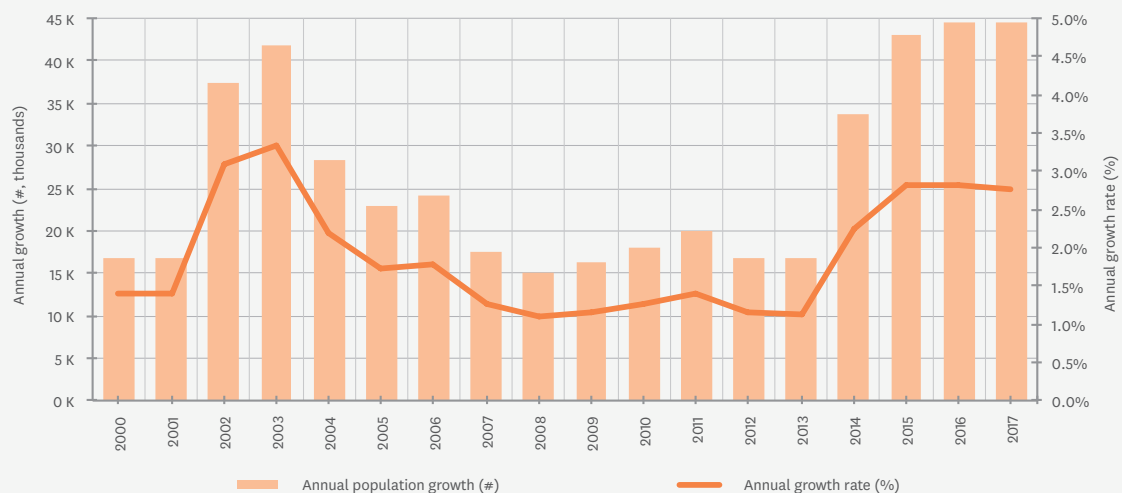
Auckland's population is growing faster than the New Zealand average (2.8 per cent vs. 1.3 per cent between 2011 and 2016). New Zealand's population increased by 309,000 additional residents during this period, with 50 per cent of these based in Auckland.

Auckland's population growth is forecast to continue, reaching 2 million residents by 2033. By 2045, 40 per cent of New Zealand's total population is projected to reside in Auckland.

Auckland's population growth is forecast to continue, reaching 2 million residents by 2033.

Auckland population growth

Estimations for year ended June, 2000 to 2017



Source: Statistics New Zealand (2013 Census estimations) and Auckland Council Research and Evaluation Unit (RIMU) projections.

DEMOGRAPHY AND DIVERSITY

Population demographics play an important role in the function of an economy, with cultural diversity seen as a key driver of innovation and global engagement.

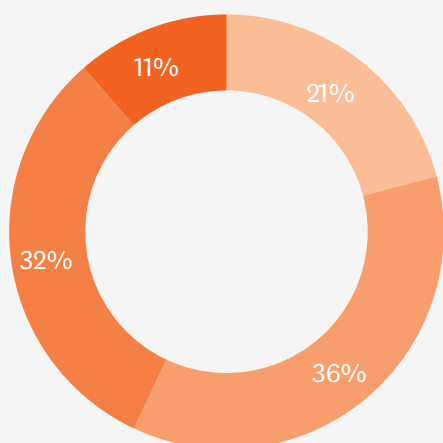
Auckland is a relatively young city with a larger proportion of working age population than the rest of New Zealand.

In 2016, 35 per cent of Auckland's population was aged under 25, compared to a New Zealand average of 33.9 per cent. However, this group has been slowly declining (as a percentage of total population) since 2000, when 36.9 per cent of Auckland's population was aged under 25.

Auckland's working age population (aged 15–64) makes up 68.6 per cent of the region's total population. This compares to 65.5 per cent across New Zealand. Since 2000, Auckland's proportion of working age population has increased from 67.3 per cent while the New Zealand-wide figure has decreased slightly (65.6 per cent in 2000).

Auckland is a relatively young city with a larger proportion of working age population than the rest of New Zealand.

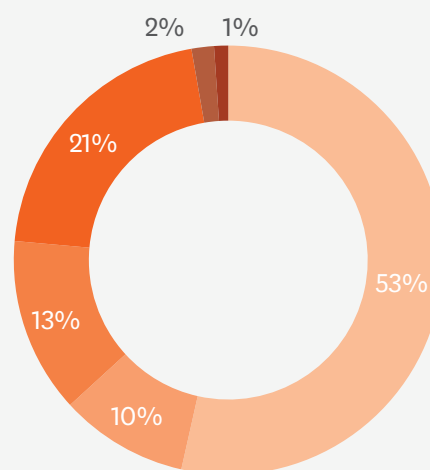
Auckland's population by broad age group



■ Aged 0–14 ■ Aged 15–39
■ Aged 40–64 ■ Aged 65+

Source: 2013 Census, Statistics New Zealand

Auckland's population by ethnicity



■ European ■ Middle Eastern/
Asian Latin American/
Pacific Peoples African
■ Māori ■ Other

Source: 2013 Census, Statistics New Zealand

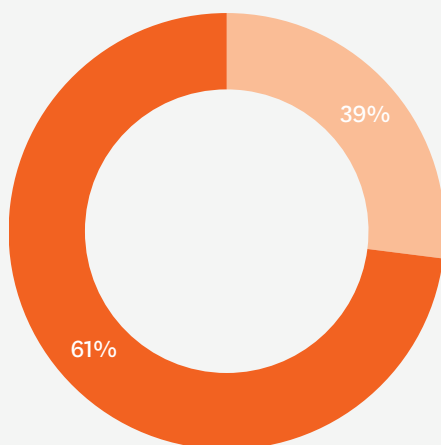
DEMOGRAPHY AND DIVERSITY

According to The World Migration Index 2015, Auckland is the 4th most diverse city in the world, with more than 220 recorded ethnic groups: 39 per cent of Auckland's population was born overseas, while 29 per cent of residents can speak multiple languages.

Auckland is home to the largest urban Pacific peoples community in the world. With forecast ongoing inward migration, Auckland is projected to become even more diverse.

39% of Auckland's population was born overseas.

Auckland residents born overseas



- New Zealand born
- Residents born overseas

Source: 2013 Census, Statistics New Zealand

Auckland – a diverse city



Source: The World Migration Report 2015, International Organization for Migration

LABOUR MARKET: SIZE

A skilled and growing labour force is vital for economic success. A balance between an engaged labour market and availability of labour is key to an economy's future growth prospects.

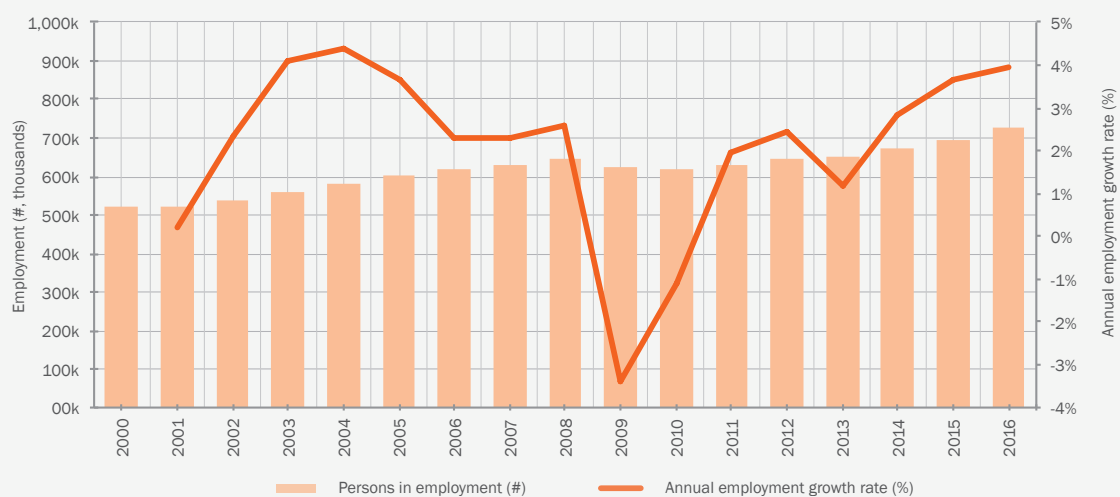
With a working age population of 1.28 million and a labour force of 884,300 in 2016, Auckland is home to New Zealand's largest workforce and talent base.

Auckland's labour force increased by 292,400 people between 2000 and 2016 – a 33 per cent growth that translates to an average growth rate of 2.2 per cent per annum.

Auckland is home to New Zealand's largest workforce and talent base.

Auckland labour force

Year ended June, 2000 to 2016



Source: Statistics New Zealand and Auckland Council Research and Evaluation Unit (RIMU)

LABOUR MARKET: QUALITY

Between 2011 and 2016, Auckland's labour force increased by 123,600 people – an average growth rate of 3.2 per cent per annum despite a contraction in 2013. Between 2015 and 2016, 42,900 people joined the Auckland labour force – a 4.7 per cent increase.

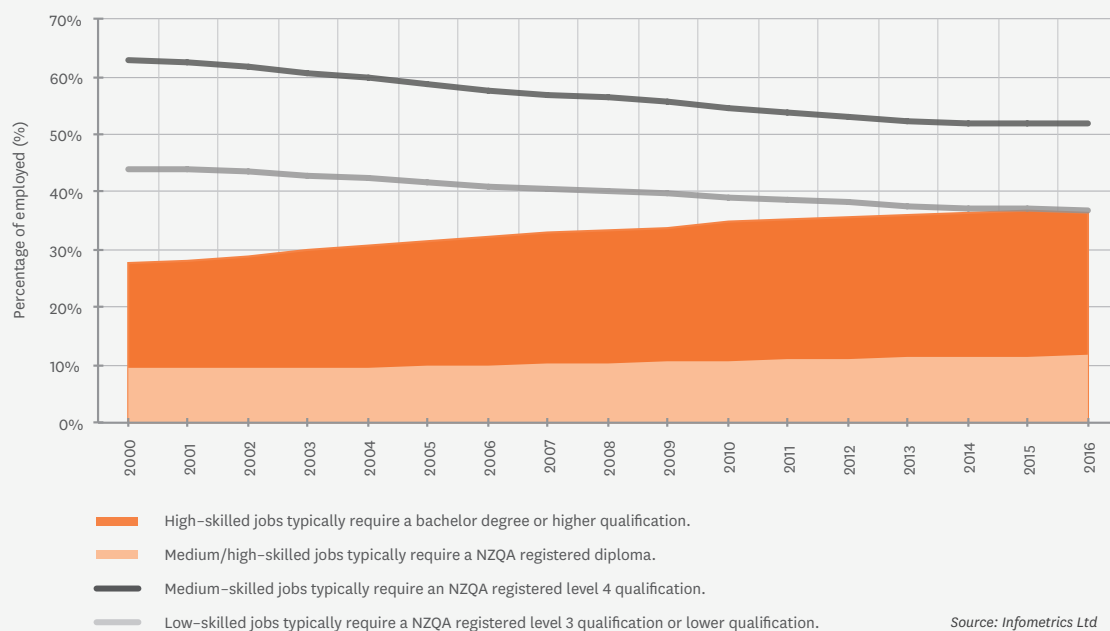
Between 2000 and 2016, Auckland's population shifted towards a higher skills base.

In 2000, 28 per cent of the population were categorised as highly skilled, with 44 per cent identified as low skilled. In contrast to 2016 where 36 per cent were categorised as highly skilled (+8 points), while those identified as low skilled reduced by 7 points to 37 per cent.

Auckland's population has shifted towards a higher skills base.

Auckland employment by broad skill level

Year ended March, 2000 to 2016



LABOUR MARKET: EMPLOYMENT

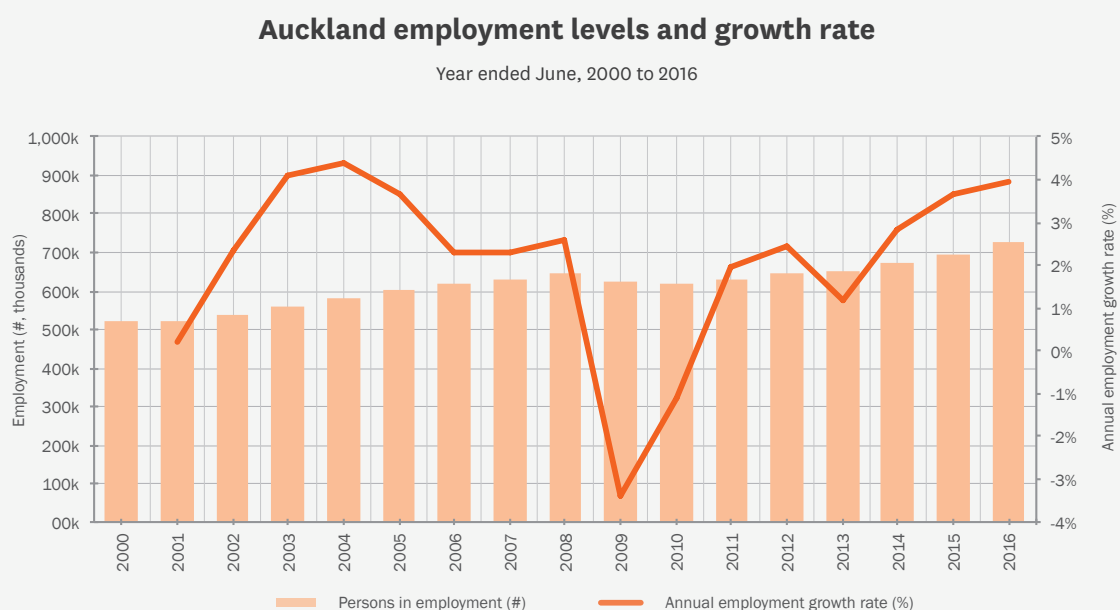
In 2016, 842,800 people were in employment in the Auckland region, reflecting a labour force participation rate of 69 per cent.

Between 2011 and 2016, an additional 93,500 people were employed in Auckland, reflecting an average growth rate of 2.7 per cent per annum. This was achieved despite a small decline in employment levels in 2013.

During the same period, Auckland's unemployment rate declined from 6.6 per cent to 4.7 per cent.

Between 2015 and 2016, an additional 27,400 people were employed in Auckland, with unemployment dropping from 5.9 per cent to 4.7 per cent.

Between 2011 and 2016, an additional **93,500** people were employed in Auckland.



Source: Statistics New Zealand

LABOUR MARKET: UNEMPLOYMENT

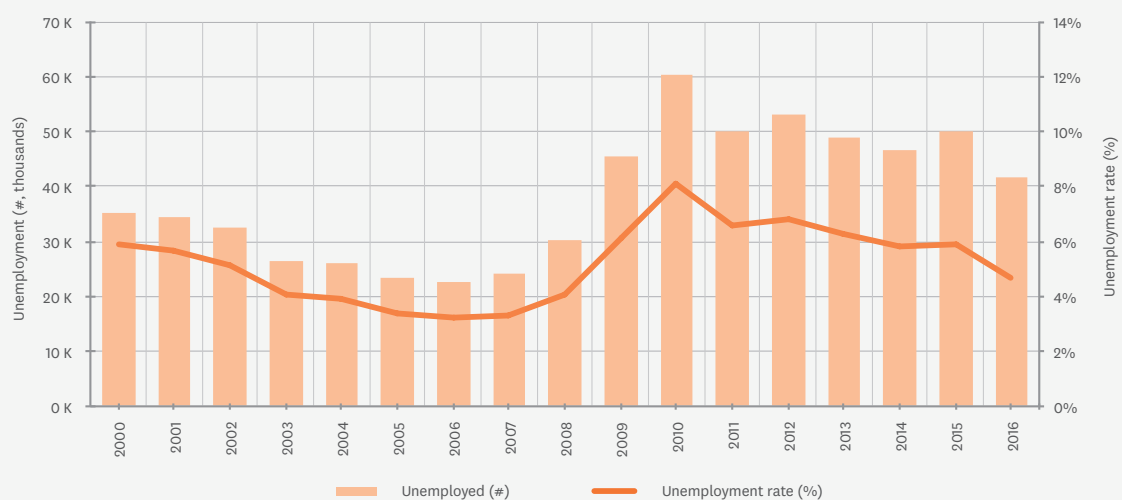
At June 2016, Auckland's youth unemployment was 13.3 per cent for 20–24 year olds and 6.6 per cent for those aged 15–19. Since 2015, this has declined for 20–24 year olds (from 13.9 per cent) and increased for 15–19 year olds (from 6.2 per cent).

These figures reflect a strong labour market performance and a growing talent and labour pool within Auckland.

Declining unemployment,
but issues of youth
employment remain.

Auckland unemployment levels and unemployment rate

Year ended June, 2000 to 2016



Source: Statistics New Zealand and Auckland Council Research and Evaluation Unit (RIMU)

MĀORI ECONOMY

The Māori economy contributes across Auckland's business, social, and community dimensions and is becoming a formidable force. Auckland's unique Māori identity is an important component of the city's global business and investment proposition.

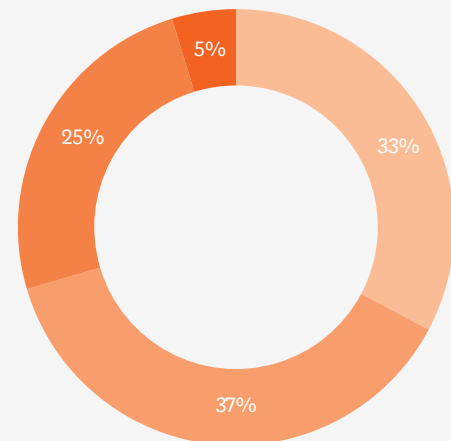
Between 2011 and 2016, Auckland's Māori population increased by 10,650 or 6.4 per cent. More than a third of New Zealand's Māori population live in Auckland: 13 per cent of Auckland's population is of Māori descent, compared to 17 per cent for New Zealand; and 33 per cent of Māori in Auckland are aged 0–14, compared to only 19 per cent for the same age group for all other ethnic groups.

Auckland Council officially recognises 19 iwi (Māori tribal authorities) as representing mana whenua (Māori with ancestral relationships to certain areas) interests in Auckland.

More than a third of
New Zealand's Māori
population live in Auckland.

Auckland Māori by broad age group

2013 Census

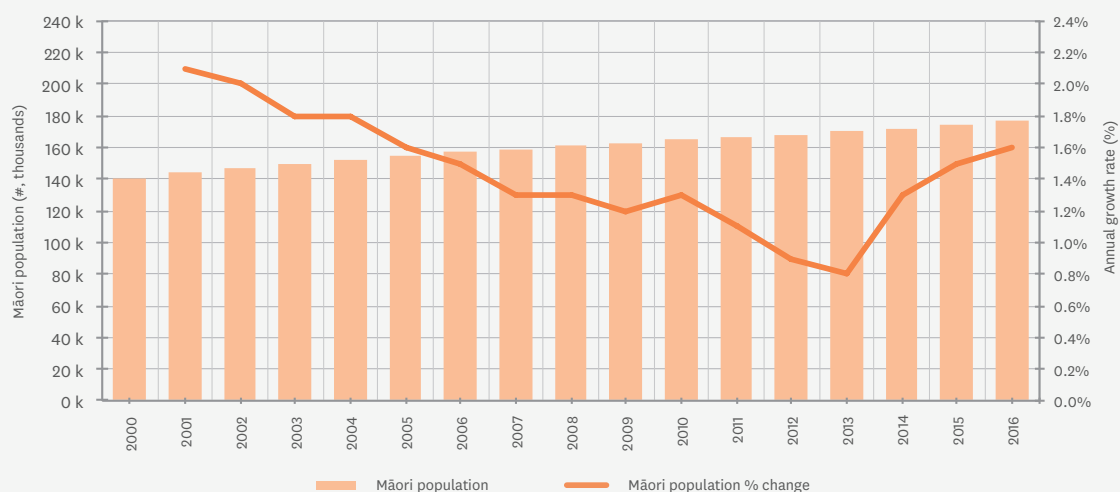


■ Aged 0-14 ■ Aged 15-39
■ Aged 40-64 ■ Aged 65+

Source: Statistics New Zealand

Auckland Māori population

Year ended March, 2000 to 2016



Source: Infometrics Ltd

MĀORI LABOUR FORCE

In the five years between 2011 and 2016, Auckland's Māori population has increased by 10,650 people or 6.4 per cent. In the same period, Māori employment has grown by 21.6 per cent or 14,763 people.

The impact of positive Māori employment has decreased the Māori unemployment rate in the same period by 3.4 per cent to 10.2 per cent.

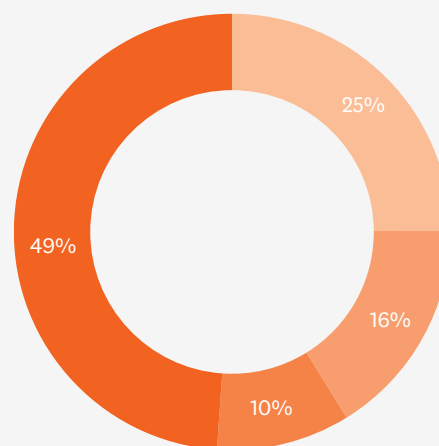
MĀORI EMPLOYMENT BY BROAD SKILL LEVEL

The broad skill level of Māori living in Auckland is higher than outside Auckland, with 25 per cent employed in high-skilled vs. 23.9 per cent in the rest of New Zealand. In Auckland, 51 per cent of Māori are employed in high, medium/high or medium-skilled jobs, compared to 49 per cent across New Zealand.

A higher proportion of Māori living in Auckland are in skilled employment compared to Māori living outside Auckland. However, 24.9 per cent of Māori living in Auckland are in high-skilled employment compared to 36.5 per cent of non-Māori.

Māori employment by broad skill level

Year ended March 2016

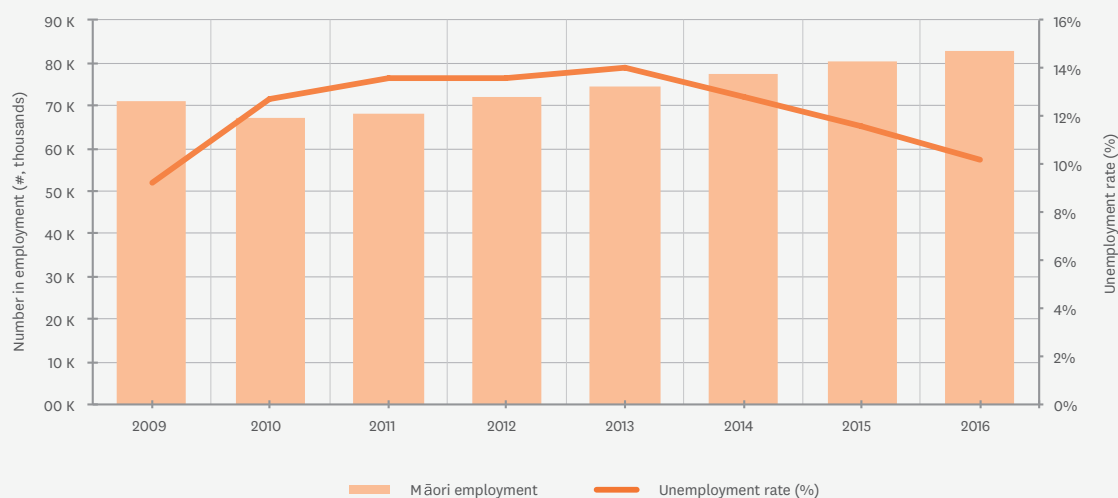


- High-skilled jobs typically require a bachelor degree or higher qualification
- Medium/high-skilled jobs typically require a NZQA registered diploma.
- Medium-skilled jobs typically require an NZQA registered level 4 qualification.
- Low-skilled jobs typically require a NZQA registered level 3 qualification or lower qualification.

Source: Infometrics Ltd

Māori employment vs. unemployment rate

Year ended March, 2009 to 2016



Source: Infometrics Ltd



Business and economy

As New Zealand's commercial hub, the Auckland economy is diverse, growing and globally connected.

- Gross domestic product
- Investment
- Confidence
- Exports
- Construction

GROSS DOMESTIC PRODUCT

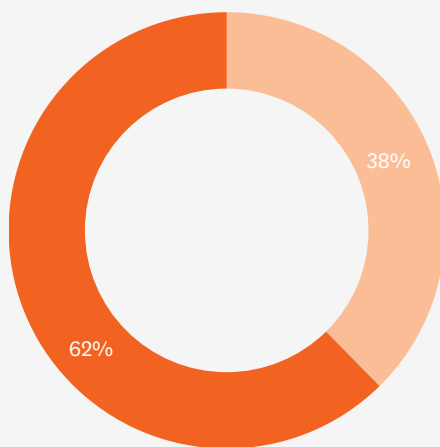
Gross Domestic Product (GDP) provides an indication of the size and structure of an economy and a benchmark for measuring changes to regional economies over time. It is a key indicator of economic performance.

Auckland's economy contributes 38 per cent of New Zealand's total economic output.

Auckland's economy contributes **38 per cent** of New Zealand's total economic output.

Auckland's GDP contribution

Year to June, 2016



- Rest of New Zealand
- Auckland

Source: Infometrics Ltd and Auckland Council Research and Evaluation Unit (RIMU)

GROSS DOMESTIC PRODUCT

Since 2000, the Auckland economy has added \$32 billion to its GDP, increasing at an average annual rate of 3 per cent, despite a period of contraction and slow growth during the Global Financial Crisis (GFC) in 2009–2010. In comparison, the New Zealand economy has grown at an annual average rate of 2.5 per cent since 2000.

Since the recovery from GFC began in 2011, Auckland's GDP has grown at an average annual rate of 3.4 per cent, and between 2015 and 2016 grew by 3.9 per cent. In comparison to the rest of New Zealand, where GDP growth rate tracked at an average of 2.5 per cent per annum since 2011 and 2.7 per cent between 2015 and 2016.

Auckland's growth has been driven by above average population increases, a strong construction pipeline and a booming visitor economy.

Auckland's advanced industries*, such as technology and commercial services, also play an increasingly important role in this growth, contributing more to output than other non-advanced industries.

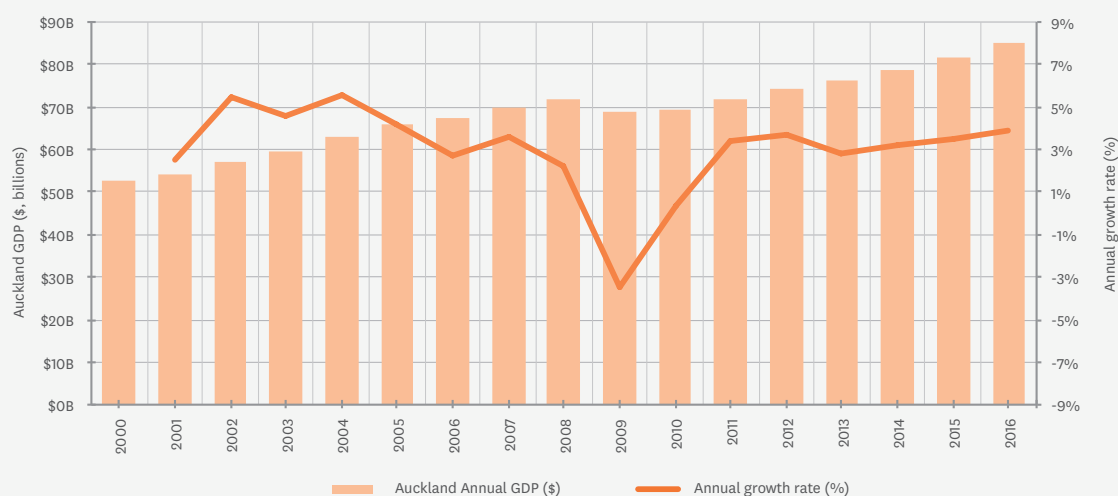
Auckland's GDP growth is forecast to continue into 2018 and 2019, driven by infrastructure investment and ongoing population growth.

GDP growth of **3.9 per cent** between 2015 and 2016.

*Advanced industries are characterised by a deep involvement with technology, research and development and STEM (science, technology, engineering and math) workers.

Auckland GDP and GDP growth

Year ended June, 2000 to 2016



Source: Infometrics Ltd and Auckland Council Research and Evaluation Unit (RIMU)

EXPORTS

Exports (goods and services produced in Auckland which are sold overseas) are another key indicator of economic performance.

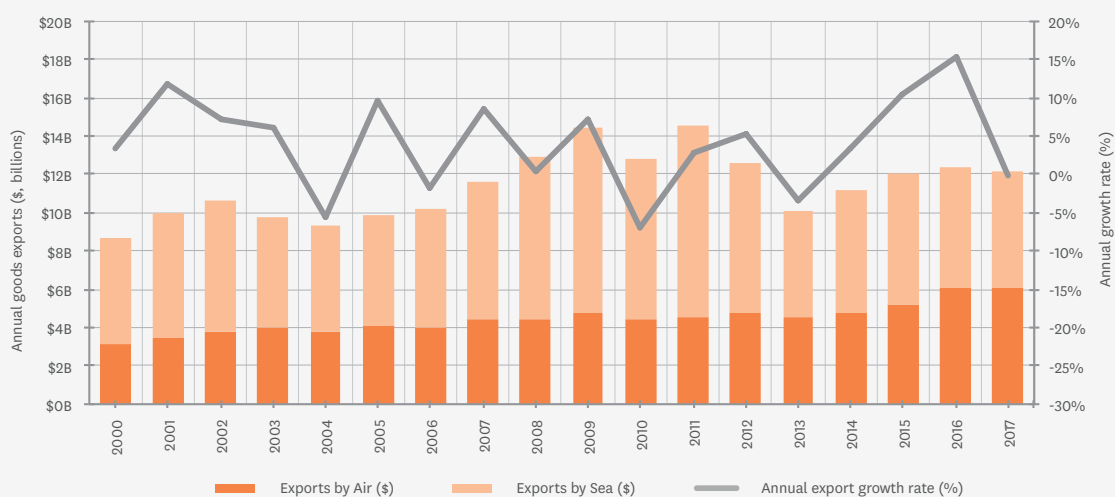
Auckland contributes a significant proportion of New Zealand's total exports. As at March 2015, Auckland exported \$11 billion in goods and \$7 billion in services. This represented 24 per cent of New Zealand's goods exports and 42 per cent of its services exports.

While Auckland's export portfolio is diverse, major exports include food and beverage (dominated by dairy, meat and wine), and from a service perspective, tourism, which is a major export revenue generator.

Auckland contributes a significant proportion of New Zealand's total exports.

Annual goods exports ex.Auckland

Year ended March, 2000 to 2017



Source: Statistics New Zealand

EXPORTS

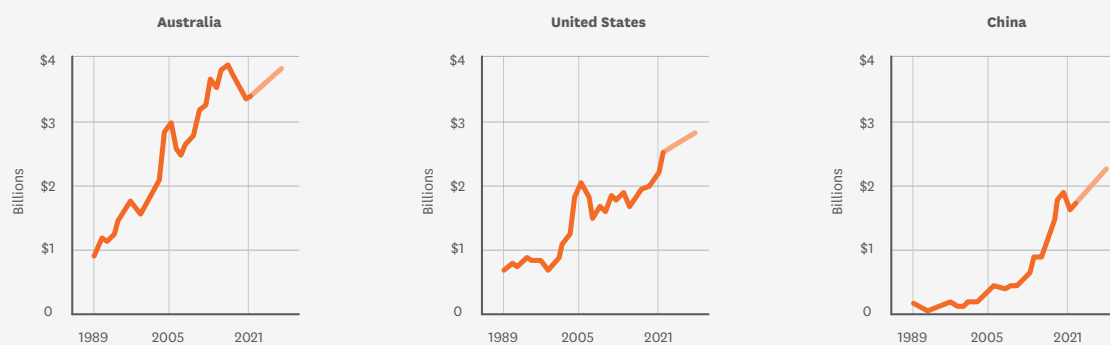
Auckland's main export markets are Australia, China and the USA, which account for 51 per cent of exports. A further 15 per cent of exports go to Japan, UK, Germany, Singapore, Korea and Malaysia.

Auckland is heavily dependent on a strong New Zealand supply chain to drive exports, particularly in the food and beverage, and broader manufacturing sectors.

Auckland's main export markets are Australia, China and the USA.

Auckland's top three export markets

Estimations between 1989 to 2016, forecast for 2017 to 2025



Source: New Zealand Institute of Economic Research (NZIER)

INVESTMENT

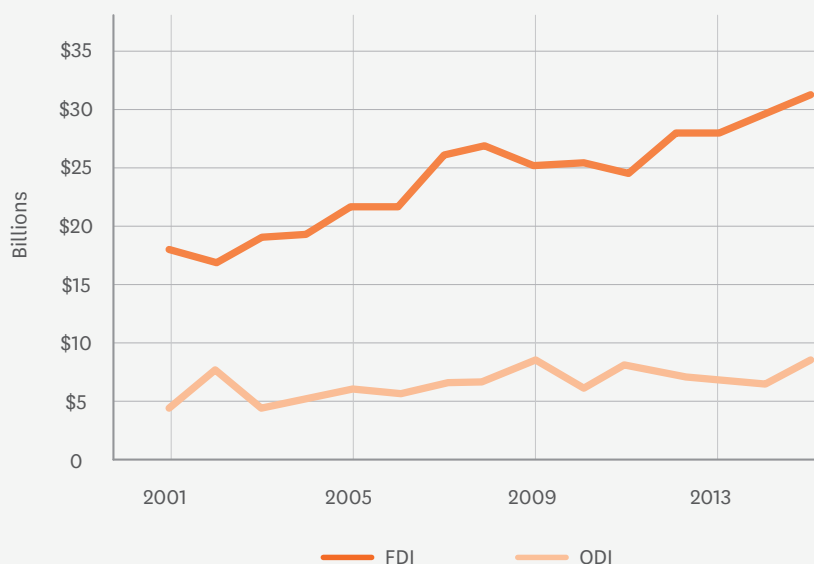
Foreign direct investment (FDI) measures the value of foreign-owned companies operating in Auckland, whilst overseas direct investment (ODI) measures the value of Auckland companies operating overseas.

Auckland's FDI stock was estimated to be \$31 billion in 2016, growing at an average of 4 per cent per annum since 2001. This is more than three and a half times larger than the stock of Auckland's ODI of \$8.4 billion, with FDI growing at a faster rate than ODI.

Auckland's FDI stock has grown at an average of **4 per cent** since 2011.

Auckland's foreign investments and investment overseas

2001 to 2015



Source: New Zealand Institute of Economic Research (NZIER)

MULTINATIONAL CORPORATIONS

A strong group of multinational companies operates in Auckland across the technology, commercial services, food and beverage, tourism, and transport and logistics sectors. Auckland serves as the Asia-Pacific headquarters for more than 100 multinational companies.









































CONFIDENCE INDICATORS

Confidence indicators provide a perspective on consumer and business confidence, plans and expectation. They are an important indicator in tracking the overall current and likely future performance of an economy.

Over the past five years, business and consumer confidence in Auckland has largely been high, reducing slightly in 2016 in the wake of geopolitical events such as the US presidential election and the pending UK exit from the EU.

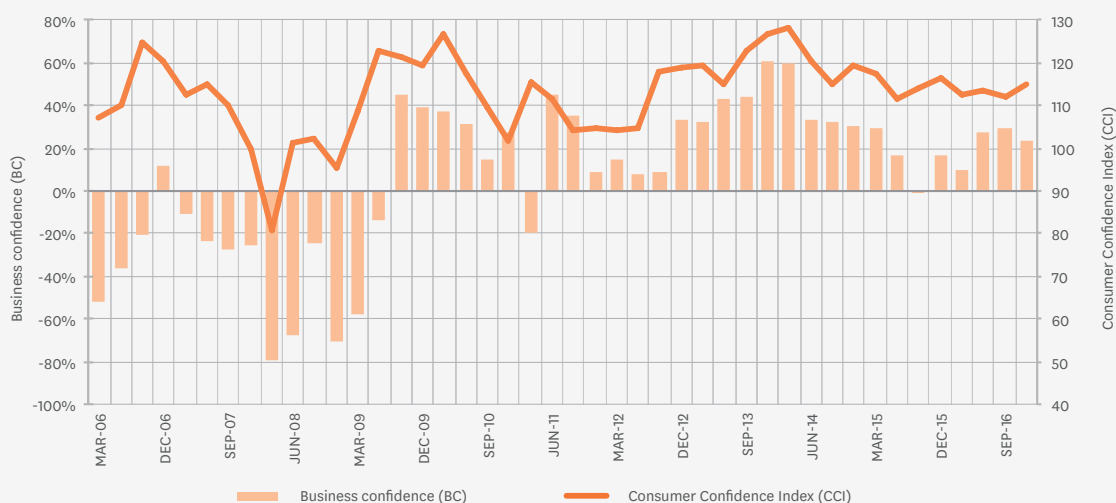
Since the recovery from GFC began in 2011, business confidence has increased, reaching a five year average of 25 per cent in 2016 vs. a previous five year average of -29 per cent. Global geopolitical uncertainty, a stronger New Zealand dollar and access to talent are key drivers behind a recent dip in confidence.

Auckland's consumer confidence has been fairly resilient in recent years, with major dips only seen during GFC and during the early stages of recovery. Confidence grew strongly between 2012 and 2015, falling slightly in 2016 for the aforementioned reasons.

Confidence indicators provide a perspective on customer and business confidence, plans and expectations.

Business confidence and Consumer Confidence Index

Quarterly, 2000 to 2016



Source: Quarterly Survey of Business Opinion, New Zealand Institute of Economic Research (NZIER) and The Westpac McDermott Miller Consumer Confidence Index.

INFRASTRUCTURE PIPELINE

Infrastructure investment and construction activity is a key driver of economic growth.

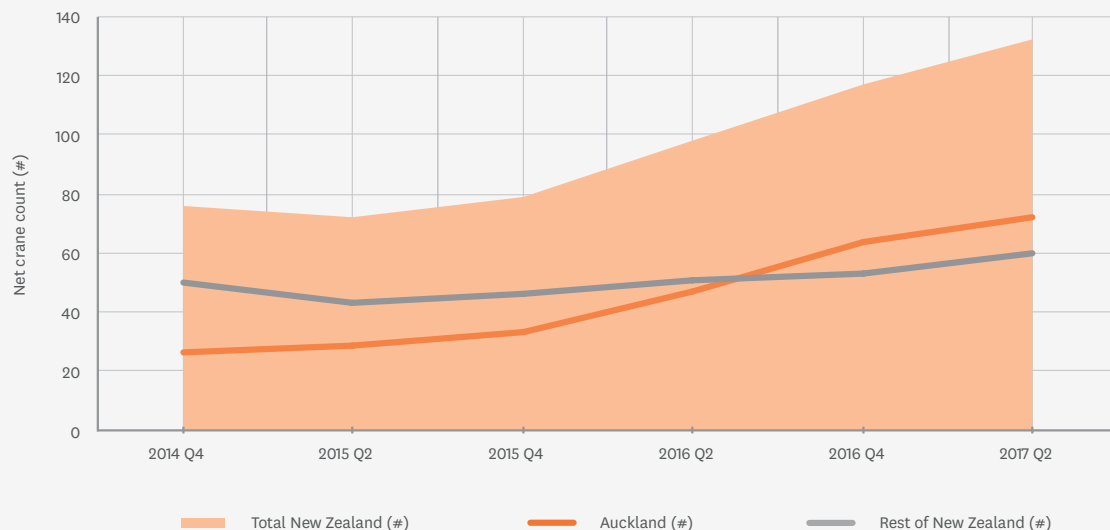
With more than \$26 billion large construction and infrastructure projects underway in 2017, Auckland is in the midst of a construction boom which will continue into the next decade, helped by a strong pipeline of opportunities. This is reflected in strong growth in our construction and engineering sector.

Learn more about Auckland's construction sector on page 38.

Infrastructure investment and construction activity is a key driver of economic growth.

Construction crane count: Auckland vs. New Zealand

Biannual survey, 2014 Q4 to 2017 Q2



Source: RLB Crane Index, Rider Levett Bucknall (RLB)

There are currently over **88** developments underway in the Auckland CBD

Projects confirmed for 2016 to 2020, as of March 2016.



7,000

APARTMENTS*

167,000sqm

COMMERCIAL OFFICE SPACE**

\$10 billion*

ESTIMATED PRIVATE DEVELOPMENT

*Emerging Auckland estimate Auckland city centre and fringe

**Colliers International Reports January 2016

Source: Auckland Tourism, Events and Economic Development (ATEED)

INFRASTRUCTURE PIPELINE

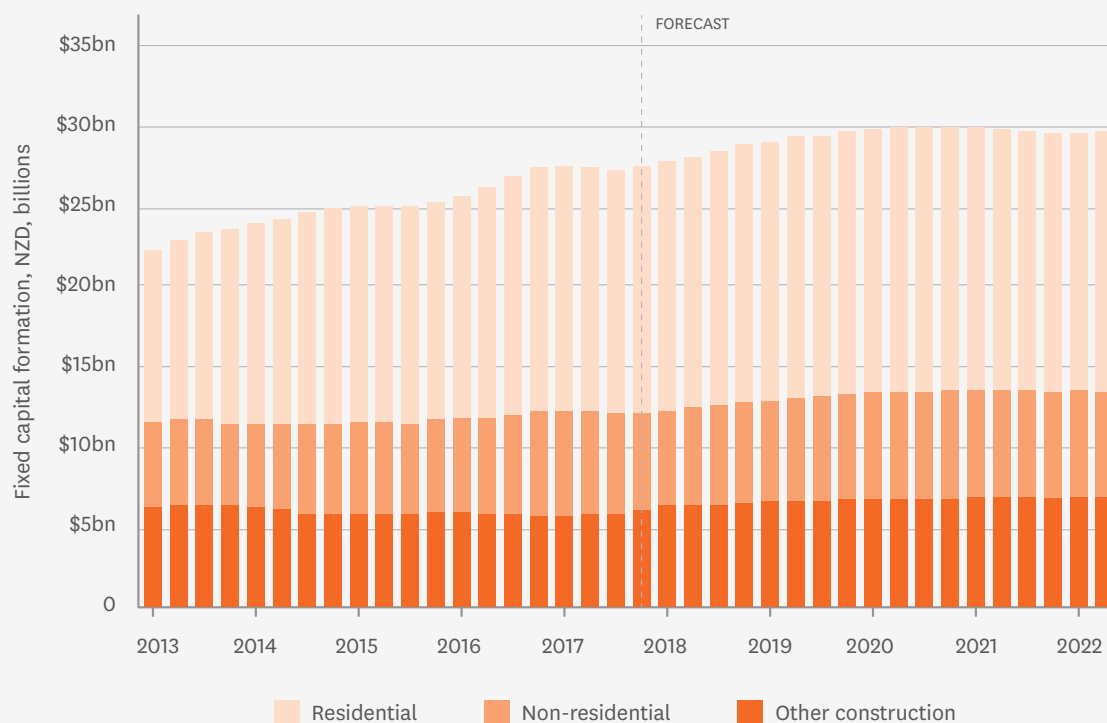
Current major infrastructure projects include a \$200 million large scale regeneration project in the Wynyard Quarter on Auckland's waterfront, the \$700 million New Zealand International Convention Centre being built in Auckland's city centre, and \$400 million of investment into Auckland International Airport.

This investment will provide enhanced transport and economic infrastructure, which will help Auckland's economy function effectively, well into the 21st Century.

Investment will provide enhanced transport and economic infrastructure which will help Auckland's economy function well into the 21st Century.

Auckland: Year-ended gross fixed capital formation

Estimates for 2013 to 2017 and forecast for 2018 to 2023



Source: Infometrics Ltd



Sectors of advantage

As a service and innovation-oriented economy, Auckland has developed a core of specialist manufacturing industries and a talented, globally focused service sector. The following eight sectors play a key role in Auckland's economy:

- Technology
- Creative
- International education
- Commercial services
- Screen
- Construction
- Food and beverage
- Tourism



TECHNOLOGY

OVERVIEW

Auckland's technology (tech) sector comprises of information and communication technology (ICT) and software companies across fields including cybersecurity, big data and fin-tech, through to high-tech manufacturing such as medical devices, aerospace and advanced materials.

KEY STATISTICS AS AT JUNE 2015

- \$7.79 billion of Auckland's GDP (11.6 per cent).
- \$2.83 billion of Auckland's exports.
- 47,682 employed in region's tech sector (94 per cent hold tertiary qualifications).
- 8,912 tech firms in Auckland (31 per cent of New Zealand's tech firms) including 66 per cent of New Zealand's top 200 tech firms.

The Auckland tech sector has grown 26 per cent since 2012, adding 9,000 employees in that period.

NEW ZEALAND'S TECH CAPITAL

In 2015, Auckland's tech sector contributed 48 per cent of the New Zealand tech sector's total GDP and generated 47 per cent of New Zealand's tech sector income.

In addition, Auckland's tech sector exported 45 per cent of total New Zealand sector exports and employed 48 per cent of New Zealand's tech sector workers.

Auckland tech companies, particularly in the ICT and software space, are clustered in central Auckland, close to their customer base and co-located to maximise collaborative benefits. This has been catalysed by the development of GridAKL, Auckland's innovation precinct at Wynyard Quarter.

KEY COMPANIES

Fisher & Paykel
HEALTHCARE

ORION
HEALTH

ORACLE

Microsoft

HUAWEI

vodafone

GDP

\$7.79B

Share of NZ Sector
48%

EMPLOYMENT

47,682

Share of NZ Sector
48%

BUSINESSES

8,912

Share of NZ Sector
31%

Source: New Zealand Institute of Economic Research (NZIER) (2016); and Digital Nation New Zealand (2015).



COMMERCIAL SERVICES

OVERVIEW

Auckland is New Zealand's commercial centre, with all major financial institutions, professional services and leading consultancy firms headquartered in the region.

KEY STATISTICS AS AT MARCH 2016

- \$17.7 billion of Auckland's GDP (22 per cent).
- 177,890 employed in the region's commercial services sector (4.1 per cent).
- 47,370 commercial service businesses in Auckland (3.4 per cent).

Since 2012, the Auckland commercial services sector has grown on average 4.2 per cent per annum, adding 19,000 employees in that period.

NEW ZEALAND'S COMMERCIAL HUB

Auckland generates 50 per cent of New Zealand's commercial services GDP and 45 per cent of employment, while 43 per cent of New Zealand's commercial service firms are based in Auckland.

The University of Auckland's Business School is New Zealand's largest business school, and produces on average, 2,000 graduates annually.

Source: Infometrics Ltd (2016) and The University of Auckland (2011-2016).

GDP

\$17.7B

1 year % change
↑ 3.5%

EMPLOYMENT

177,890

1 year % change
↑ 4.3%

BUSINESSES

47,370

1 year % change
↑ 1.9%

KEY COMPANIES





FOOD AND BEVERAGE

OVERVIEW

Auckland is the food processing hub of New Zealand and home to the country's major food and beverage firms. Auckland is supported by a domestic supply chain and strong national agri-food sector.

Auckland's strong research capability, industry networks, highly skilled workforce and excellent facilities (such as The FoodBowl – Te Ipu Kai) make it an ideal location for food and beverage operations.

KEY STATISTICS AS AT MARCH 2016

- \$3.3 billion of Auckland's GDP (4 per cent).
- 29,350 employed in region's food and beverage sector (3.6 per cent).
- 2,796 food and beverage businesses based in Auckland (1.5 per cent).

Since 2013, Auckland's food and beverage sector has grown at an average rate of 2.3 per cent per annum, adding 3,000 employees in that period.

NEW ZEALAND'S FOOD PROCESSING HUB

Auckland produces a third of New Zealand's food and beverage output and is home to more than half of New Zealand's labour force for food and beverage manufacturing and wholesaling.

Source: Infometrics Ltd (2016).

GDP

\$3.3B

1 year % change

↑1.4%

EMPLOYMENT

29,350

1 year % change

↑4.2%

BUSINESSES

2,796

1 year % change

↑5.2%

KEY COMPANIES





CREATIVE

OVERVIEW

Auckland is home to the majority of New Zealand's screen, music and gaming industries, which are important parts of Auckland's diverse and growing creative sector.

KEY STATISTICS AS AT MARCH 2016

- \$2.8 billion of Auckland's GDP (3.3 per cent).
- 30,901 employed in region's creative sector (3.7 per cent).
- 9,995 creative firms in Auckland (5.4 per cent).

In terms of employment and output, the majority of the New Zealand's creative sector is concentrated in Auckland.

Auckland is home to 50.2 per cent of New Zealand's creative sector businesses, but only 36.6 per cent of New Zealand's total businesses for all sectors.

Source: Auckland Council Research and Evaluation Unit (2017).

GDP

\$2.8B

Share of Auckland
3.3%

EMPLOYMENT

30,901

Share of Auckland
3.7%

BUSINESSES

9,995

Share of Auckland
5.4%

KEY COMPANIES



Penguin
Random House
New Zealand



SAATCHI
&
SAATCHI





SCREEN

OVERVIEW

From film and television production, to animation, gaming and virtual reality, Auckland is home to a diverse and growing screen sector.

Auckland's screen sector professionals are recognised worldwide for their creativity, innovation, flexibility and cost-effectiveness.

Auckland is home to four fully-resourced production studios, including the new Kumeu Film Studios, and a thriving augmented reality and virtual reality hub – AR/VR Garage.

KEY STATISTICS AS AT JUNE 2016

- \$2.39 billion in gross revenue generated in Auckland (72 per cent of the national screen industry revenue).
- 6,831 employed in the region's screen sector.
- 1,278 screen sector businesses in Auckland (46 per cent of New Zealand's screen industry).
- 612 permits to film in public open spaces issued in 2016/17.

Auckland generates 72 per cent of all New Zealand screen sector revenue and is home to 45 per cent of screen employment.

Source: Statistics New Zealand (2015/16).

GROSS REVENUE

\$2.39B

1 year % change
↓ **4.5%**

EMPLOYMENT

6,831

Share of NZ
45%

BUSINESSES

1,278

1 year % change
↓ **0.5%**

KEY COMPANIES





OVERVIEW

Auckland is New Zealand's primary international gateway. With the country's largest international airport, Auckland received on average 78 per cent of New Zealand's total international visitor arrivals in each of the past five years (2012–2017).

Auckland is now a tourism destination in its own right, with a buoyant visitor economy, boosted by world-class major events and unique experiences. Tourism is a key export and employment industry for the region.

KEY STATISTICS AS AT MARCH 2016

- \$2.77 billion of Auckland's GDP (3.3 per cent).
- 60,499 employed in the region's tourism sector (7.3 per cent).
- \$7.5 billion total tourism spend in region by visitors.

GROWTH

Fuelled by strong growth in international visitors, Auckland's tourism sector has grown on average 3.7 per cent per annum since 2012, adding more than 4,000 employees.

Source: Ministry of Business Innovation and Employment (MBIE) and Infometrics Ltd (2016).



KEY COMPANIES



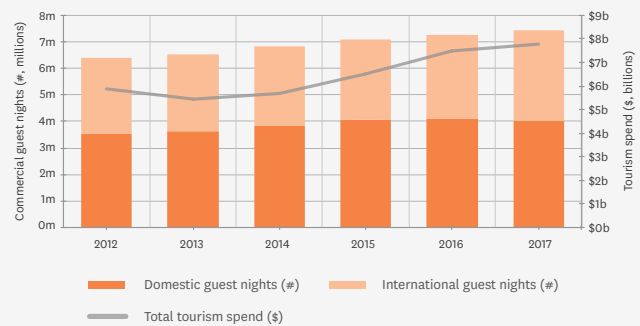
AUCKLAND VISITORS

Auckland's visitor guest nights increased from 6.4 million in 2012 to almost 7.4 million in 2017, while visitor expenditure increased from \$5.8 billion in 2012 to \$7.8 billion in 2017.

International arrivals between 2000 and 2017 increased by more than 1.43 million, with annual growth of more than 5 per cent since 2014, and peaking at 11 per cent in 2017. The four major sources of international visitors for Auckland are Australia, China, the USA, and the UK.

Commercial visitor guest nights and tourism spend

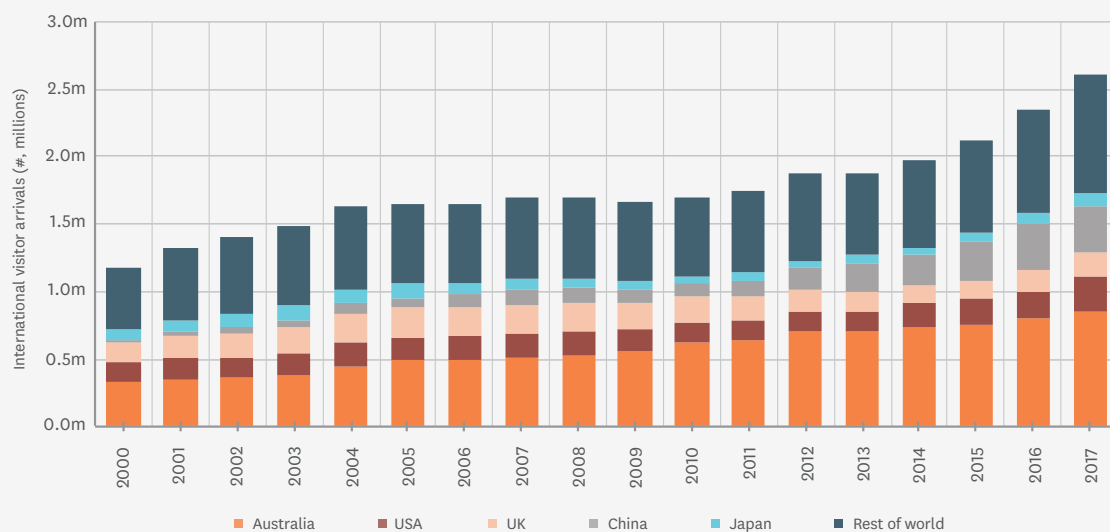
Year ended June, 2012–2017



Source: Ministry of Business, Innovation and Employment (MBIE) and Statistics New Zealand.

International visitor arrivals through Auckland Airport

Year ended June, 2000–2017



Source: Statistics New Zealand



INTERNATIONAL EDUCATION

OVERVIEW

International education is New Zealand's fourth largest export sector* and supports more than 30,000 jobs. Auckland is the majority contributor to the growth and success of New Zealand's international education sector.

KEY STATISTICS FOR 2015/2016

- \$2.16 billion of Auckland's GDP (2.7 per cent).
- 8,730 employed in region's international education sector.
- 83,609 international students enrolled in Auckland (63 per cent of total New Zealand enrollment)*.

London-based Quacquarelli Symonds (QS) ranked Auckland 18th in the world in its 2016 Best Student Cities survey.

Source: Infometrics Ltd (2015/16) and Education New Zealand (2016).

*Updated figures based on the New Zealand International Student Enrolments 2016 Report, Education New Zealand.

GDP

\$2.16B

Share of NZ Sector

53.5%

EMPLOYMENT

8,730

Share of NZ Sector

60.9%

INTERNATIONAL STUDENTS

83,609

Share of NZ Sector

63%

KEY COMPANIES





CONSTRUCTION

OVERVIEW

Auckland's construction and engineering industry is going through unprecedented growth due to a strong pipeline of infrastructure work and increased residential demand.

KEY STATISTICS AS AT MARCH 2016

- \$5.4 billion of Auckland's GDP (6.4 per cent).
- 82,270 employed in region's construction sector.
- 23,500 construction sector businesses in Auckland.
- \$26 billion of construction and infrastructure projects underway in Auckland (2017).

GROWTH

Driven by a strong industry pipeline, Auckland's construction and engineering industry added almost \$1 billion in GDP, 13,000 workers and 2,000 businesses between 2014 and 2016. With ongoing investment in infrastructure and a significant residential building programme, this growth is forecast to continue into the next decade.

Source: Infometrics Ltd (2016).

GDP

\$5.4B

1 year % change

↑ 7.1%

EMPLOYMENT

82,270

1 year % change

↑ 9.5%

BUSINESSES

23,500

1 year % change

↑ 6.4%

KEY COMPANIES



An aerial photograph of Auckland, New Zealand, showing a dense urban landscape with various high-rise buildings. The Lumley building is prominent on the left. In the foreground, there is a large green park area with palm trees and a road. The city extends to the water's edge, with hills visible in the background under a clear blue sky with the sun shining brightly in the upper right.

Auckland in the world

As New Zealand's largest city, Auckland is competing on the world stage. How we compare with other cities is an important indicator of our success internationally.

Here is a snapshot of Auckland's standing in some recent global rankings:

4TH

MOST DIVERSE
CITY IN THE
WORLD

The World Migration Report ranked Auckland as world's fourth most culturally diverse city in 2015.

3RD

BEST CITY
FOR QUALITY
OF LIVING

Auckland has held third place on The Mercer Quality of Living Index for the 6th year in a row, 2011-2017.

6TH

FRIENDLIEST
CITY IN THE
WORLD

The 2017 Friendliest Cities in the World, Readers' Choice Awards Survey 2017, Conde Nast Traveler.

5TH

MOST INNOVATIVE
CITY IN ASIA
AND OCEANIA

Auckland is ranked fifth most innovative city in the Asian and Oceania region in The Innovative Cities Index, 2016-2017, 2ThinkNow.

89TH

MOST INNOVATIVE
CITY IN THE WORLD

Auckland is ranked eighty-ninth most innovative city in the world in The Innovative Cities Index, 2016-2017, 2ThinkNow.

4TH

TOP FDI STRATEGY
CITY IN THE ASIA
PACIFIC REGION

Auckland tops the ranking of the Asia-Pacific cities for FDI Strategy in fourth place. Top 10 FDI Strategy, fDi Asia-Pacific Cities of the Future 2017/18, fDi Intelligence.

AUCKLAND'S KEY INDICATORS	CURRENT VALUE	CURRENT PERIOD / YEAR TO MONTH	1 YEAR CHANGE	3 YEAR CHANGE	5 YEAR CHANGE	PAGE
POPULATION (#)	1,658,900	2017 / June	1,614,400 (▲ 2.7%)	1,526,900 (▲ 8.0%)	1,476,500 (▲ 11%)	8
POPULATION GROWTH RATE (%)	2.76%	2017 / June	2.83% (▼ 0.07 points)	2.26% (▲ 0.5 points)	1.16% (▲ 1.6 points)	9
POPULATION BY BROAD AGE GROUP						
0–14 age group	318,200 19.7%	2013 Census	316,000 (▲ 2.1%) 20.1% (▼ 0.4 points)	311,500 (▲ 2.1%) 20.9% (▼ 1.2 points)	311,500 (▲ 2.1%) 21.3% (▼ 1.6 points)	10
15–39 age group	616,800 38.2%	2013 Census	585,200 (▲ 5.1%) 37.3% (▲ 0.9 points)	539,400 (▲ 12.5%) 6.1% (▲ 2.1 points)	533,400 (▲ 13.5%) 36.5% (▲ 1.6 points)	10
40–64 age group	489,000 30.3%	2013 Census	484,400 (▲ 0.9%) 30.9% (▼ 0.6 points)	472,500 (▲ 3.4%) 31.6% (▼ 1.3 points)	459,000 (▲ 6.1%) 31.4% (▼ 1.1 points)	10
65+ age group	190,400 11.8%	2013 Census	184,300 (▲ 3.2%) 11.7% (▲ 0.1 points)	169,800 (▲ 10.8%) 11.4% (▲ 0.4 points)	155,700 (▲ 18.2%) 10.7% (▲ 1.1 points)	10
% OF RESIDENTS BORN OVERSEAS	45.5%	2013 Census	N/A	N/A	N/A	11
% OF MULTILINGUAL RESIDENTS	28.7%	2013 Census	N/A	N/A	N/A	11
POPULATION BY BROAD ETHNIC GROUP						
European	789,306 (59.3%)	2013 Census	N/A	N/A	N/A	10
Māori	142,767 (10.7%)	2013 Census	N/A	N/A	N/A	10
Pacific peoples	194,958 (14.6%)	2013 Census	N/A	N/A	N/A	10
Asian	307,233 (23.1%)	2013 Census	N/A	N/A	N/A	10
Middle Eastern/Latin American/African	24,945 (1.9%)	2013 Census	N/A	N/A	N/A	10
Other ethnicity	16,639 (1.2%)	2013 Census	N/A	N/A	N/A	10

AUCKLAND'S KEY INDICATORS	CURRENT VALUE	CURRENT PERIOD / YEAR TO MONTH	1 YEAR CHANGE	3 YEAR CHANGE	5 YEAR CHANGE	PAGE
WORKING AGE POPULATION (#)	1,280,500	2016/ June	1,231,600 (▲ 4.0%)	1,165,800 (▲ 9.8%)	1,133,400 (▲ 13%)	12
WORKING AGE POPULATION %	79.3%	2016 / June	78.5% (▲ 0.8%)	78.1% (▲ 1.2%)	77.7% (▲ 1.6%)	12
DEPENDENCY RATIO (%)	46.0	2016 / June	46.8 (▼ 0.8%)	47.6 (▼ 1.6%)	47.1 (▼ 1.1%)	-
LABOUR FORCE (#)	884,826	2016 / June	841,183 (▲ 5.2%)	772,925 (▲ 14.5%)	760,511 (▲ 16.3%)	12
LABOUR FORCE GROWTH RATE (%)	+5.2%	2016 / June	+4.1% (▲ 1.1 points)	-0.8% (▲ 6.0 points)	+1.9% (▲ 3.3 points)	12
LABOUR FORCE PARTICIPATION RATE (%)	69.1%	2016 / June	68.3% (▲ 0.8 points)	66.3% (▲ 2.8 points)	67.1% (▲ 2.0 points)	12
EMPLOYMENT (#)	724,400	2016 / June	697,000 (▲ 6.5%)	653,800 (▲ 10.8%)	630,900 (▲ 14.8%)	14
employed by high skill level (%)	36.5%	2016 / March	36.6% (▼ 0.1 points)	36.1% (▲ 0.3 points)	35.3% (▲ 1.2 points)	13
employed by med/high skill level (%)	11.7%	2016 / March	11.6% (▲ 0.1 points)	11.4% (▲ 0.2 points)	11.0% (▲ 0.7 points)	13
employed by medium level (%)	15.0%	2016 / March	14.9% (▲ 0.2 points)	14.8% (▲ 0.3 points)	15.2% (▼ 0.2 points)	13
employed by low skill level (%)	36.8%	2016 / March	37.0% (▼ 0.1 points)	37.6% (▼ 0.8 points)	38.6% (▼ 1.7 points)	13
ANNUAL EMPLOYMENT GROWTH RATE (%)	+6.5%	2016 / June	+3.9% (▲ 2.6%)	-0.3% (▲ 6.7%)	+3.6% (▲ 2.9%)	14
ANNUAL EMPLOYMENT RATE (%)	65.8%	2016 / June	64.3% (▲ 1.6 points)	62.1% (▲ 3.7 points)	62.7% (▲ 3.1 points)	-
ANNUAL UNEMPLOYMENT RATE (%)	4.7%	2016 / June	5.9% (▼ 1.2 points)	6.3% (▼ 1.6 points)	6.3% (▼ 1.6 points)	15
ANNUAL YOUTH NOT IN EMPLOYMENT, EDUCATION OR TRAINING (NEET) RATE (TOTAL 15-24 AGE GROUP)	10.1	2016 / June	10.1 (▲ 0.9 points)	9.6 (▲ 1.4 points)	12.1 (▼ 1.1 points)	15
NEET rate for 15-19 age group	6.6	2016 / June	6.2 (▲ 0.4 points)	7.2 (▼ 0.6 points)	9.7 (▼ 3.4 points)	15
NEET rate for 20-24 age group	13.3	2016 / June	13.9 (▼ 0.6 points)	15.4 (▼ 2.1 points)	15.2 (▼ 1.9 points)	15

AUCKLAND'S KEY INDICATORS	CURRENT VALUE	CURRENT PERIOD / YEAR TO MONTH	1 YEAR CHANGE	3 YEAR CHANGE	5 YEAR CHANGE	PAGE
MĀORI POPULATION	177,470	2016 / March	174,700 (▲ 1.6%)	169,810 (▲ 4.5%)	166,820 (▲ 6.4%)	16
MĀORI POPULATION SHARE OF AUCKLAND	12.9%	2013 Census	N/A	N/A	N/A	-
MĀORI POPULATION ANNUAL GROWTH RATE (%)	+1.6%	2016 / March	+1.5% (▲ 0.1 points)	+0.8% (▲ 0.8 points)	+1.1% (▲ 0.5 points)	16
Māori Population Aged 0-14	32.8%	2013 Census	N/A	N/A	N/A	16
Māori population aged 15-39	37.6%	2013 Census	N/A	N/A	N/A	16
Māori population aged 40-64	24.8%	2013 Census	N/A	N/A	N/A	16
Māori population aged 65+	4.7%	2013 Census	N/A	N/A	N/A	16
MĀORI EMPLOYMENT (#)	82,865	2016 / March	80,358 (▲ 3.1%)	74,261 (▲ 11.6%)	68,102 (▲ 21.7%)	17
Employed by High skill level	24.9%	2016 / March	25.0% (▼ 0.1 points)	24.8% (▲ 0.1 points)	24.4% (▲ 0.5 points)	17
Employed by Med/High skill level	16.3%	2016 / March	16.1% (▲ 0.2 points)	15.9% (▲ 0.4 points)	16.0% (▲ 0.3 points)	17
Employed by Med skill level	9.9%	2016 / March	9.8% (no change)	9.8% (▲ 0.1 points)	9.3% (▲ 0.5 points)	17
Employed by Low skill level	48.9%	2016 / March	49.0% (▼ 0.1 points)	49.5% (▼ 0.6 points)	50.2% (▼ 1.3 points)	17
MĀORI UNEMPLOYMENT RATE (%)	10.2%	2016 / March	11.6% (▼ 1.4 points)	14.0% (▼ 3.8 points)	13.6% (▼ 3.4 points)	17

AUCKLAND'S KEY INDICATORS	CURRENT VALUE	CURRENT PERIOD / YEAR TO MONTH	1 YEAR CHANGE	3 YEAR CHANGE	5 YEAR CHANGE	PAGE
AUCKLAND GDP (2010 \$)	\$84.83 bn	2016 / June	\$81.63 bn (▲ 3.9%)	\$76.41 bn (▲ 11.0%)	\$71.65 bn (▲ 18.4%)	20
GDP ANNUAL GROWTH RATE (%)	+3.9%	2016 / June	+3.5% (▲ 0.4 points)	+2.8% (▲ 1.1 points)	+3.4% (▲ 0.5 points)	20
% CONTRIBUTION TO NATIONAL GDP	37.6%	2016 / June	37.2% (▲ 0.4 points)	36.9% (▲ 0.7 points)	36.2% (▲ 1.4 points)	19
ANNUAL GOODS EXPORTS (2010 \$)	\$12.57 bn	2016 / June	\$11.79 bn (▲ 6.7%)	\$10.35 bn (▲ 21.6%)	\$14.94 bn (▼ 15.8%)	21
Australia market share	\$3.39 bn	2015 / March	N/A	N/A	N/A	21
USA market share	\$2.10 bn	2015 / March	N/A	N/A	N/A	21
China market share	\$1.59 bn	2015 / March	N/A	N/A	N/A	21
EXPORTS ANNUAL GROWTH RATE (%)	+6.7%	2016 / June	+2.0% (▲ 4.7 points)	-6.2% (▲ 12.9 points)	+13.7% (▼ 12.1%)	21
FOREIGN DIRECT INVESTMENT (FDI) STOCK	\$37.32 bn	2015 / March	N/A	N/A	N/A	23
OFFSHORE DIRECT INVESTMENT (ODI) STOCK	\$9.46 bn	2015 / March	N/A	N/A	N/A	23
CONSTRUCTION CRANE COUNT	72	2017 Q2	47 (▲ 53.2%)	N/A	N/A	26
ANNUAL INTERNATIONAL VISITOR ARRIVALS VIA AUCKLAND AIRPORT (#)	2,610,464	2017 / June	2,350,304 (▲ 11.1%)	1,981,104 (▲ 31.7%)	1,870,224 (▲ 39.5%)	36
INTERNATIONAL VISITOR ARRIVAL ANNUAL GROWTH RATE (%)	+11.1%	2017 / June	+10.8% (▲ 0.3 points)	+5.5% (▲ 5.6 points)	+7.2% (▲ 3.9 points)	36
ANNUAL VISITOR GUEST NIGHTS (COMMERCIAL)	7,440,000	2017 / June	7,271,000 (▲ 2.3%)	6,827,000 (▲ 9.0%)	6,397,000 (▲ 16.3%)	36
ANNUAL TOURISM SPEND IN AUCKLAND REGION	\$7.79 bn	2017 / June	\$7.47 bn (▲ 4.3%)	\$5.66 bn (▲ 37.1%)	\$5.68 bn (▲ 32.6%)	36

AUCKLAND'S KEY INDICATORS	SOURCE	2018	2017	2016	2015	2014	2013	2012	2011	PAGE
MOST DIVERSE CITY IN THE WORLD	The World Migration Report, International Organization for Migration	-	-	-	4th	-	-	-	-	40
QUALITY OF LIVING INDEX	Quality of Living City Ranking, Mercer	-	3rd	3rd	3rd	3rd	3rd	3rd	3rd	40
MOST INNOVATIVE CITY IN THE ASIAN AND OCEANIA REGION	Global Innovation Index: Asia; 2ThinkNow	-	16th	16th*	19th	20th	15th	15th*	14th	40
MOST INNOVATIVE CITY THE WORLD	Global Innovation Index; 2ThinkNow	-	89th	89th*	98th	106th	91st	91st*	70th	40
ASIA PACIFIC CITIES OF THE FUTURE, TOP FDI STRATEGY	Asia-Pacific cities of the Future; FDI Intelligence	4th	4th*	5th	5th*	4th	4th*	7th	7th*	40
QS BEST STUDENT CITIES RANKING	Best Student Cities, Quacquarelli Symonds	-	28th	18th	22nd	18th	-	-	-	40
FRIENDLIEST CITIES IN THE WORLD	The 2017 Friendliest Cities in the World, Readers' Choice Awards Survey 2017, Conde Nast Traveler.	-	6th	15th	9th	1st	16th	-	-	40

*Multi-year ranking.

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- Rider Levett Bucknall (RLB)
- Statistics New Zealand
- The University of Auckland
- Westpac



GET IN TOUCH

ATEED welcomes comments and feedback on the Auckland Growth Monitor.

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Auckland
Tourism, Events and
Economic Development



ABOUT ATEED

Auckland Tourism, Events and Economic Development (ATEED) is Auckland's economic growth agency, and an Auckland Council controlled organisation. It facilitates business and industry sector development, investment attraction, tourism and major events activities, and markets Auckland as a destination.

ATEED works with public and private sector partners to drive the growth of Auckland's skilled workforce, support Auckland's advanced industries to increase trade and attract investment, and promote a culture of innovation and entrepreneurship through initiatives like GridAKL - Auckland's innovation precinct at Wynyard Quarter.