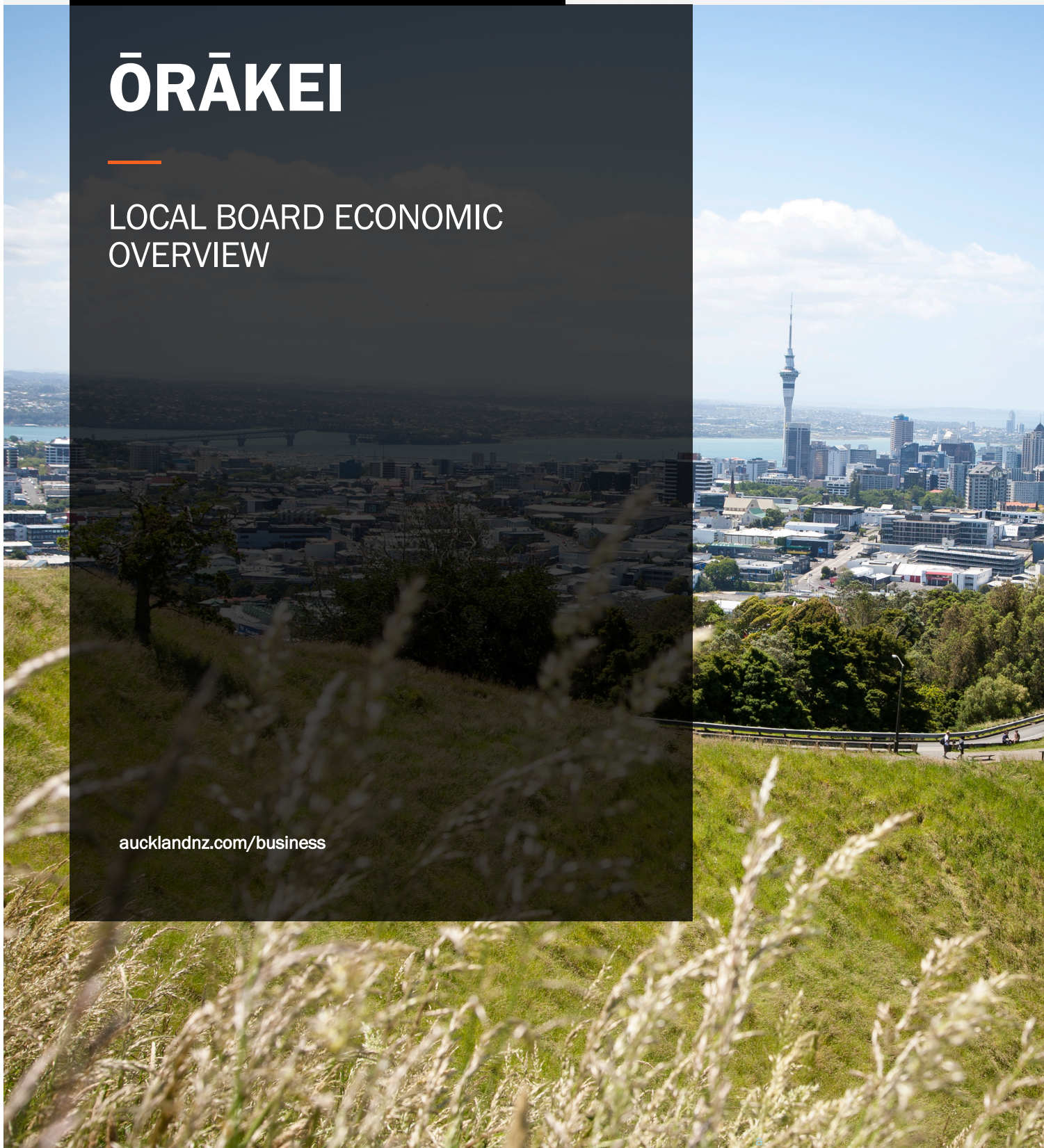


AUCKLAND ECONOMIC OVERVIEWS

# ŌRĀKEI

## LOCAL BOARD ECONOMIC OVERVIEW

[aucklandnz.com/business](http://aucklandnz.com/business)



Contents	
1	Introduction
2	People and Households
3	Skills
4	Local Economy
5	Employment Zones
6	Development trends
7	Economic Development Opportunities
8	Glossary

---

# Introduction

## What is local economic development

ATEED's goal is to support the creation of **quality jobs for all Aucklanders** and while Auckland's economy has grown in recent years, the benefits of that growth are not distributed evenly.

Local economic development brings together a range of players to build up the economic capacity of a local area and improve its economic future and quality of life for individuals, families and communities.

## Auckland's economic development

Auckland has a diverse economy. While central Auckland is dominated by financial, insurance and other professional services, parts of south and west Auckland have strengths in a range of manufacturing industries.

In other areas, tourism is a key driver and provides a lot of local employment while there are also areas that are primarily residential where residents commute to the city centre or one of the industrial precincts for employment. The Auckland region also has a significant primary sector in the large rural areas to the north and south of the region.

The Auckland Growth Monitor<sup>1</sup> and Auckland Index<sup>2</sup> tell the story behind Auckland's recent economic growth.

While annual GDP growth of 4.3 per cent per year over the last five years is encouraging, we want our economy to be more heavily **weighted towards industries that create better quality jobs** and generate export earnings. To support this goal ATEED has a role in promoting the adoption of new technologies and innovation across the economy and at the same time attracting investment and supporting sectors such as screen, the visitor economy and international education that bring in revenues from overseas.

Although there is still a need to attract and retain larger employers to the city, helping local economies to grow requires an enhanced focus on existing small businesses which make up 97 per cent of all Auckland businesses. Businesses can be supported by raising their capability, encouraging business networking, connecting them to talent and facilitating access to export markets. ATEED help provide access to a range of business support programmes for established businesses that are looking for help in order to grow. There is also a need to continue to support entrepreneurship and business start-ups, particularly in less prosperous parts of the region.

In 2018 ATEED produced the Auckland Prosperity Index<sup>3</sup>, which highlighted how different parts of the region have felt the benefits of Auckland's continued economic growth. This has shaped the approach we have been asked to take in the region, focusing on those activities and industry sectors that will have the greatest impact on increasing investment in quality jobs – particularly where Auckland's **south and west** can benefit.

---

<sup>1</sup> <https://www.aucklandnz.com/business-and-investment/economy-and-sectors/auckland-growth-monitor>

<sup>2</sup> The Auckland Index can be found at [aucklandnz.com/auckland-index](https://www.aucklandnz.com/auckland-index)

<sup>3</sup> <https://www.aucklandnz.com/business-and-investment/economy-and-sectors/market-news-and-trends/growing-prosperity-for-all-aucklanders>

## The role of local boards

At the **local level** ATEED works with local boards to support several areas of work:

- Growing local businesses through a range of initiatives to support start-ups and small and medium sized enterprises across the region
- Place based initiatives either working with Auckland's regeneration agency Panuku Development Auckland in its 'Transform and Unlock' areas as well as with smaller locally driven place-based initiatives
- Business environmental sustainability initiatives and the promotion of waste-minimisation and circular economy opportunities
- Providing economic intelligence: enhancing the evidence base and advice provided by ATEED at a local level. To provide a better understanding of the drivers of prosperity in a local area. While also providing the justification for the projects and initiatives delivered by the team.

**Local boards** have a mandate to advocate for and fund a range of activities on behalf of their local communities. The local boards of Auckland Council want thriving town centres and access to employment opportunities in their communities and when opportunities lie elsewhere, transport solutions so residents can easily access those opportunities. Local boards are in a unique position to understand their local economy, work with the local business community and advocate or catalyse activities for local economic development.

Through their advocacy role as well as through their empowering communities and locally driven initiatives budgets local boards can play a role in a range of ways. They can support:

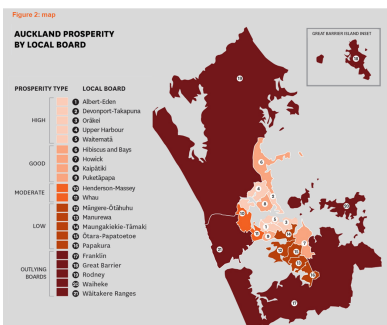
- 'Places' by supporting the town centres and business associations that provide much of their local employment or working with Panuku Development Auckland and ATEED to regenerate their town centres and attract investment and jobs
- 'People' through support for community organisations that work with people distant from the labour market, they can support skills development for young people through a range of programmes like the Young Enterprise Scheme
- The business community programmes like the PopUp Business School that fill gaps where mainstream services don't meet community need.
- The sustainability of their local economies by helping promote business environmental sustainability and waste minimisation.

## What is the Ōrākei local economic development overview?

This economic development overview of the Ōrākei Local Board area looks at:

- a range of indicators on the Ōrākei Local Board area's economy
- the drivers, trends and linkages that influence the local economy
- major private and public initiatives that will impact on the economy in the Ōrākei Local Board area
- opportunities and issues to growing business and jobs in the Ōrākei Local Board area.

The economic development overview can be the first stage in guiding local boards as to what the key issues are in their area and where the local board should focus its efforts when considering the outcomes it would like to include in the 2020 Local Board Plan.



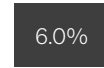
Ōrākei is a prosperous local board area with high levels of employment in sectors such as health care, education and accommodation & food. These sectors provide local employment opportunities although many residents travel in to the central city to access professional jobs. Local business activity and growth has been low compared to the rest of the Auckland region.



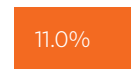
### Population growth

Population growth has been lower than the regional average over the 2013-2018 Census period.

### Population growth 2013-2018



Ōrākei



Auckland

### Jobs in Knowledge Intensive Industries

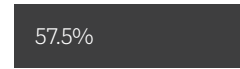


Ōrākei



Auckland

### School leavers moving on to degree level study (2018)



Ōrākei



Auckland



### Significant employers

Over the five years 2013-2018, the fastest growing industries by GDP in the local board area were retail, construction, transport, postal & warehousing, accommodation & food and professional scientific & technical services.



### Local employment opportunities

Healthcare, education and accommodation & food are the main employment sectors. Professional, administrative and supermarket services are also significant employers. Together these six sectors provide about 60 per cent of local employment.



### Unemployment rate

Unemployment has been lower than the regional average over the last five years.



### Education attainment

Educational attainment is high, a much higher proportion of school leavers enter degree level study upon leaving high school compared to the regional average.

## LOCAL BOARD ASPIRATIONS



In its current Local Board Plan the Ōrākei Local Board seeks to ensure that Ōrākei develops a thriving economy which supports local businesses, home based businesses and town centres. The local board is also keen to further develop the visitor economy in the area.



## KEY OPPORTUNITIES

As commuting to the central city is important for many residents, continuing to improve transport options for residents is important. Ensuring high quality commuting and transport experiences for all users to and from the city will impact positively on local residents.



## KEY CHALLENGES

While relatively affluent, most residents travel out of the area for work. Supporting the many small locally based businesses and attracting visitors to the area will help maintain a thriving local economy.

## People and Households

The Ōrākei Local Board area is one of Auckland's most populous local board areas with a population of 84,318 that is forecast to increase to 115,800 by 2038.

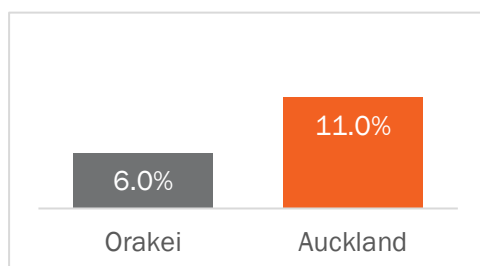
Ōrākei is one of Auckland's more prosperous areas. The Auckland Prosperity Index report showed Ōrākei is home to highly skilled residents. With ease of access to the city centre and fringe, the workforce has good employment opportunities.

	Ōrākei Local Board	Auckland / Share of Auckland
Population (2018)	84,318	5.4%
Population growth (2013-2018)	6.0%	11.0%
Median Age (2018)	33.1	34.8
Labour force (2018)	48,200	876,100
Labour force participation (2018)	70%	71%
Home ownership (2018)	53%	45%

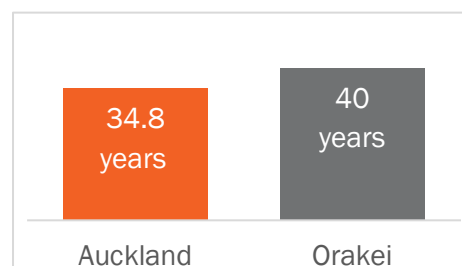
### Population

The Ōrākei Local Board area has experienced slow population growth in recent years. Between the 2013 and 2018 censuses population growth was six per cent compared to 11 per cent regionally. Medium population projections<sup>4</sup> suggest that the Ōrākei Local Board area could be home to 115,800 residents by 2038 an increase of over 30,000.

#### POPULATION GROWTH (2013-2018)



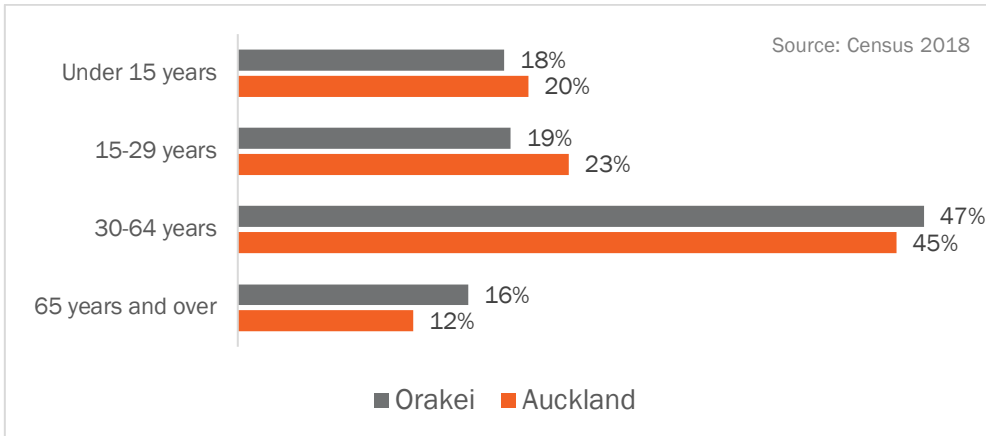
#### MEDIAN AGE (CENSUS 2018)



The Ōrākei Local Board area has a higher median age than the region and its working age population is slightly smaller than the regional average and there are proportionately fewer young people and more people of retirement age. Twenty-seven percent of people fall within the 30 to 49 age bracket.

<sup>4</sup> Source: Statistics New Zealand

## AGE STRUCTURE (CENSUS 2018)

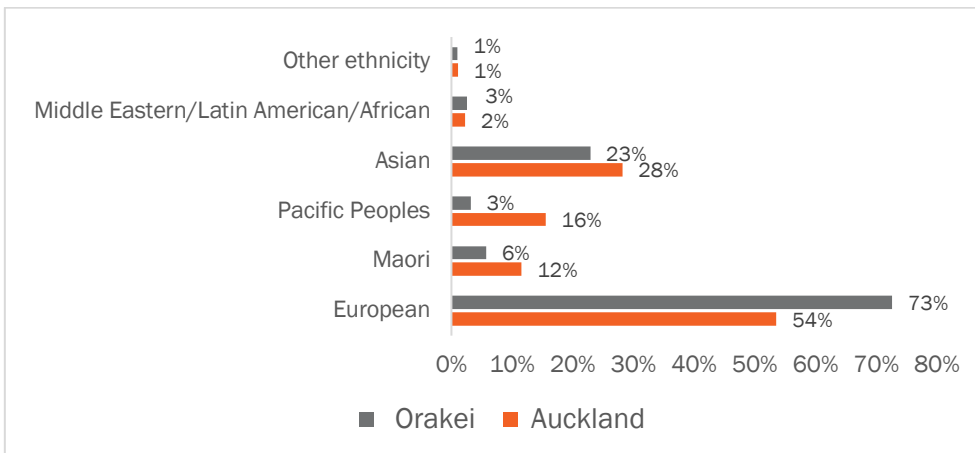


## Ethnicity

The Ōrākei Local Board area's population is predominantly of NZ European ethnicity (73 per cent), more so than the regional profile where Europeans make up 54 per cent of the population. the Ōrākei Local Board area has fewer Māori and Pacific residents than the regional average.

The Ōrākei Local Board area has a large proportion of residents born overseas (38 per cent) and 26 per cent of people born overseas had been in New Zealand less than five years.

## ETHNIC MAKE-UP (CENSUS 2018)



## Languages

With a less diverse population than elsewhere in the region, 97 per cent of Ōrākei Local Board residents are able to speak English compared to 93 per cent for the region.

## Labour Force

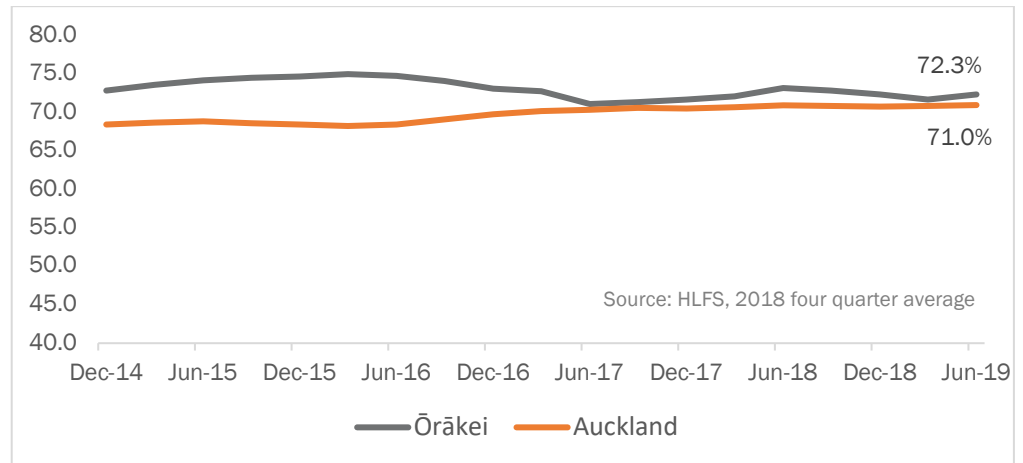
The labour force participation rate is a measure of an economy's active workforce. A high participation rate indicates more people in the area are actively engaged in the economy. The size of the labour force is critical to an area's ability to produce goods and services.

The labour force participation rate in the Ōrākei Local Board area is 72 per cent, higher than the Auckland rate (71 per cent).

# 72%

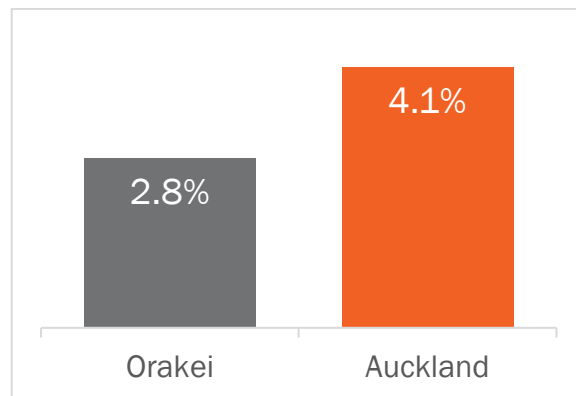
The labour force [participation rate](#) in the Ōrākei Local Board area was 72.3 per cent in June 2019, higher than the Auckland rate (71 per cent)

### LABOUR FORCE PARTICIPATION RATE OVER TIME (HOUSEHOLD LABOUR FORCE SURVEY)



The unemployment rate in the 2018 Census<sup>5</sup> was 2.8 per cent in the Ōrākei Local Board area, lower than the Auckland region unemployment rate of 4.1 per cent.

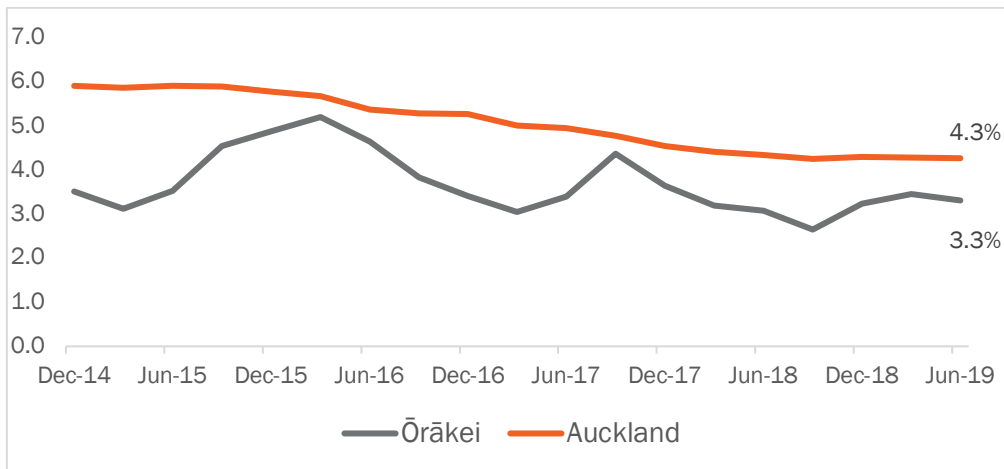
### UNEMPLOYMENT RATE (CENSUS 2018)



<sup>5</sup> Note the Census based unemployment rate differs from the rate reported by the Household Labour Force Survey as data collection methods differ and the Census rate is self-reported at the time of completion of the Census form.



### UNEMPLOYMENT RATE OVER TIME (HOUSEHOLD LABOUR FORCE SURVEY)

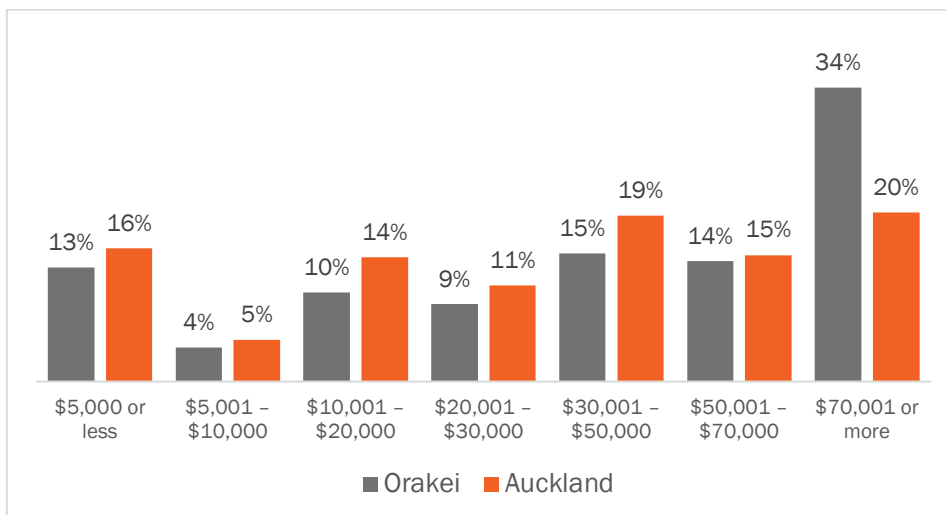


Unemployment measured by the Household Labour Force Survey in the Ōrākei Local Board area has remained below or similar to the Auckland average over the last five years.

### Incomes

Analysis of individual income levels in 2018 shows that there was a higher proportion (34 per cent) of persons earning a high income (over \$70,000 per year) in the Ōrākei Local Board area compared to the region (20 per cent).

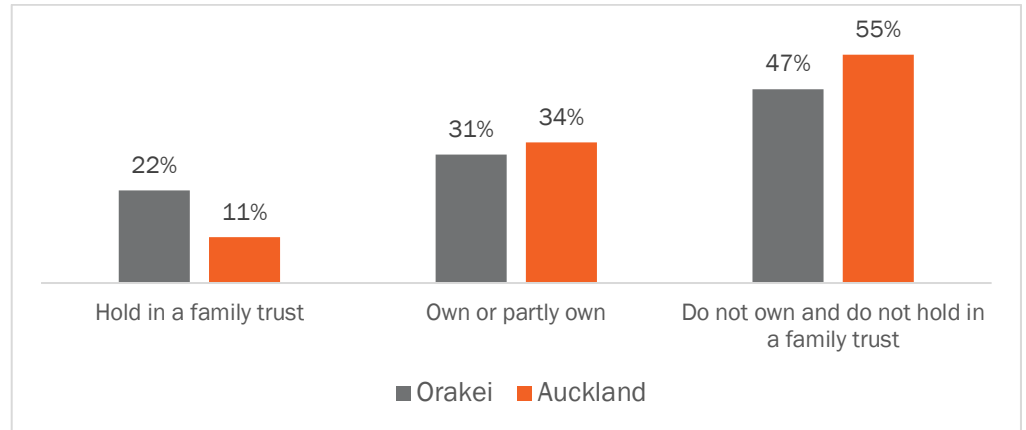
### INDIVIDUAL INCOMES (CENSUS 2018)



In 2018, 20 per cent of households in Ōrākei derived self-employment or business income, above the rate across all Auckland households (14 per cent).

Home ownership in the Ōrākei Local Board area is higher than the regional average; in 2018, 53 per cent of households owned the dwelling they lived in, compared to 45 per cent across Auckland.

### HOME OWNERSHIP (CENSUS 2018)



## Skills

The Ōrākei Local Board area has a well qualified labour force with a high proportion of residents educated to degree level or higher. More school leavers from the Ōrākei Local Board area leave with NCEA Level 2 or NCEA Level 3.

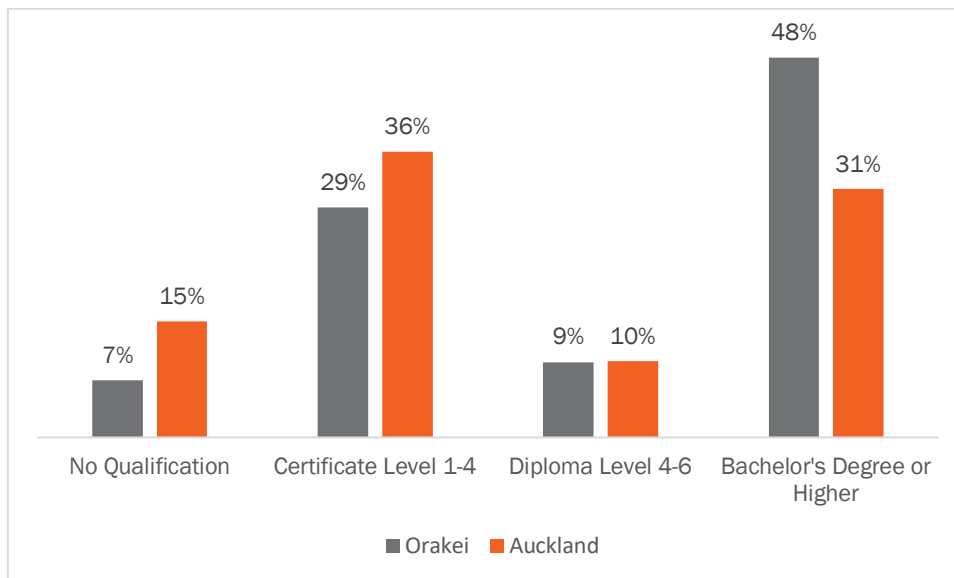
### Qualifications

A skilled workforce drives a strong and resilient local economy and is critical for Auckland's future competitiveness.

The New Zealand Qualifications Framework (NZQF) has ten levels which are based on complexity, with Level 1 the least complex and Level 10 the most complex. All qualifications on the NZQF are assigned one of the ten levels and fit into a qualification type: a certificate (Levels 1-4), diploma (Levels 5-6) or degree (Levels 7-10). Secondary school qualifications of National Certificates of Educational Achievement (NCEA) are gained at Levels 1-3.

Achieving a school level qualification significantly improves a school leaver's employment prospects and people with higher level qualifications are less likely to experience unemployment. The unemployment rate fell substantially in 2017 for people with higher-level qualifications. The rate was 2.4 per cent in 2017 for those with a bachelor's degree or postgraduate qualification, down from 2.9 per cent in 2016. For people with no qualification, the unemployment rate was more than three times larger, at 8.4 per cent. The unemployment rate for people with a Level 4 to 6 diploma or certificate did not alter greatly from 2016 to 2017. It was 3.5 per cent in 2017.<sup>6</sup>

#### RESIDENTS' HIGHEST QUALIFICATIONS (CENSUS 2018)



<sup>6</sup> [https://www.educationcounts.govt.nz/statistics/indicators/main/education-and-learning-outcomes/unemployment\\_rates\\_by\\_highest\\_qualification](https://www.educationcounts.govt.nz/statistics/indicators/main/education-and-learning-outcomes/unemployment_rates_by_highest_qualification)

In 2018, 48 per cent of adult residents in the Ōrākei Local Board area had gained a bachelor's degree or higher, a higher proportion than the Auckland region (31 per cent).

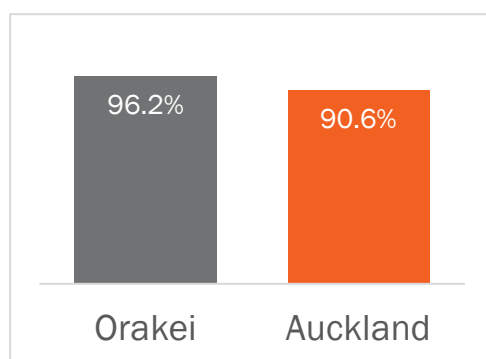
Seven per cent of residents had no educational qualifications compared with 15 per cent across the region<sup>7</sup>.

NCEA is the national school-leaver qualification and is used as the benchmark for entrance selection by universities and polytechnics. In 2018, just four per cent of school leavers in the Ōrākei Local Board area did not achieve the standard for NCEA Level 1 compared to nine per cent regionally.

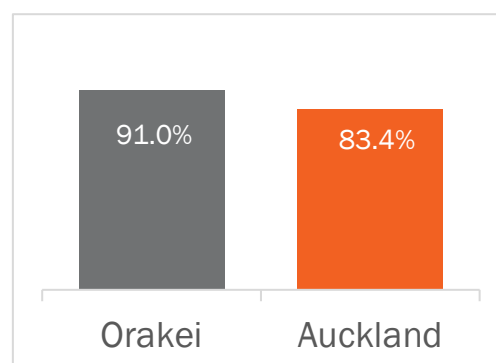
In 2018, only nine per cent of school leavers in the Ōrākei Local Board area did not achieve NCEA Level 2, which provides the foundation skills required for employment. This is below the Auckland average where 16 per cent of school leavers did not achieve NCEA Level 2 or higher.

### NCEA – STUDENTS NOT ATTAINING NCEA (2018)

#### LEVEL 1



#### LEVEL 2



### NCEA 1 ATTAINMENT BY ETHNICITY (2018)

Percentage achieving NCEA	Level 1	Level 2
European	97.2%	92.5%
Māori	82.9%	72.4%
Pacific	95.8%	85.3%
Asian	96.4%	93.8%
Middle East, Latin American, African	100%	93.5%
Other	100%	81.8%
<b>Total Local Board</b>	<b>96.2%</b>	<b>91.0%</b>
<b>Total Auckland</b>	<b>90.6%</b>	<b>83.4%</b>

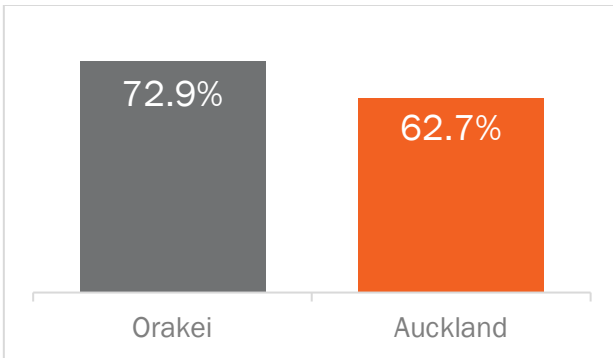
NCEA Level 3 is regarded as the minimum level required for university entry. Seventy-three per cent of the Ōrākei Local Board area's school leavers achieved this, higher than the Auckland average of 63 per cent.

<sup>7</sup> Highest qualification is derived for people aged 15 years and over

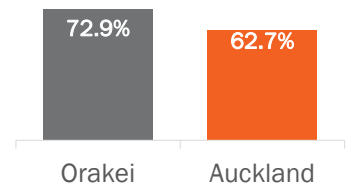
### DESTINATION OF SCHOOL LEAVERS IN THEIR FIRST YEAR AFTER LEAVING

	Bachelor's and above	Certificates & diplomas Levels 3-7	Certificates Levels 1-2	Not enrolled in tertiary education	Total Leavers
Ōrākei	57.5%	21.1%	0.8%	20.6%	762
Auckland	42.0%	20.9%	3.1%	34.1%	20,421

### SCHOOL LEAVERS MOVING ON TO DEGREE LEVEL STUDY (2018)



### School leavers attaining NCEA level 3 (2018)



More school leavers moved on to degree level study within a year of leaving school. Fifty-eight per cent of Ōrākei school leavers did this, much higher than the Auckland average of 42 per cent. A slightly lower proportion moved into certificate and diploma level study, but overall more (79 per cent) enrolled in some form of tertiary education than the regional average (66 per cent).

## Local Economy

The Ōrākei Local Board area has a small local economy underpinned by health and professional services. Health and education provide most local employment opportunities though many people commute in to the city for work. There has been recent growth in the number of jobs in construction as well as in supermarket retailing.

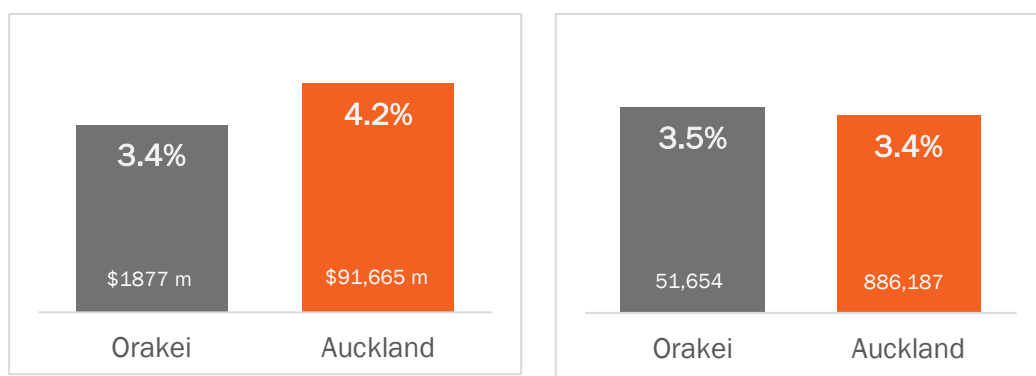
### Growth and employment trends

In 2018, GDP in the Ōrākei Local Board area experienced growth of 3.3 per cent, just below the growth rate in Auckland (3.9 per cent). In the five years to 2018 the Ōrākei Local Board area's economy grew at an average annual rate of 3.4 per cent, lower than the 4.2 per cent in the Auckland region.

Employment in businesses located in the Ōrākei Local Board area increased by an average of 1.9 per cent pa in the five years from 2013-2018, above the Auckland rate of 3.4 per cent. Over the last five years Ōrākei Local Board area job numbers increased the most in Construction Services (+667 jobs), supermarket retailing (+633), education & training (+570) and accommodation & food services (+565).

#### AVERAGE ANNUAL GDP AND EMPLOYMENT GROWTH

(source Infometrics)



Over the five years 2013-2018, the fastest growing industries by GDP in the Ōrākei Local Board area were retail, construction, transport, postal & warehousing, accommodation & food and professional scientific & technical services.

#### FASTEST GROWING INDUSTRIES BY GDP (ANZSIC LEVEL 1)

(source Infometrics)

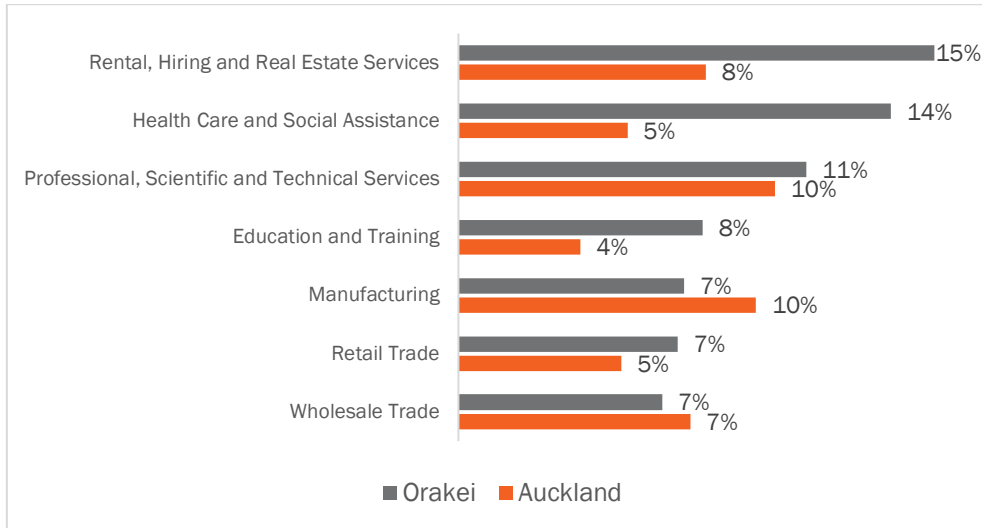
Industry	Average p.a. change
Retail Trade	10.3%
Construction	10.2%
Transport, Postal & Warehousing	7.4%
Accommodation & Food Services	6.9%
Professional, Scientific & Technical Services	5.2%

## Industry mix

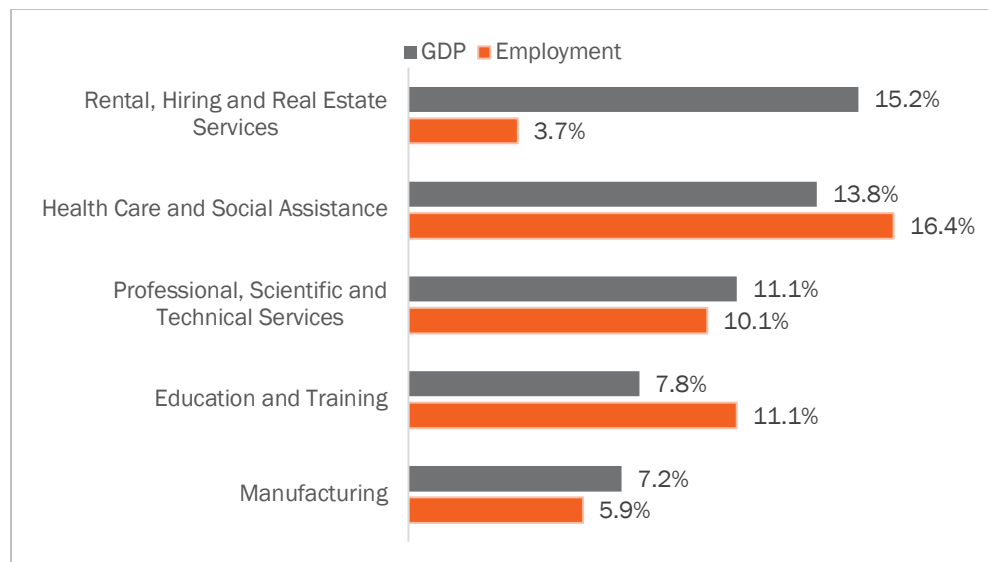
The Ōrākei Local Board area's future economic performance depends on its combination of a sufficiently diversified industrial base and clusters of sectors that have the potential to achieve high rates of productivity and export growth. The main sectors with a strong presence the Ōrākei Local Board area economy are rental, hiring & real estate services, health, professional, scientific & technical services and education.

### BROAD INDUSTRY MIX BY GDP (ANZSIC LEVEL 1)

(source Infometrics)



- **Rental, hiring & real estate services** contributed 15 per cent of the Ōrākei Local Board area's GDP but provided only four per cent of the area's employment.
- **Health care & social assistance** contributed 14 per cent of the Ōrākei Local Board area's GDP and provided 16 per cent of the area's employment.
- **Professional, scientific & technical services** contributed 11 per cent of the Ōrākei Local Board area's GDP and provided 10 per cent of the area's employment.
- **Education & training** contributed eight per cent of the Ōrākei Local Board area's GDP and provided 11 per cent of the area's employment.

**TOP INDUSTRIES BY EMPLOYMENT AND GDP (ANZSIC LEVEL 1)** (source Infometrics)

Health care & social assistance, education & training, accommodation & food services and professional, scientific & technical services are the key employment sectors in the Ōrākei Local Board area. Looking at more detailed sub-sectors we see that administration as well as construction services are also important employment sectors in the area.

**TOP 10 INDUSTRIES BY EMPLOYMENT- 54 SECTOR CLASSIFICATION** (source Infometrics)

Rank	Industry	Jobs	% of Ōrākei Local Board area Total
1	Health Care & Social Assistance	3,983	16.4%
2	Education & Training	2,695	11.1%
3	Accommodation & Food Services	2,512	10.3%
4	Professional, Scientific & Tech Services	2,459	10.1%
5	Administrative & Support Services	1,830	7.5%
6	Construction Services	1,308	5.4%
7	Supermarket & Specialised Food Retailing	1,301	5.4%
8	Wholesale Trade	1,123	4.6%
9	Other Services	1,057	4.3%
10	Other Store & Non Store Retailing	894	3.7%
<b>Total top 10 industries</b>		<b>19,162</b>	<b>78.0%</b>
<b>All other industries</b>		<b>5,152</b>	<b>22.0%</b>
<b>Total employment</b>		<b>24,315</b>	Source: Infometrics

Within those key employment sectors specialist medical services is the most significant source of health jobs. Within education, thirty-nine per cent of jobs are in primary education. Cafés and restaurants over half of employment in the accommodation & food services sector. Computer systems design & related services and management advice & consulting are important professional service employment sectors.



Construction services has seen the greatest employment growth over the last five years with supermarket retailing, education and accommodation & food services also seeing large increases.

### NEW JOBS BY SECTOR (2013 - 2018)

(source Infometrics)

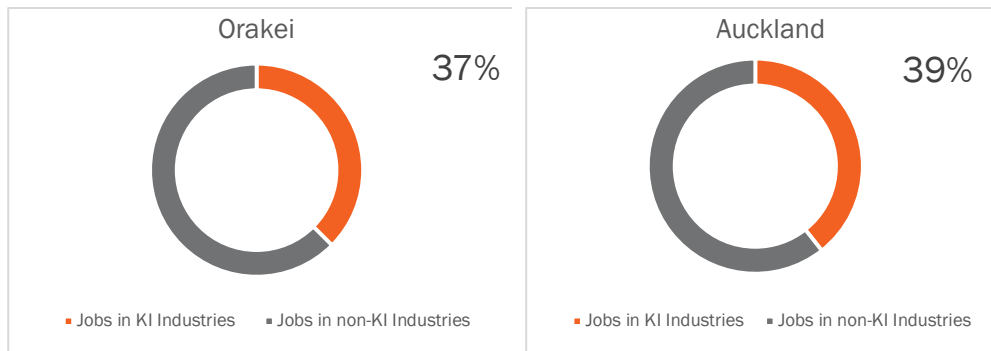
Sector	New Jobs
Construction Services	667
Supermarket & Specialised Food Retailing	633
Education & Training	570
Accommodation & Food Services	565
Professional, Scientific & Tech Services	406
Administrative & Support Services	327
Health Care & Social Assistance	210

### Knowledge-intensive industries

Knowledge intensive industries<sup>8</sup> represent an increasing share of the New Zealand economy's output and employment and may be a source of future productivity growth. Thirty-seven per cent of jobs in the Ōrākei Local Board area are in knowledge intensive industries which is lower than the regional average of 39 per cent.

### JOBS IN KNOWLEDGE INTENSIVE INDUSTRIES

(source Infometrics)



### Comparative Advantage

A number of sectors are more strongly represented in the Ōrākei Local Board area than they are in the region as a whole. Supermarket retailing, chemical manufacture, property operators and real estate services and health being sectors that are particularly strongly represented in the Ōrākei Local Board area.

### INDUSTRIES CONCENTRATED IN LOCAL BOARD AREA

(source Infometrics)

<sup>8</sup> Knowledge-intensive industries are industries that satisfy two basic criteria: At least 25 per cent of the workforce must be qualified to degree level and at least 30 per cent of the workforce must be employed in professional, managerial, as well as scientific & technical occupations.

Rank	Industry	Location Quotient	GDP \$M	Employees
1	Supermarket & Specialised Food Retailing	2.6	72.5	1301
2	Basic Chemical & Chemical Product Manufacturing	2.4	28.3	129
3	Property Operators & Real Estate Services	2.4	258	767

### ATEED Sectors of Focus

Auckland has developed a core of specialist manufacturing industries and a talented, globally focused service sector.

These industries and sectors are grouped into advanced industries, tradeable industries and enabling industries. Together they drive growth and create employment in Auckland and are of particular interest to ATEED with regards support that can be provided to help their growth.

Education is one of the sectors of focus for ATEED that is well represented in the Ōrākei Local Board area.

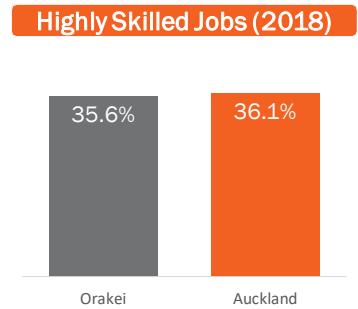
### EMPLOYMENT IN ATEED FOCUS SECTOR (2018)

Share of Sector to Total	Auckland	Ōrākei Local Board	+/- on A-E sector
Advanced Materials Related	1.7%	0.3%	-82.5%
Commercial services	21.2%	18.4%	-13.3%
Construction and engineering	11.2%	9.3%	-16.9%
Education	7.6%	11.1%	46.7%
Food and Beverage	3.5%	4.2%	17.6%
Screen and creative	6.0%	5.4%	-10.6%
Technology	7.6%	4.7%	-38.8%
Tourism	6.2%	7.4%	19.5%
Transport and Logistics	2.9%	0.7%	-75.7%

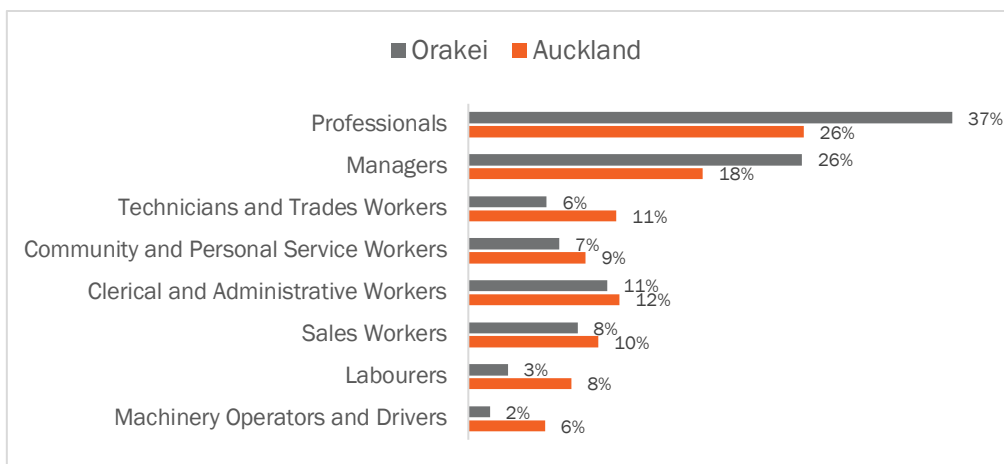
## Occupations<sup>9</sup>

Higher skilled jobs offer people an improved standard of living and are a critical component in attracting workers to an area. Statistics NZ allocates occupations to skill levels based on the range and complexity of tasks performed in a particular job. The skill level does not relate to the qualifications obtained by an individual, but to the range and complexity of the tasks they do at work. There is the same proportion of highly skilled jobs in Ōrākei (36 per cent) as the Auckland average however as many residents work in Auckland’s city centre the nature of local employment opportunities is not a concern.

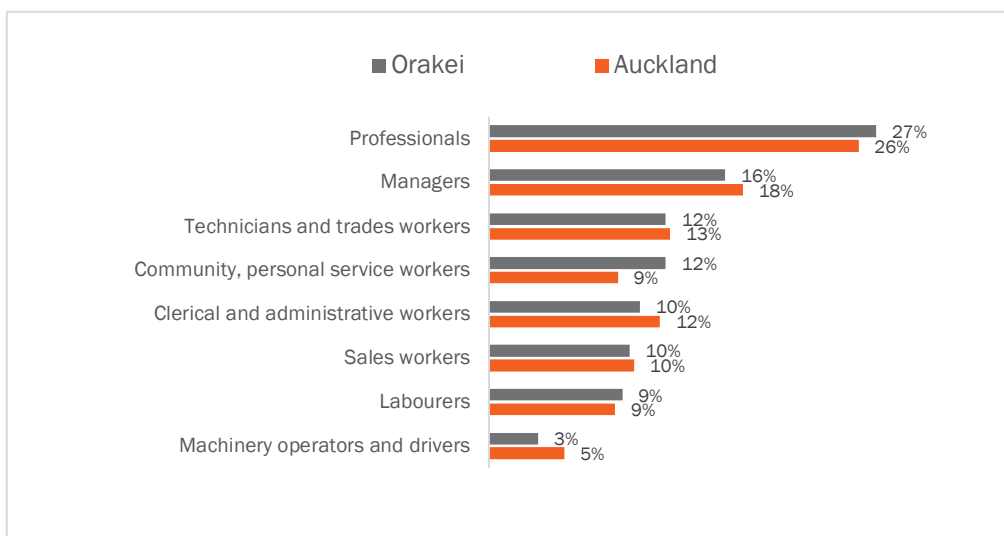
Managers and professional occupations were the most popular occupational categories for Ōrākei residents in 2013. Compared to the region, there are a much higher proportion of workers in professional occupations in Ōrākei.



### OCCUPATIONS OF ŌRĀKEI LOCAL BOARD AREA RESIDENTS (CENSUS 2018)



### OCCUPATIONS IN ŌRĀKEI LOCAL BOARD BASED BUSINESSES (2018) (source Infometrics)



<sup>9</sup> The 2018 Census provides details of the occupations of residents of the local board area whereas Infometrics data provides details of occupations within businesses located in the local board area.

Of the jobs in the Ōrākei Local Board area, professionals are the largest occupational group (27 per cent), higher than the Auckland average (26 per cent). The occupational structure of the local board area is in line with that of the wider region.

Education professionals are the largest occupational group in the Ōrākei Local Board area, followed by specialist managers<sup>10</sup> and health professionals.

### TOP 10 OCCUPATIONS BY EMPLOYMENT (2018)

(source Infometrics)

Rank	Occupations	Jobs	% of total jobs in Ōrākei LB
1	Education Professionals	2,110	8.7%
2	Specialist Managers	1876	7.7%
3	Health Professionals	1571	6.5%
4	Sales Assistants & Salespersons	1232	5.1%
5	Carers & Aides	1213	5.0%
6	Hospitality, Retail & Service Managers	1119	4.6%
7	Business, HR & Marketing Professionals	1020	4.2%
8	Chief Execs, General Managers, Legislators	832	3.4%
9	Hospitality Workers	773	3.2%
10	Sales Representatives & Agents	765	3.1%
<b>Sub-total Top 10 occupations</b>		<b>12,511</b>	<b>51.5%</b>
<b>Total jobs</b>		<b>24,315</b>	Note, includes self-employed

Many occupations saw significant growth from 2013-2018, particularly for professional occupations in health and education and managers and trades in the construction sector. There was a decline in numbers employed in protective service workers.

### FASTEST GROWING OCCUPATIONS 2013-2018

(source Infometrics)

Occupation	New Jobs
Education Professionals	423
Specialist Managers	300
Cleaners & Laundry Workers	255
Construction Trades Workers	238
Health Professionals	233
Sales Assistants & Salespersons	232
Hospitality, Retail & Service Managers	221
Hospitality Workers	191

<sup>10</sup> Specialist managers include managers in advertising, construction, ICT, business administration and education.

**OCCUPATIONS WITH DECLINING JOBS 2013-2018**

(source Infometrics)

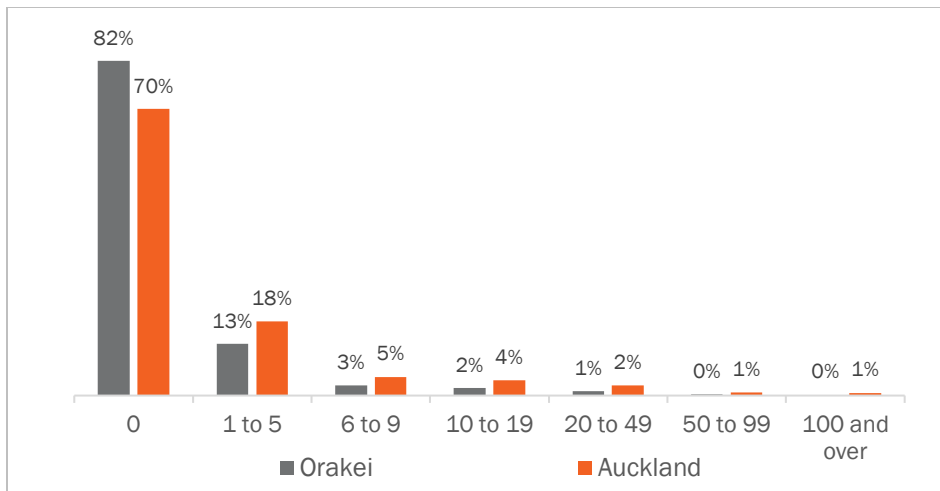
Occupation	Jobs Lost
Protective Service Workers	-104
General Clerical Workers	-62
Clerical & Office Support Workers	-38

**Business size<sup>11</sup>**

In 2018 there were 13,366 businesses in the Ōrākei Local Board area employing an average of 1.8 employees each, smaller than the Auckland average 4.5 employees. The number of businesses grew 1.9 per cent a year on average over the last decade, the same growth rate as the Auckland average.

**BUSINESS SIZE**

(source Infometrics)



<sup>11</sup> Large businesses are defined as entities with 20 or more employees

## Future of Work in Ōrākei Local Board

In 2019 ATEED commissioned work<sup>12</sup> to examine the likely future skills needs of the Auckland economy as changing population demographics, emerging technologies and the growth of new industries changes the nature of employment and the skills needed.

Ōrākei Local Board is located centrally in the Auckland region close to important employment precincts in central and south Auckland. Many residents access employment opportunities in the central city area.

Population growth and changing consumer demand will influence growth in particular sectors. The Auckland Future Skills report indicates that Auckland can expect to see growth across most industries with notable growth in **construction, professional services, health care, food service and education**. Construction in particular is expected to grow by approximately 56,000 jobs over the next 10 years.

Health care & social assistance is the main employment sector in the Ōrākei Local Board area with 16 per cent of jobs in the area. Education is also important and provides 11 per cent of the area's jobs. Construction is a key employer in almost all local board areas and represents eight per cent of employment in Ōrākei Local Board. Growth in these sectors is likely to positively impact on the Ōrākei Local Board area work force.

Professional services jobs include accounting, legal, architectural, engineering and management consulting services are forecast to grow 28 per cent (31,000 jobs) over the next ten years and **much of this growth is likely to be in the central city where these jobs are strongly concentrated**.

Architectural, engineering and technical services (9,000 more employed), management and related consulting services (6,000 more employed) and legal and accounting services (2,000 more employed) are forecast to be the main growth areas.

As a central local board area, Ōrākei residents have easy access to a significant number of jobs in these sectors. Forecast growth in these sectors is likely to include some growth in the Ōrākei Local Board area while residents also have easy access to the central city to access the growing number of professional service jobs there.

**With a largely managerial and professional workforce, focused on key growth areas of construction, health and education, the outlook for the Ōrākei Local Board area residents being able to access employment opportunities that match their skills and experience is positive.**

---

<sup>12</sup> Auckland Future Skills, Martin Jenkins (May 2019)

## Employment Zones

Employment in the Ōrākei Local Board area is concentrated in a number of town centres such as Remuera and Ellerslie which include employment in hospitality and retail alongside professional services and health sector jobs. Remuera and its surrounds also has significant employment in health and education. A significant employment area west of Ellerslie lies mainly in the neighbouring Maungakiekie-Tamaki Local Board area while the Glen Innes Panmure Industrial zone also sits across both local board areas.

The Ōrākei Local Board area is a primarily a labour exporting suburban areas. There are 84,318 residents of the Ōrākei Local Board area which has a labour force of 48,200. The local board area has a total of 24,315 jobs located within it. As a result, the area is a net exporter of a labour to other parts of the city.

### Employment Zones

Employment in the Ōrākei Local Board area is concentrated in a number of town centres. Health care & education establishments also provide a number of jobs.

#### EMPLOYMENT IN REMUERA AREA\*

(source Infometrics)

Industry	Jobs
Health Care & Social Assistance	1281
Education & Training	1165
Professional, Scientific & Technical Services	650
Accommodation & Food Services	484
Property Operators and Real Estate Services	389
<b>Total employment (all sectors)</b>	<b>5,913</b>
* Based on business demographics for the SA2 area	

#### EMPLOYMENT IN ELLERSLIE AREA\*

(source Infometrics)

Industry	Jobs
Health Care & Social Assistance	1471
Administrative and Support Services	375
Professional, Scientific & Technical Services	352
Accommodation & Food Services	254
<b>Total employment (all sectors)</b>	<b>3,819</b>
* Based on business demographics for the SA2 area	

**EMPLOYMENT IN PANMURE / GLEN INNES INDUSTRIAL\*** (source Infometrics)

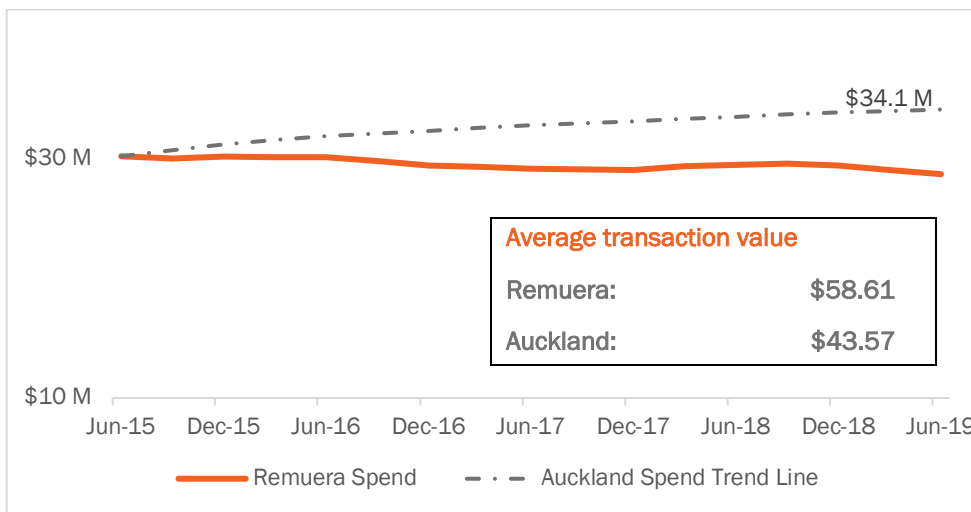
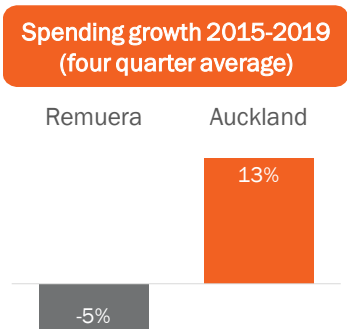
Industry	Jobs
Wholesale Trade	801
Supermarket, Grocery Stores and Specialised Food Retailing	527
Fruit, Oil, Cereal and Other Food Product Manufacturing	353
Administrative and Support Services	335
Central Government Administration, Defence and Public Safety	334
<b>Total employment (all sectors)</b>	<b>5,530</b>
* Based on business demographics for the SA2 area	

**Town Centres<sup>13</sup>**

The main town centre employment zones in the Ōrākei Local Board area are Remuera and Ellerslie. Smaller centres exist at St Heliers, Mission Bay, Stonefields and Meadowbank.

Spending in Remuera has not grown at the same rate as in Auckland as a whole, declining five per cent between June 2015 and June 2019 compared to 13 per cent growth regionally. The average transaction value in Remuera was \$58.61, above the Auckland average of \$43.57.

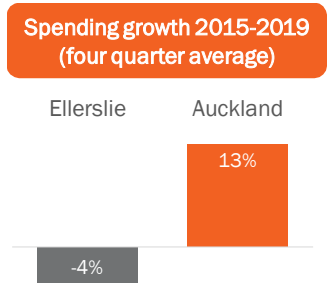
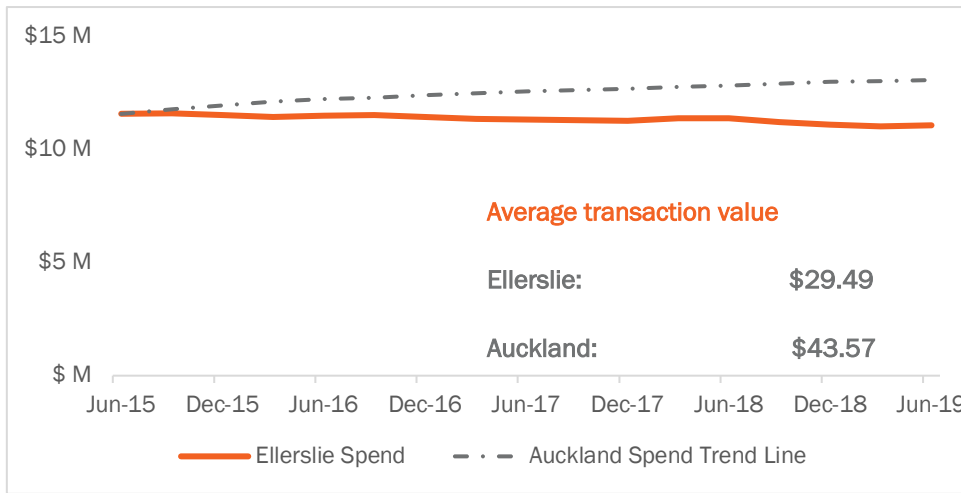
**REMUERA SPEND AND AVERAGE TRANSACTION VALUE (2015-2019)**



<sup>13</sup> Town centre spend data is provided by Marketview and is derived from credit and debit card transactions. Area with higher levels of cash payments may have spending slightly under reported.



**ELLERSLIE SPEND AND AVERAGE TRANSACTION VALUE (2015-2019)**



Spending in Ellerslie has not grown in line with the rate in Auckland as a whole, declining four per cent between June 2015 and June 2019 compared to 13 per cent growth regionally. The average transaction value in Ellerslie was \$29.49, well below the Auckland average of \$43.57.

## Development Trends

Auckland has been undergoing a period of rapid growth facilitated by the development of the Auckland Unitary Plan. This is reflected in the level of residential development in the Ōrākei Local Board area.

### Context

The refreshed **Auckland Plan (2018)** sets the spatial vision for Auckland's future development through to 2050 to identify the type of city Auckland will become and how it will accommodate its housing, economic, social and environmental needs. Auckland Plan identifies that Auckland may need another **313,000 dwellings** and up to **263,000 extra jobs** by **2050** requiring a plan for where and how people will live and how they will access jobs, facilities and services.

The **Unitary Plan (2017)** was developed to help Auckland meet its economic and housing needs by setting the planning rules for:

- what can be built and where
- how to create a higher quality and more compact Auckland
- how to provide for rural activities
- how to maintain the marine environment.

Within the Auckland Plan is the **Auckland Development Strategy** which shows how Auckland will physically grow and change over the next 30 years. It takes account of the outcomes Auckland wants to achieve, as well as population growth projections and planning rules in the Auckland Unitary Plan.

The **Development Strategy** outlines key nodes and development areas where the bulk of new development of housing, employment and civic services will be located and how that can be connected by efficient transport links. Beyond the city centre the key nodes of growth are in the south (**Manukau**), north (**Albany**) and northwest (**Westgate**). **Rural nodes** in **Pukekohe** and **Warkworth** will service their surrounding rural communities and will support significant business and residential growth.

**Development areas** are spread across the region. Expected growth is identified if it is expected in any of the next three decades. In addition to areas identified for development most other urban areas will experience some development and change. This could be in the form of subdivision, or the redevelopment of existing buildings/land parcels at higher densities.

One development area is included in the Ōrākei Local Board area. Ellerslie is well connected with one of the busiest railway stations in the region and good access to the State Highway network. Much of the area is zoned THAB and market interest is evident in the proposed development on the Ellerslie Racecourse site<sup>14</sup>.

These areas are expected to add significant numbers of houses to the area over the next 30 years as well as a significant contribution to employment.

---

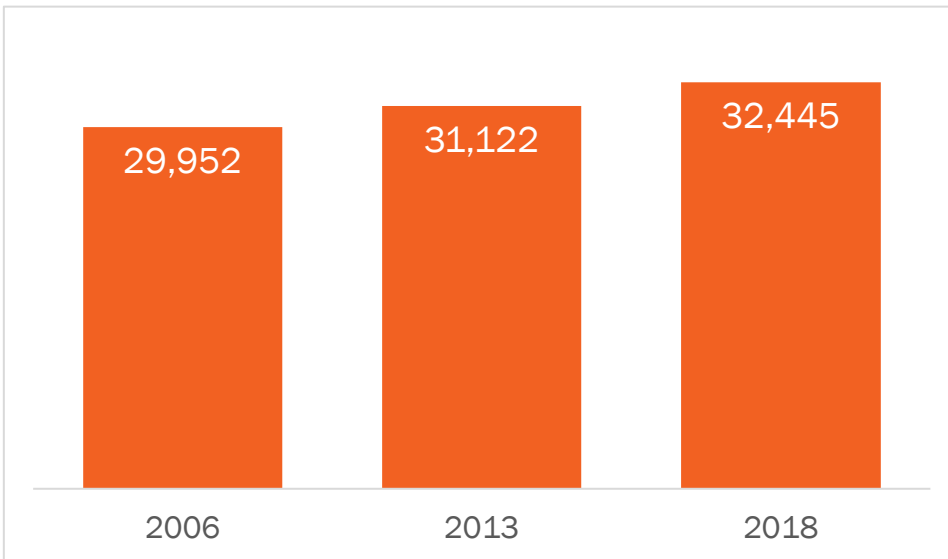
<sup>14</sup> Auckland Plan, Development Strategy (2018)

Development Area	Phasing	Expected Dwelling Growth 2018-2048	Anticipated Employment Growth 2018-2048
Ellerslie	11-30 years	2,280	1400

### New building consents

There were 213 new dwellings consented in 2018, which was 2.7 per cent of the 7,824 issued in the Auckland region. The number of dwellings has slowly increased over the last decade.

#### NUMBER OF PRIVATE DWELLINGS (OCCUPIED & UNOCCUPIED)



# 1323

Additional dwellings

There were 1323 additional dwellings in the Ōrākei Local Board area in the 2018 Census compared to 2013.

At the 2018 Census there were 2,388 unoccupied dwellings and 267 under construction.

## Economic Development Opportunities

The Auckland Region aim: Develop an economy that delivers opportunity and prosperity for all Aucklanders and New Zealand.

In its current Local Board Plan the Ōrākei Local Board seeks to ensure that the local board area develops a thriving economy which supports local businesses, home based businesses and town centres. The local board is also keen to further develop the visitor economy in the area.

ATEED is able to provide support to local boards or groups of local boards in a number of ways, including:

### Business environmental sustainability

- Promote sustainable business practices in key areas such as waste minimisation. Identifying the needs of local business through needs assessments and providing implementation options.
- Provide businesses access to sustainable business coaching and sustainability seminars.

### Places

- Work alongside Panuku Development Auckland in its Transform and Unlock areas to help identify and realise economic development opportunities in those areas.
- Support local boards with specific place-based initiatives to help revitalise areas and build on their unique characteristics in order to promote enhanced economic outcomes.

### Enterprise

- Manage delivery of local business programmes that provide access to business skills where mainstream services don't meet community need (e.g. PopUp Business School).
- Support youth enterprise initiatives (e.g. Young Enterprise Scheme).

### Economic analysis and research

- Support local boards to understand strengths, opportunities and challenges in their areas by providing analysis of available data.
- Commissioning work to understand particular issues or opportunity a local area may have and how and identify appropriate actions.

### Leveraging local opportunities

- Support local boards to consider how they may best support local businesses to capitalise on opportunities that may arise as a result of major events or development projects in the region.

The table below provides our advice as to where ATEEDs local delivery can help the local board deliver against its objectives. Where related initiatives that are delivered by other parts of the Auckland Council family these are noted.

ATEED has been directed by Council to focus its resources on economic development initiatives in the less prosperous areas in **West and South Auckland**.

## ISSUES

While relatively affluent, most residents travel out of the area for work. Supporting the many small locally based businesses and attracting visitors to the area will help maintain a thriving local economy.

## ECONOMIC DEVELOPMENT OPPORTUNITIES

LED work stream	Potential area of focus in Ōrākei Local Board area
<b>Sustainable businesses</b>	Support local businesses to adopt more environmentally sustainable business practices.
<b>Places</b>	Work with local business associations to ensure town centres continue to attract people.
<b>Enterprise</b>	<p>Support small local enterprises and home-based businesses.</p> <p>Support development of events and tourism opportunities to attract visitors into the area and increase spending in the area's town centres.</p> <p>Support the Young Enterprise Scheme that provides a business experience for local schools.</p>
<b>Economic intelligence</b>	Update of Prosperity Index to keep local board informed of socio-economic picture in their area.
<b>Leveraging local opportunities</b>	<p>Leverage the area's waterfront as a place to view some of the America's Cup racing in 2021.</p> <p>Consider other opportunities to attract visitors to the area.</p>

## Glossary

<b>Australian and New Zealand Standard Industry Classification 2006 (ANZSIC 2006)</b>	This is the official industrial classification used by Statistics NZ. The classification system aims to reflect the structure of Australian and New Zealand industries and enable comparability with other countries' statistics.
<b>Business Areas</b>	Business areas reported are those Statistical Areas in the Annual Business Demographics data with the largest numbers of employees working in the area. In some cases, the business areas cross Local board boundaries.
<b>Employment</b>	Head count of salary and wage earners sourced from taxation data. Unless stated, does not include self-employed.
<b>GDP</b>	Gross Domestic Product is the total market value of goods and services produced in the Local board area, minus the cost of goods and services used in the production process. GDP for each Local board was estimated by Infometrics Ltd using 2010 prices.
<b>Labour force participation</b>	The labour force is defined as all persons aged 15 years and over who are looking for work, or are employed, either full time, part time or casually.
<b>Population</b>	The population for the Local board area is the usual resident population count from the 2018 Census of Population and Dwellings. This figure may be lower than previously published estimated 2018 population figures from Statistics New Zealand.
<b>Productivity</b>	The NZ Productivity Commission defines productivity as the efficiency with which resources – such as labour and capital – are converted into outputs of goods and services.
<b>Unemployment rate</b>	The unemployment rate is the number of people aged 15 years and over who did not have a paid job, were available for work, and were actively seeking work, as a percentage of the labour force.

## GET IN TOUCH

---

**John Norman**  
ATEED ECONOMIC DEVELOPMENT  
E [john.norman@aucklandnz.com](mailto:john.norman@aucklandnz.com)



[aucklandnz.com/business](http://aucklandnz.com/business)