

AUCKLAND ECONOMIC OVERVIEWS

PAPAKURA

LOCAL BOARD ECONOMIC OVERVIEW

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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 Monitor¹ and Auckland Index² 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 Index³, 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.

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

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

³ <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:

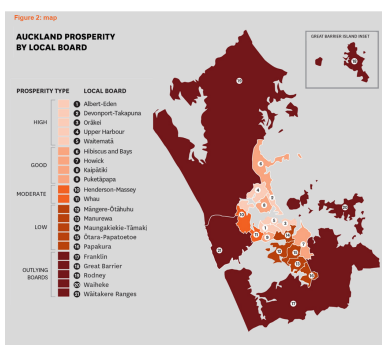
- 'Places' by supporting the town centres and business associations that provide much of their local employment or working with Panuku Development Auckland and ATEED to regenerate their town centres and attract investment and jobs
- 'People' through support for community organisations that work with 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 Papakura local economic development overview?

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

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

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.



Papakura is a relatively less prosperous local board area with high levels of employment in occupations such as manufacturing, health and retail. The area has seen recent rapid growth creating further employment opportunities. It is important that local people are supported to access the opportunities this growth brings.



Population growth

Population growth has been higher than the regional average over the 2013-2018 Census period. The area predominantly has a New Zealand European population with sizeable Indian and Māori communities.



Unemployment rate

Unemployment has been relatively high compared to the regional average over the last five years.



Significant employers

Education, construction and healthcare are the main employment sectors. Wholesale trade, professional services and accommodation & food are also significant employers. Together these six sectors provide almost 40 per cent of local employment.



Local employment opportunities

Over the five years 2013-2018, the fastest growing industries by GDP in the local board area were wholesale trade, administrative & support services and transport postal & warehousing.



Education attainment

Educational attainment is average; however, a much lower proportion of school leavers move on to degree level study upon leaving high school.



Residential developments

The Unitary Plan, along with the Auckland Plan, provides the policy framework by which development is enabled and assessed. Under this framework the area likely to see residential developments with Papakura town a development area identified in the Auckland Plan.

Population growth 2013-2018

26.3%

Papakura

11.0%

Auckland

Jobs in Knowledge Intensive Industries

18.0%

Papakura

39.0%

Auckland

School leavers moving on to degree level study (2018)

26.3%

Papakura

42.0%

Auckland

LOCAL BOARD ASPIRATIONS



In its current Local Board Plan the Papakura Local Board seeks to ensure that Papakura has a strong local economy and that Papakura town centre itself is vibrant and prosperous. The local board's vision is for more people with higher education achievements to gain well-paid employment and working locally.



KEY OPPORTUNITIES

Opportunity for a strong local economy. Papakura has a diverse local economy with some large, well-known companies located in the area. The growing population will attract more businesses to the area. It is important to ensure that residents, especially the area's young people, have the skills to find employment in the new jobs that will be created.



KEY CHALLENGES

Papakura residents perform below average in terms of education and skills acquisition. Papakura also has a rapidly growing population yet local employment opportunities are limited and many have to commute elsewhere for work. Meeting the increased demand for local employment opportunities and ensuring access to other nearby employment zones will be a key challenge.

People and Households

Papakura is one of Auckland's least populous local board areas with a population of 57,636 that is forecast to increase to 80,600 by 2038. Papakura was Auckland's fastest growing local board area between the 2013 and 2018 Censuses.

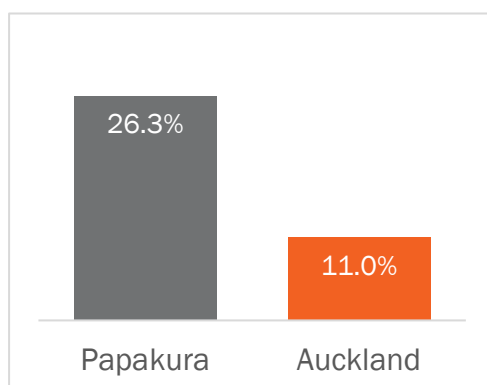
The Auckland Prosperity Index report showed Papakura school leavers have low educational attainment. The area has a diverse industrial mix but jobs tend to require low to medium skills. This limits household income levels. The area also has a low ratio of jobs to residents meaning most people have to commute elsewhere for employment.

	Papakura	Auckland / Share of Auckland
Population (2018)	57,636	3.7%
Population growth (2013-2018)	26.3%	11.0%
Median Age (2018)	32.1	34.8
Labour force (2018)	30,800	876,100
Labour force participation (2018)	70%	71%
Home ownership (2018)	45%	45%

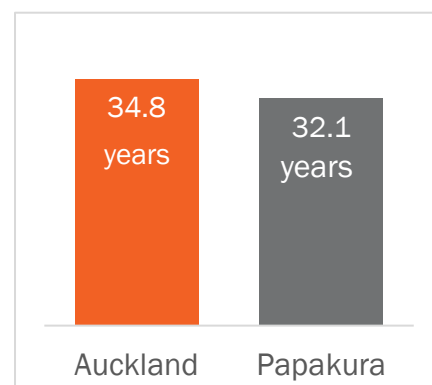
Population

The Papakura Local Board area has experienced rapid population growth in recent years with new housing developments driving population growth.

POPULATION GROWTH (2013-2018)



MEDIAN AGE (CENSUS 2018)

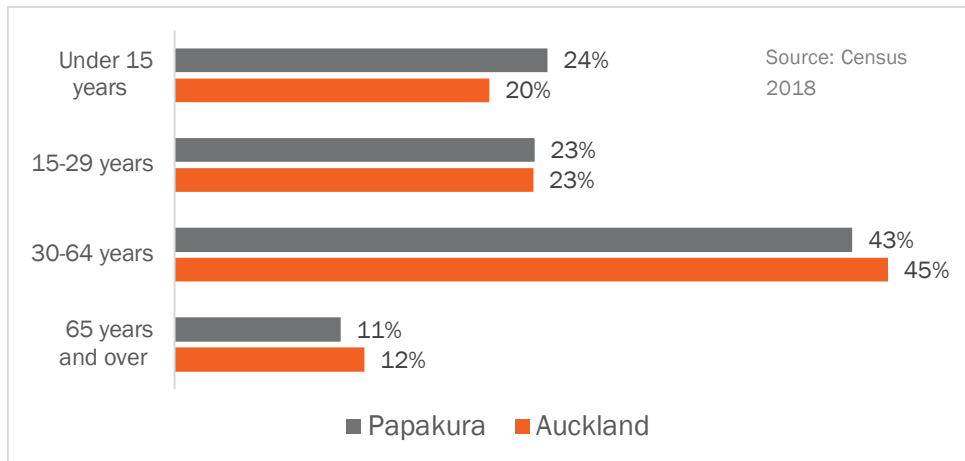


Between the 2013 and 2018 censuses population growth was 26.3 per cent compared to 11 per cent regionally. This made Papakura the fastest growing local board area in the

region. Medium population projections⁴ suggest that Papakura could be home to 80,600 residents by 2038, an increase of 23,000 residents.

Papakura has a lower median age than the region, and its working age population is slightly smaller than the regional average. There are proportionately more young people in Papakura compared to the region.

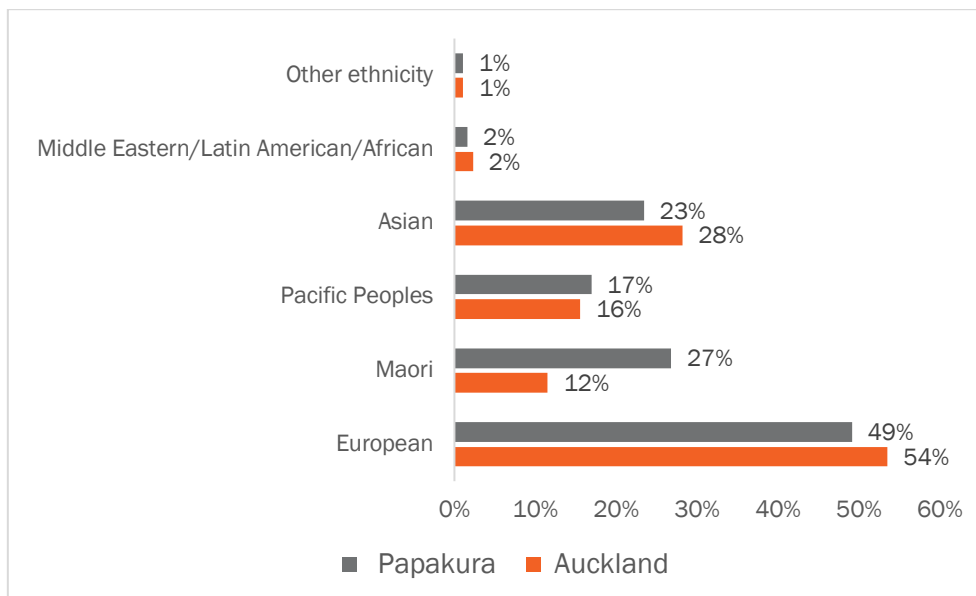
AGE STRUCTURE (CENSUS 2018)



Ethnicity

Papakura's population is predominantly of European ethnicity (49 per cent). Māori make up 27 per cent of the population which is more than double the proportion across the region. There are also significant Indian and Samoan populations.

ETHNIC MAKE-UP (CENSUS 2018)



⁴ Source: Statistics New Zealand

Papakura has a large proportion of residents born overseas (31 per cent) and 20 per cent of people born overseas had been in New Zealand less than five years.

Languages

With a diverse population there are a wide range of languages in use in Papakura, with 93 per cent of residents able to speak English the same percentage as Auckland as a whole.

Labour Force

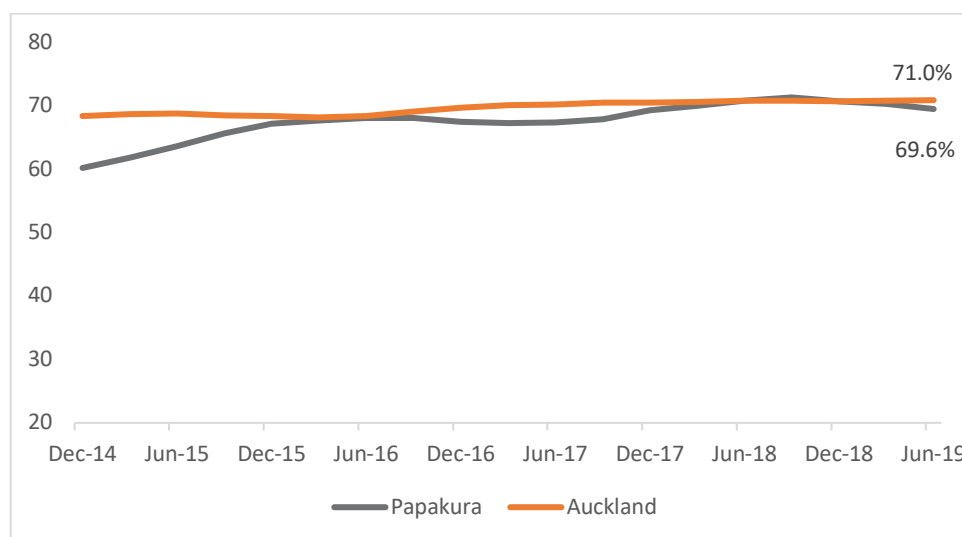
The labour force participation rate is a measure of an economy's active workforce. A high participation rate indicates more people in the area are actively engaged in the economy. The size of the labour force is critical to an area's ability to produce goods and services.

The labour force participation rate in Papakura is 70 per cent, just below the Auckland rate (71 per cent).

70%

The labour force [participation rate](#) in Papakura was 70 per cent in June 2019, lower than the Auckland rate (71 per cent)

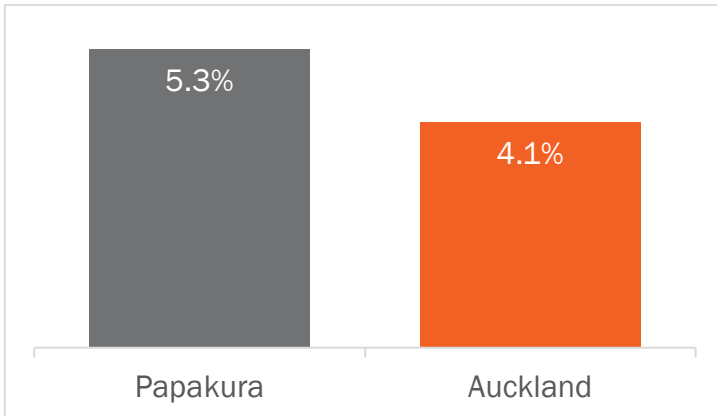
LABOUR FORCE PARTICIPATION RATE OVER TIME



The unemployment rate in the 2018 Census⁵ was 5.3 per cent in the Papakura Local Board area, higher than the Auckland region unemployment rate of 4.1 per cent.

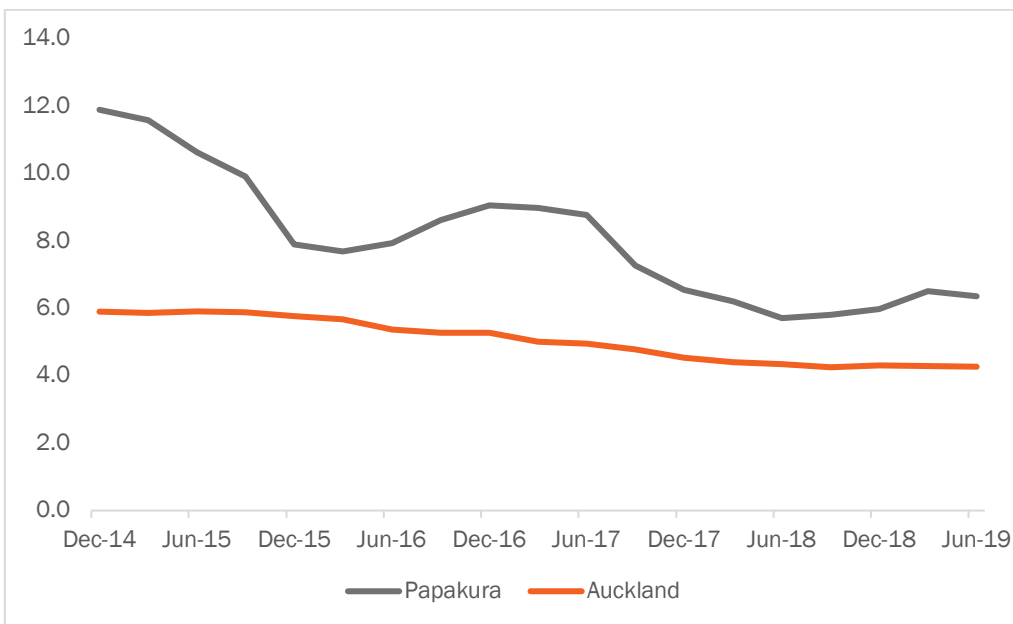
⁵ Note the Census based unemployment rate differs from the rate reported by the Household Labour Force Survey as data collection methods differ and the Census rate is self-reported at the time of completion of the Census form.

UNEMPLOYMENT RATE (CENSUS 2018)



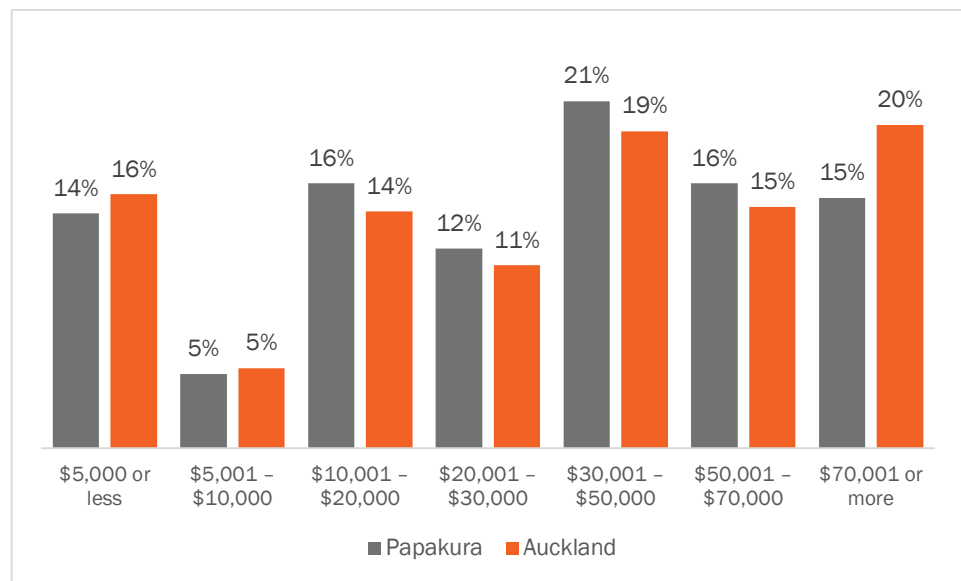
Unemployment measured by the Household Labour Force Survey in Papakura has remained above the Auckland average over the last five years although the gap has closed considerably.

UNEMPLOYMENT RATE OVER TIME (HOUSEHOLD LABOUR FORCE SURVEY)

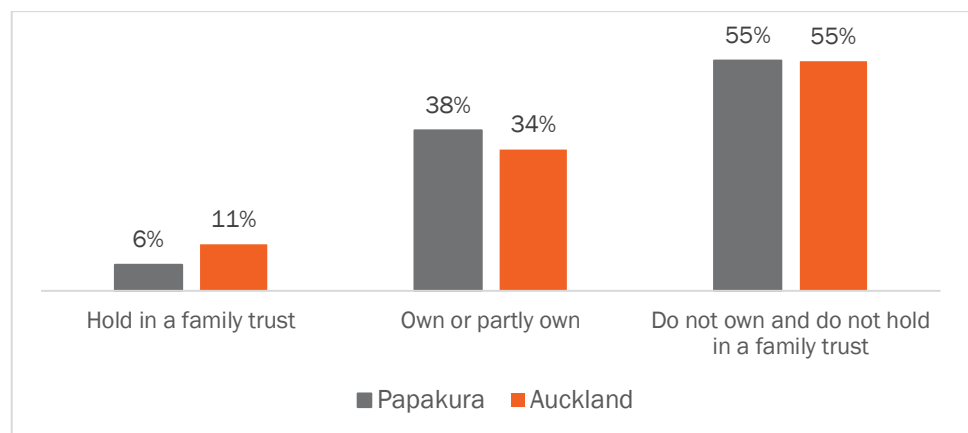


Income

Analysis of individual income levels in 2018 shows that there was a lower proportion (15 per cent) of persons earning a high income (over \$70,000 per year) in Papakura compared to the region (20 per cent).

INDIVIDUAL INCOMES (CENSUS 2018)

In 2018, 10 per cent of households in Papakura derived self-employment or business income, above the rate across all Auckland households (14 per cent).

HOME OWNERSHIP (CENSUS 2018)

Home ownership in Papakura is slightly lower than the regional average; in 2018, 44 per cent of households owned the dwelling they lived in, compared to 45 per cent across Auckland.

Skills

Papakura has a less well qualified labour force with a lower proportion of residents educated to degree level or higher. Fewer school leavers from Papakura leave with NCEA Level 2 or NCEA Level 3 and fewer tend to progress from school in to tertiary education.

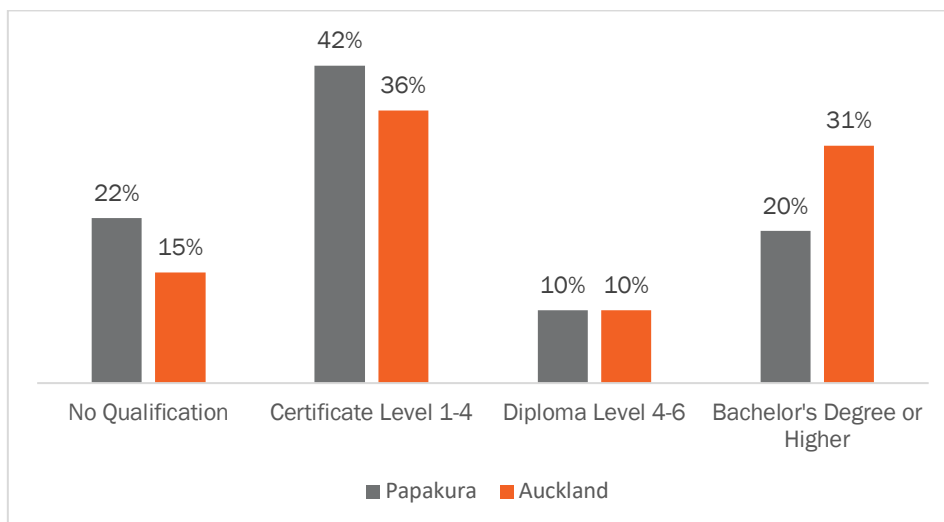
Qualifications

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 2017.⁶

RESIDENTS' HIGHEST QUALIFICATIONS (CENSUS 2018)



⁶ https://www.educationcounts.govt.nz/statistics/indicators/main/education-and-learning-outcomes/unemployment_rates_by_highest_qualification

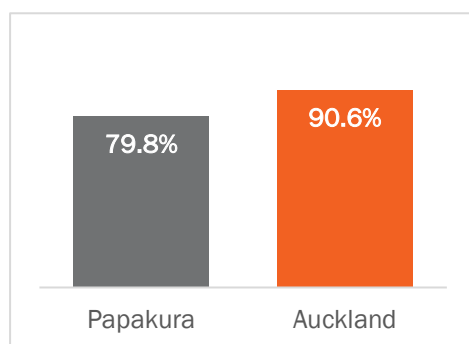
In 2018, 20 per cent of adult residents in Papakura had gained a bachelor's degree or higher, a higher proportion than the Auckland region (31 per cent). Twenty-two per cent of residents had no educational qualifications compared with 15 per cent across the region⁷.

NCEA is the national school-leaver qualification and is used as the benchmark for entrance selection by universities and polytechnics. In 2018, 20 per cent of school leavers in Papakura did not achieve the standard for NCEA Level 1 compared to 9 per cent regionally.

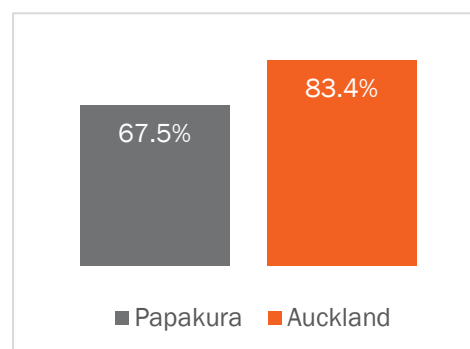
In 2018, 32 per cent of school leavers in Papakura did not achieve NCEA Level 2, which provides the foundation skills required for employment. This is more than the Auckland average where 16 per cent of school leavers did not achieve NCEA Level 2 or higher.

NCEA – STUDENTS ATTAINING NCEA (2018)

LEVEL 1



LEVEL 2



NCEA 1 ATTAINMENT BY ETHNICITY (2018)

Percentage achieving NCEA	Level 1	Level 2
European	86.8%	76.1%
Māori	65.0%	48.7%
Pacific	68.5%	73.0%
Asian	91.5%	86.8%
Middle East, Latin American, African	100%	90.9%
Other	-	80.0%
Total Local Board	79.8%	67.5%
Total Auckland	90.6%	83.4%

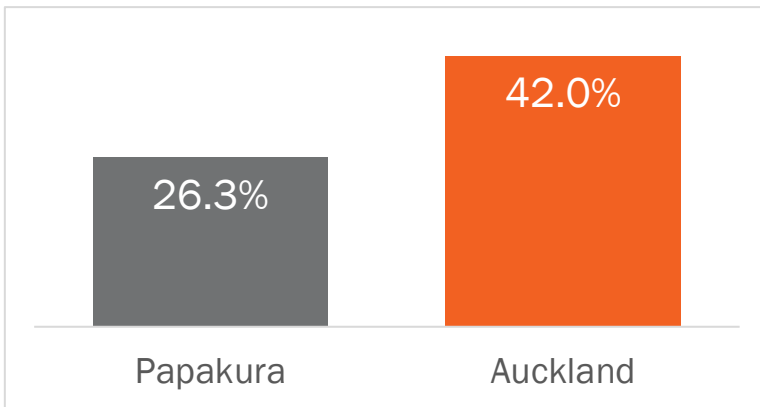
NCEA Level 3 is regarded as the minimum level required for university entry. Forty-one per cent of Papakura school leavers achieved this, lower than the Auckland average of 63 per cent.

⁷ Highest qualification is derived for people aged 15 years and over

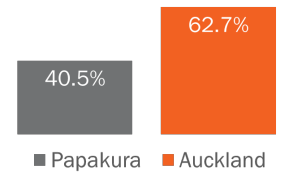
DESTINATION OF SCHOOL LEAVERS IN THEIR FIRST YEAR AFTER LEAVING

	Bachelor's and above	Certificates & diplomas levels 3-7	Certificates Levels 1-2	Not enrolled in tertiary education	Total Leavers
Papakura	26.3%	24.8%	7.1%	41.8%	674
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)



Twenty-six per cent of Papakura school leavers moved on to degree level study within a year of leaving school, much lower than the Auckland average of 42 per cent. A higher proportion moved into certificate and diploma level study, but overall fewer (58 per cent) enrolled in some form of tertiary education than the regional average (66 per cent).

Local Economy

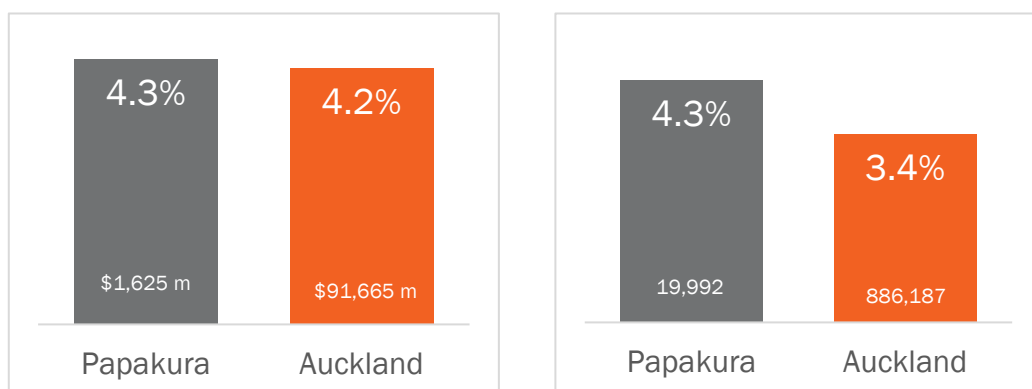
Papakura has a small local economy driven by manufacturing and construction and retail also provides many local employment opportunities. Manufacturing and construction have contributed the greatest number of new jobs to the area in the last five years. Papakura has very few jobs in knowledge intensive industries.

Growth and employment trends

In 2018, GDP in Papakura experienced growth of 4.7 per cent, higher than the growth rate in Auckland (3.9 per cent). In the five years to 2018 the Papakura economy grew at an average annual rate of 4.3 per cent, above the 4.2 per cent in the Auckland region.

Employment in Papakura increased by an average of 4.3 per cent per annum in the five years from 2013-2018, above the Auckland rate of 3.4 per cent. Over the last five years Papakura job numbers increased the most in manufacturing (+1099 jobs), construction (+714) and health (+300) sectors.

AVERAGE ANNUAL GDP AND EMPLOYMENT GROWTH (2013-2018) (source Infometrics)



Over the five years 2013-2018, the fastest growing industries by GDP in Papakura were wholesale trade, administrative and support services and transport postal and warehousing.

FASTEST GROWING INDUSTRIES BY GDP (ANZSIC LEVEL 1) (source Infometrics)

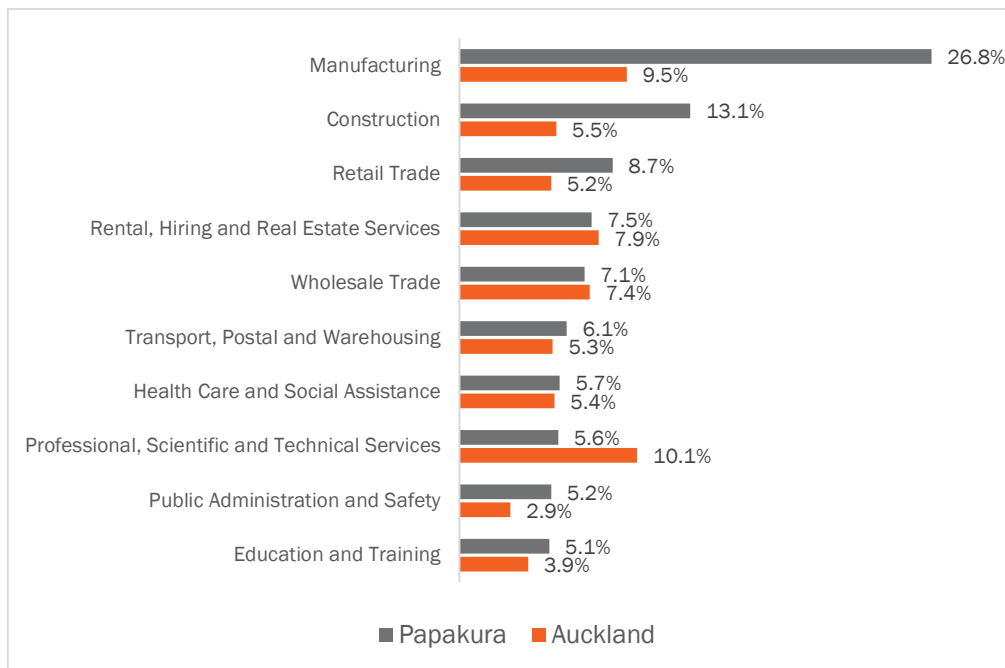
Industry	Average p.a. change
Administrative & Support Services	10.4%
Professional, Scientific & Technical Services	8.1%
Transport, Postal & Warehousing	7.3%
Arts & Recreation Services	7.2%
Construction	6.9%
Accommodation & Food Services	6.5%

Industry mix

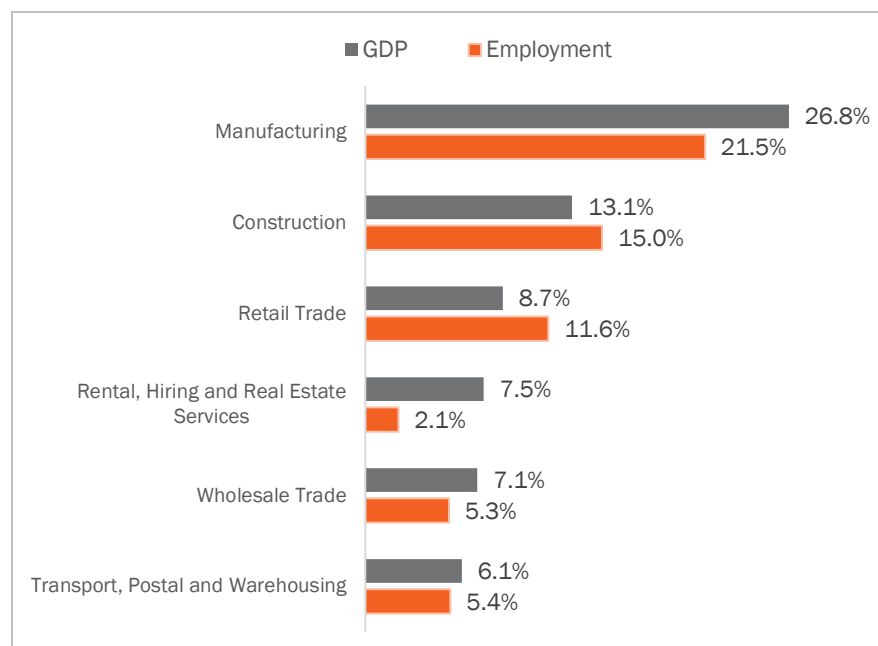
Papakura's future economic performance depends on its combination of a sufficiently diversified industrial base and clusters of sectors that have the potential to achieve high rates of productivity and export growth. The main sector with a strong presence in the Papakura economy are manufacturing, construction and retail.

BROAD INDUSTRY MIX BY GDP (ANZSIC LEVEL 1)

(source Infometrics)



- **Manufacturing** contributed 27 per cent of Papakura' GDP and provided 22 per cent of the area's employment.
- **Construction** contributed 13 per cent of Papakura' GDP and provided 15 per cent of the area's employment.
- **Retail** contributed nine per cent of Papakura' GDP and provided 12 per cent of the area's employment.
- **Rental, hiring & real estate** contributed eight per cent of Papakura's GDP but only provided two per cent of the area's employment.

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

Education, construction services and health are the key employment sectors in Papakura.

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

Rank	Industry	Jobs	% of Papakura Total
1	Education & Training	1512	7.6%
2	Construction Services	1505	7.5%
3	Health Care & Social Assistance	1422	7.1%
4	Other Store & Non-Store Retailing	1189	5.9%
5	Professional, Scientific & Tech Services	1057	5.3%
6	Wholesale Trade	1055	5.3%
7	Accommodation & Food Services	1041	5.2%
8	Road Transport	945	4.7%
9	Heavy & Civil Engineering Construction	887	4.4%
10	Central Gov Admin, Defence & Safety	859	4.3%
Total top 10 industries		11,472	57.3%
All other industries		8,502	42.7%
Total employment		19,992	Source: Infometrics

Within education, thirty-seven per cent of jobs are in primary education while site preparation and electrical services are the main types of employment construction sector. Aged care and also childcare are the two main employment sub-sectors within the healthcare sector.

Manufacturing and construction have seen the greatest employment growth over the last five years along with health.

NEW JOBS BY SECTOR – 54 SECTOR CLASSIFICATION (2013 - 2018) (source Infometrics)

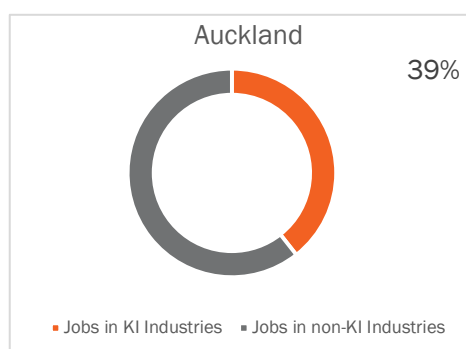
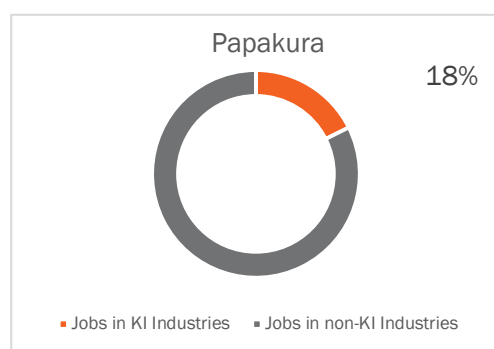
Sector	New Jobs
Heavy & Civil Engineering Construction	350
Fabricated Metal Product Manufacturing	263
Health Care & Social Assistance	261
Central Gov Admin, Defence & Safety	257
Road Transport	234

Knowledge-intensive Industries

Knowledge intensive industries⁸ represent an increasing share of the New Zealand economy's output and employment and may be a source of future productivity growth. Eighteen per cent of jobs in Papakura 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 Papakura than they are in the region as a whole.

INDUSTRIES CONCENTRATED IN LOCAL BOARD AREA

(source Infometrics)

Rank	Industry	Location Quotient	GDP \$M	Employees
1	Beverage & Tobacco Product Manufacturing	6.1	81.7	298
2	Non-Metallic Mineral Product Manufacturing	5.6	41.4	308
3	Wood Product Manufacturing	4.1	37.6	443
4	Fabricated Metal Product Manufacturing	3.9	63.2	656
5	Heavy & Civil Engineering Construction	3.6	99.7	887
6	Fruit, Cereal & Other Food Product Manufacturing	3.3	45.6	573

⁸ 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 and technical occupations.

Many of these are manufacturing sectors such as beverages, mineral products, wood and metal manufacturing.

ATEED Sectors of Focus

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

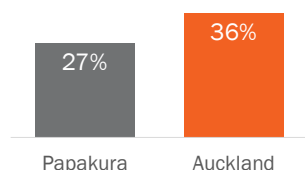
These industries and sectors are grouped into advanced industries, tradeable industries and enabling industries. Together they drive growth and create employment in Auckland and are of particular interest to ATEED with regards support that can be provided to help their growth.

Food and beverage and advanced materials are two of the sectors of focus for ATEED that are well represented in Papakura.

EMPLOYMENT IN ATEED FOCUS SECTOR (2018)

Share of Sector to Total	Auckland	Papakura	+/- on Papakura sector
Advanced Materials Related	1.7%	2.8%	70%
Commercial services	21.2%	7.3%	-66%
Construction and engineering	11.2%	15.9%	42%
Education	7.6%	7.6%	0%
Food and Beverage	3.5%	9.2%	162%
Screen and creative	6.0%	1.0%	-84%
Technology	7.6%	4.8%	-37%
Tourism	6.2%	4.8%	-22%
Transport and Logistics	2.9%	4.3%	47%

High Skilled Jobs (2018)

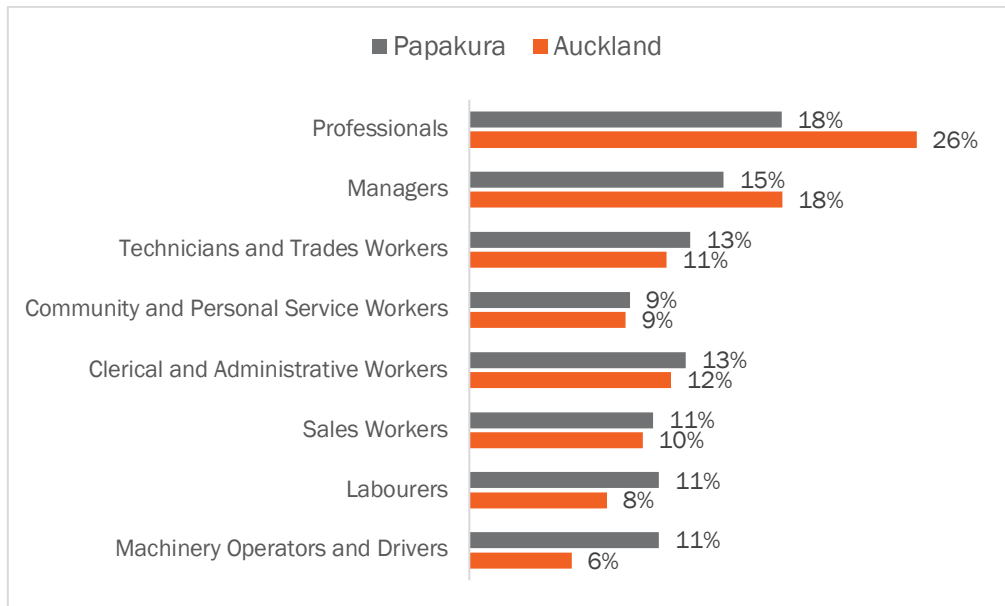


Occupations ⁹

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 a lower proportion of highly skilled jobs in Papakura (27 per cent) than there is across Auckland.

⁹ 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.

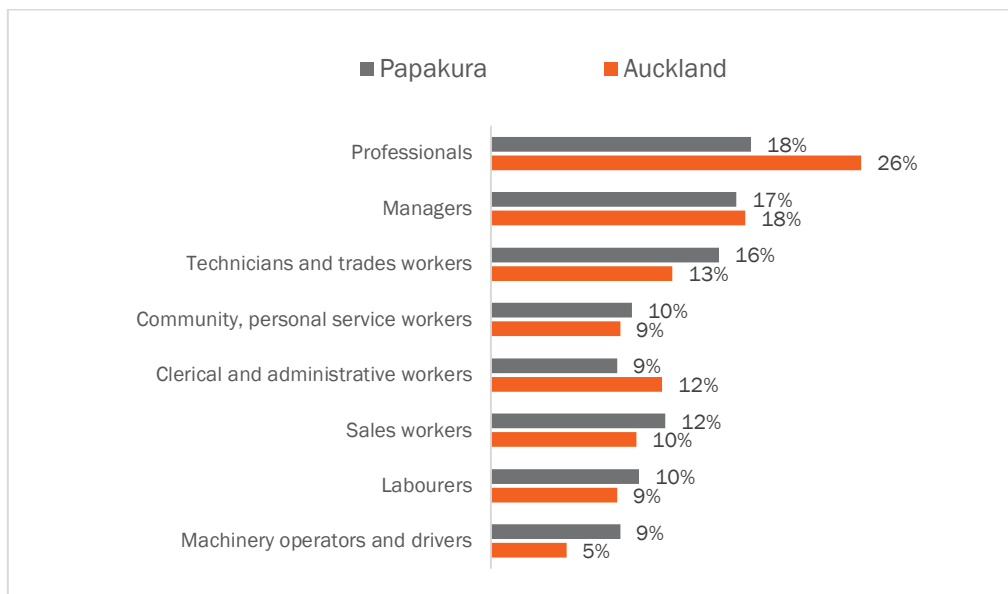
OCCUPATIONS OF PAKAKURA RESIDENTS LIVING IN PAKAKURA (CENSUS 2018)



Managers and professional occupations were the most popular occupational categories for Papakura residents in 2018. However, compared to the region, there are a much lower proportion of workers in professional occupations in Papakura.

Of the jobs in Papakura based businesses, professionals are the largest occupational group (18 per cent), lower than the Auckland average (26 per cent). There is a larger proportion of technicians and trades people as well as sales workers than the regional average.

OCCUPATIONS IN PAKAKURA BASED BUSINESSES (source: Infometrics)



Specialist managers¹⁰ are the largest occupational group in Papakura, followed by education professional, sales workers and automotive and engineering trades.

TOP 10 OCCUPATIONS BY EMPLOYMENT IN PAPAURA (2018) (source Infometrics)

Rank	Occupations	Jobs	% of total jobs in Papakura
1	Specialist Managers	1814	9.1%
2	Education Professionals	1239	6.2%
3	Sales Assistants & Salespersons	1175	5.9%
4	Automotive & Engineering Trades Workers	856	4.3%
5	Road & Rail Drivers	829	4.1%
6	Other Labourers	764	3.8%
7	Construction Trades Workers	753	3.8%
8	Chief Execs, General Managers, Legislators	744	3.7%
9	Business, HR & Marketing Professionals	697	3.5%
10	Hospitality, Retail & Service Managers	670	3.3%
Sub-total Top 10 occupations		9,541	47.7%
Total jobs		19,992	Note, includes self-employed

Many occupations saw growth from 2013-2018, particularly for specialist managers and trades in the automotive and construction sectors. Personal services and carers and aides also grew as occupations.

FASTEST GROWING OCCUPATIONS 2013-2018 (source Infometrics)

Occupation	New Jobs
Specialist Managers	245
Automotive & Engineering Trades Workers	175
Construction Trades Workers	141
Road & Rail Drivers	132
Other Labourers	128
Carers & Aides	123
Design, Engineering, Science Professionals	110
Factory Process Workers	105

Business size¹¹

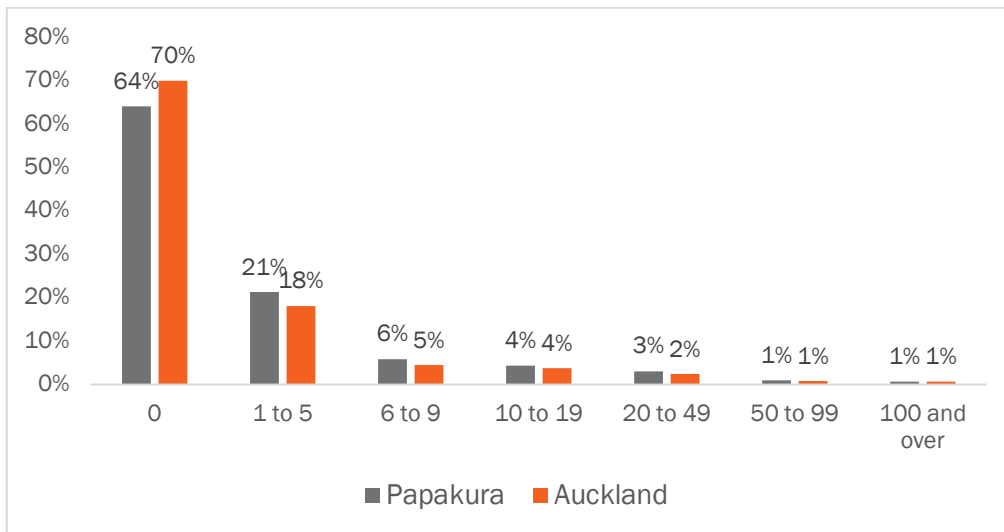
In 2018 there were 4,353 businesses in Papakura employing an average of 4.6 employees each, just above the Auckland average 4.5 employees.

¹⁰ Specialist managers include managers in advertising, construction, ICT, business administration and education.

¹¹ Large businesses are defined as entities with 20 or more employees

BUSINESS SIZE - NUMBER OF EMPLOYEES (2018)

(source Infometrics)



The number of businesses grew 1.6 per cent a year on average over the last decade, a slower average growth rate than the Auckland average of 1.9 per cent.

Future of Work in Papakura

In 2019 ATEED commissioned work¹² 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.

The Papakura Local Board area is located in the south of the Auckland region close to important employment precincts in south Auckland, while residents can also access employment opportunities in the central city area.

Future Employment Growth

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.

Education is an important employment sector in Papakura with eight per cent of jobs in the area. Health care and social assistance is also important and provides seven per cent of the area's jobs. Construction is a key employer in almost all local board areas and represents 15 per cent of employment in the Papakura Local Board area. Growth in these sectors is likely to positively impact on the Papakura 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**.

¹² Auckland Future Skills, Martin Jenkins (May 2019)

As an outlying local board area, Papakura also has a few jobs in these sectors which account for around five per cent of local employment. Forecast growth in these sectors is likely to include limited growth in Papakura. Papakura residents also have reasonable access to the central city to access the growing number of professional service jobs there.

For Papakura Local Board employment in Auckland's south is an important source of household jobs and income. Over 40 per cent of Papakura residents work in the employment zones of the south. In the South Auckland labour market construction stands out as the industry of greatest projected with an expected gain of close to 15,000 jobs over the next ten years. This is a significantly larger increase than in any other industry for south Auckland and therefore an important sector that will create new jobs for residents.

INDUSTRIAL FORECAST FOR SOUTH AUCKLAND 2018-2019

Industry	Employment 2018	Employment 2029	Change
Construction	24,482	39,348	14,866
Transport, Postal and Warehousing	24,326	29,303	4,976
Professional, Scientific and Technical Services	17,614	22,385	4,772
Administrative and Support Services	15,252	19,545	4,293
Education and Training	15,252	19,281	4,029
Accommodation and Food Services	13,221	16,922	3,701
Public Administration and Safety	11,247	14,930	3,683
Health Care and Social Assistance	19,922	23,358	3,436
Manufacturing	33,944	36,660	2,716

Source: Infometrics

Other industries forecast to grow in south Auckland include:

- Transport, postal and warehousing – increase of 4,976, driven mainly by air and space transport, road freight transport and freight forwarding services
- Professional, scientific and technical services – increase of 4,772 employed
- Administrative and support services – 4,293 increase in total employed
- Education and training – 4,029 increase in total employed, primarily preschool and school education.

While Papakura may not see employment growth in relation to the growth in professional services, forecast growth in construction, production and distribution managers and education and health across Auckland's south will provide employment opportunities.

Employment Zones

Employment in Papakura is concentrated in a small number of town centres such as Papakura Town Centre which is home to retail and hospitality businesses alongside professional services as well as large format retail in Takanini. Small but locally significant industrial areas also exist at Papakura and Takanini.

Papakura is a varied local board area including town centres, suburban areas, semi-rural areas as well as commercial and industrial zones. The local board area is towards the southern edge of urban Auckland. There are 57,636 residents of Papakura which has a labour force of 30,800. The local board area has a total of 19,992 jobs located within it.

Employment Zones

Employment in Papakura is concentrated in the main town centre of Papakura and also in the adjacent area of Takanini which has a mix of industrial and commercial activities as well as 'big box' retail. The town of Papakura also has an industrial zone with a number of food and beverage manufacturing jobs.

EMPLOYMENT IN PAKAPURA INDUSTRIAL AREA* (source Infometrics)

Industry	Jobs
Fruit, Oil, Cereal and Other Food Product Manufacturing	541
Beverage and Tobacco Product Manufacturing	351
Wood Product Manufacturing	260
Non-Metallic Mineral Product Manufacturing	251
Construction Services	250
Road Transport	248
Total employment (all sectors)	2,720
* Based on business demographics for the SA2 area	

EMPLOYMENT IN TAKANINI INDUSTRIAL AREA*

Industry	Jobs
Road Transport	445
Wholesale Trade	415
Construction Services	318
Professional, Scientific and Technical Services	224
Other Store-Based Retailing and Non Store Retailing	164
Heavy and Civil Engineering Construction	164
Fabricated Metal Product Manufacturing	152
Total employment (all sectors)	2,921
* Based on business demographics for the SA2 area	

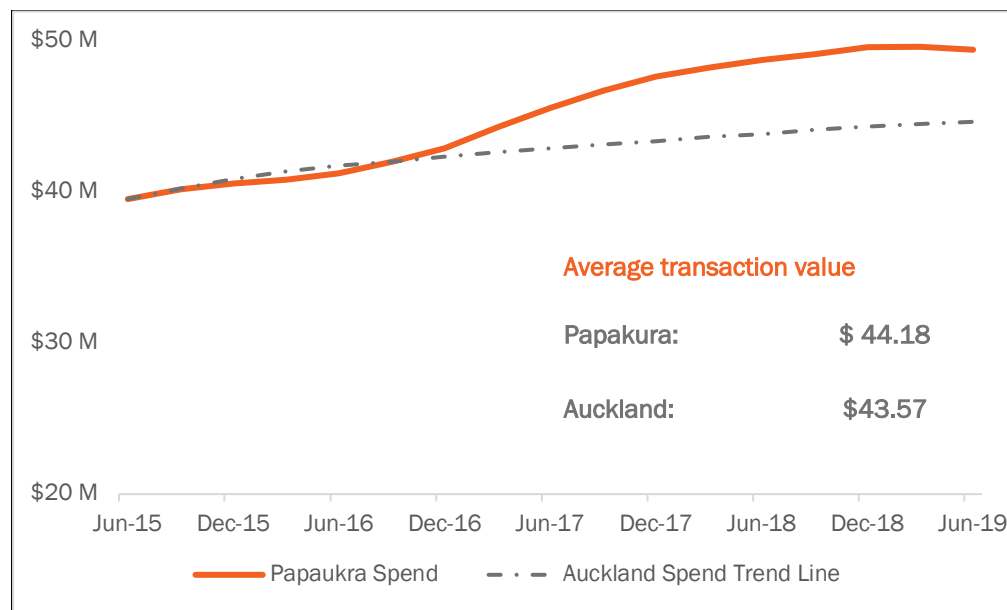
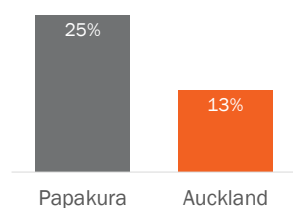
Town Centres¹³

The main town centre employment zones in the Papakura Local Board area are Papakura town centre and Takanini.

Papakura has seen 25 per cent growth in spending between the period from June 2015 to June 2019 compared to 13 per cent regionally. The average transaction value in Papakura was \$44.18, above the Auckland average of \$43.57.

PAPAKURA SPEND AND AVERAGE TRANSACTION VALUE (2015-2019)

Spending growth 2015-2019
(four quarter average)



Spending in Takanini has not grown in recent years, falling seven per cent between June 2015 and June 2019 compared to 13 per cent growth regionally. The average transaction value in Takanini was \$52.78, above the Auckland average of \$43.57.

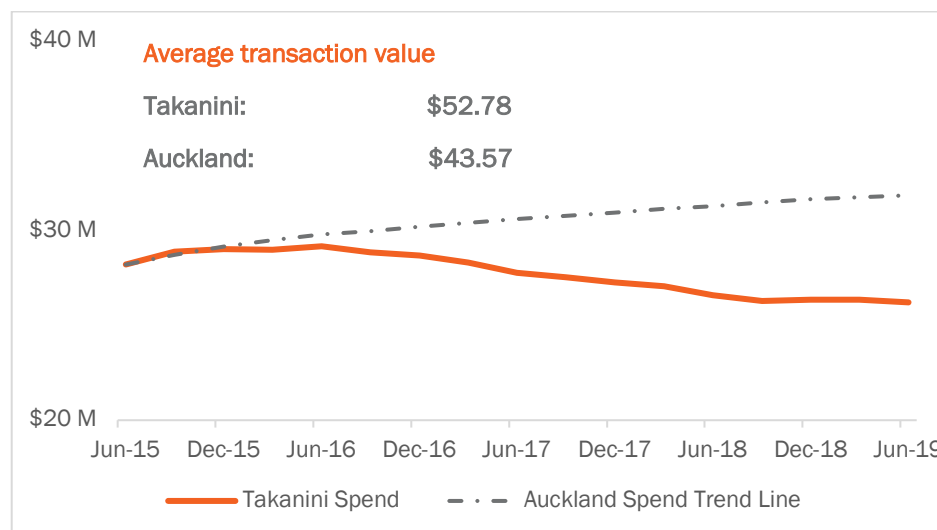
TAKANINI SPEND AND AVERAGE TRANSACTION VALUE (2015-2019)

Spending growth 2015-2019
(four quarter average)

Takanini Auckland

13%

-7%



¹³ 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.

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 Papakura Local Board area with Hingaia currently seeing significant housing developments while Papakura town itself is a development area identified in the Auckland plan.

The completion Southern Motorway upgrade (Manukau-Drury) will improve road transport in South Auckland making it easier to access and move through Papakura.

Context

Several mandatory plans and strategies are required by legislation to demonstrate Auckland grows in a way that will meet the opportunities and challenges of the future.

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. The 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**.

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 **Unitary Plan (2017)** was developed to set 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.

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 Papakura that is expected to see major growth in the short and medium term.

Papakura has good connections by rail and road both north and south. Papakura train station is the third busiest in Auckland with over 2,000 people using it every day. The Auckland Unitary Plan provides scope for increased density with large areas zoned Metropolitan Centre, Terrace Housing and Apartment Building and Mixed Use zoning.

Papakura is expected to add significant numbers of houses to the area over the next 30 years but limited contribution to additional employment.

Development Area	Phasing	Expected Dwelling Growth 2018-2048	Anticipated Employment Growth 2018-2048
Papakura	11-30 years	2,160	1240

Future urban areas

New communities will be established in future urban areas on the fringe of Auckland's existing urban area and in rural and coastal settlements primarily in the region's north and south. In future urban areas, the [Future Urban Land Supply Strategy 2017](#) sequences when land will be live zoned, based on when infrastructure will be available. A third of new development over the next 30 years is anticipated in these future urban areas, the bulk of which will occur over the next decade¹⁴. Some of this land will be required to meet increased demand for commercial, light and heavy industrial uses.

Papakura has a number of areas identified as Future Urban and mapped out in the Future Urban Land Supply Strategy primarily at Hingaia where many houses have already been built and Takanini.

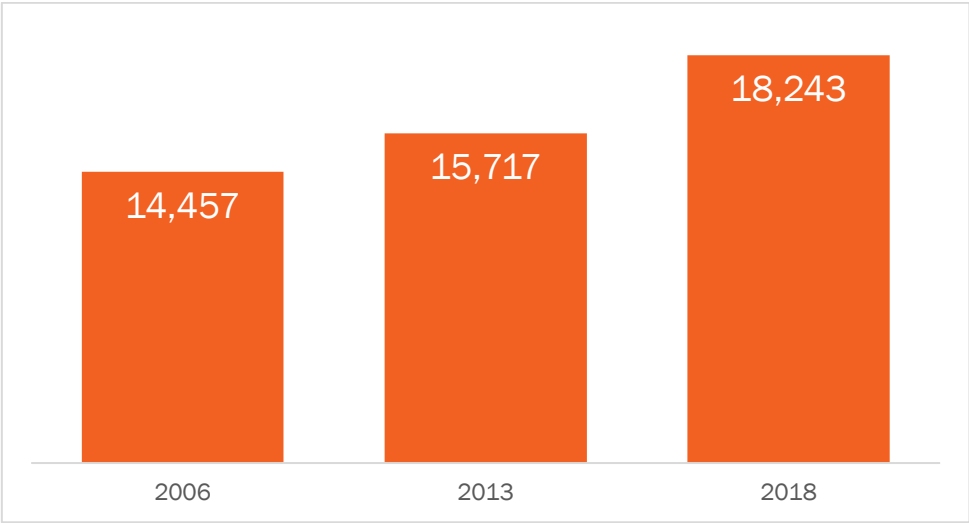
Area	Phasing	Expected Dwelling Growth 2018-2048
Cosgrave Road	2023-2027	500
Takanini	2043-2047	4,500

New dwellings

There were 867 new dwellings consented in 2018, which was 11.1 per cent of the 7,824 issued in the Auckland region. The number of new dwellings consented has risen sharply over the last 8 years.

¹⁴ Development Strategy

NUMBER OF PRIVATE DWELLINGS (OCCUPIED & UNOCCUPIED)



2,526

Additional dwellings

There were 2,526 additional dwellings in Papakura in the 2018 Census compared to 2013. This has helped make the area the fastest growing in the region.

At the 2018 Census there were 1155 unoccupied dwellings and 288 under construction. Between 2013 and 2018 censuses there were 2,526 additional dwellings in Papakura an increase of 16.1 per cent compared to a 6.5 per cent increase across the region.

Future Development

Already well underway, the Southern motorway upgrade (Manukau-Drury) is intended to improve road transport in South Auckland making it easier to access Papakura. The project includes additional lanes in both directions, upgraded Takanini Interchange and a 4.5km shared use pedestrian / cycle path¹⁵.

Other significant developments in or near the local board area that could provide a source of employment or improve access to jobs include Wesley new town, HNZ Māngere Housing, Drury South Industrial, Ormiston Town Centre, Auckland Airport expansion and Middlemore Hospital. These developments will generate construction employment opportunities and subsequent jobs growth.

¹⁵ <https://www.nzta.govt.nz/projects/southern-corridor-improvements>

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 Papakura Local Board seeks to ensure that Papakura has a strong local economy and that Papakura town centre itself is vibrant and prosperous. The local board's vision is more people with higher education achievements gain well-paid employment and working locally.

ATEED are 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 some thoughts as to where ATEED's 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

Papakura residents perform below average in terms of education and skills acquisition. Papakura also has a rapidly growing population yet local employment opportunities are limited and many have to commute elsewhere for work. Meeting the increased demand for local employment opportunities and ensuring access to other nearby employment zones will be a key challenge.

ECONOMIC DEVELOPMENT OPPORTUNITIES

LED work stream	Potential area of focus in Papakura Local Board area
Places	Continue to support the work of the commercial centre project group to drive forward the revitalisation of Papakura.
Enterprise	Consider other enterprise support programmes that meet the needs of the community that are currently not met by mainstream regional programmes (such as PopUp Business School).
Economic intelligence	Update of Prosperity Index to keep the local board informed of socio-economic picture in their area.
Leveraging local opportunities	Leverage off investments being made in adjacent local boards to improve resident's access to employment and training opportunities.

Glossary

Australian and New Zealand Standard Industry Classification 2006 (ANZSIC 2006)	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.
Business Areas	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.
Employment	Head count of salary and wage earners sourced from taxation data. Unless stated, does not include self-employed.
GDP	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.
Labour force participation	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.
Population	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.
Productivity	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.
Unemployment rate	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.

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ATEED ECONOMIC DEVELOPMENT

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