

AUCKLAND ECONOMIC OVERVIEWS

# RODNEY

## LOCAL BOARD ECONOMIC OVERVIEW

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Contents	
1	Introduction
2	People and Households
3	Skills
4	Local Economy
5	Employment Zones
6	Development trends
7	Economic Development Opportunities
8	Want to know more?
	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.

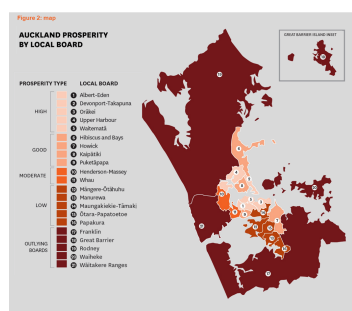
Although there is still a need to attract and retain larger employers to the city, helping local economies to grow requires an enhanced focus on existing small businesses which make up 97 per cent of all Auckland businesses. Businesses can be supported by raising their capability, encouraging business 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' a 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 Rodney local economic development overview?

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

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

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.



Rodney is Auckland's northernmost local board area with high levels of employment in sectors such as construction, healthcare and accommodation & food. The area is relatively prosperous with low levels of unemployment, however local employment opportunities are less likely to be in highly skilled jobs.



### Population growth

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



### Unemployment rate

Unemployment has been similar to the regional average over the last five years.



### Significant employers

Construction, healthcare and accommodation & food are the main employment sectors. Education, professional services and building construction are also significant employers. Together these six sectors provide about 46 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 administration, construction, accommodation & food services and financial & insurance services.



### Education attainment

Educational attainment is average, however, a much lower proportion of school leavers enter degree level study upon leaving 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 is likely to see higher density residential developments. Improvements to the northern busway and any future light rail development to the North West will significantly improve connectivity of new developments to the central city.

### Population growth 2013-2018

21.0%

Rodney

11.0%

Auckland

### Jobs in Knowledge Intensive Industries

19.0%

Rodney

39.0%

Auckland

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

24.6%

Rodney

42.0%

Auckland



## LOCAL BOARD ASPIRATIONS

In its current Local Board Plan the Rodney Local Board's approach focused on empowerment of communities, including the business community, as well as ensuring both the physical and natural environment are enhanced in order to deliver economic benefits through land and marine based industries as well as supporting tourism.



## KEY OPPORTUNITIES

The SH1 Puhoi to Warkworth project will improve travel times and provide economic development opportunities for a growing population.



## KEY CHALLENGES

Rodney's population is set to continue to grow, yet the area is distant from many sources of employment and education. Meeting these employment and education needs of a growing population will be important going forwards.

## People and Households

Rodney is one of Auckland's least populous local board areas with a population of 66,417 that is forecast to increase to 100,700 by 2038. Between the 2013 and 2018 Censuses Rodney was the second fastest growing local board area seeing a 21 per cent increase in population.

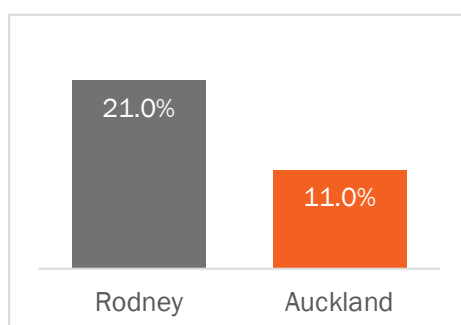
Rodney is a relatively prosperous area. The Auckland Prosperity Index report showed Rodney is home to highly skilled residents and high rates of home ownership and an older age profile. However, with distant access to the city centre and tertiary education institutions, the workforce has fewer education and employment opportunities than elsewhere in the city.

	Rodney	Auckland / Share of Auckland
Population (2018)	66,147	4.2%
Population growth (2013-2018)	21.0%	11.0%
Median Age (2018)	42.5	34.8
Labour force (2018)	37,400	876,100
Labour force participation (2018)		71%
Home ownership (2018)	61%	45%

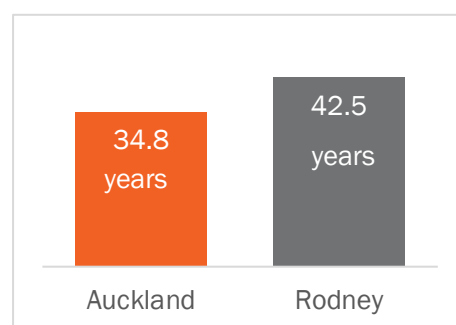
### Population

The Rodney Local Board area has experienced rapid population growth in recent years.

#### POPULATION GROWTH (2013-2018)



#### MEDIAN AGE (CENSUS 2018)

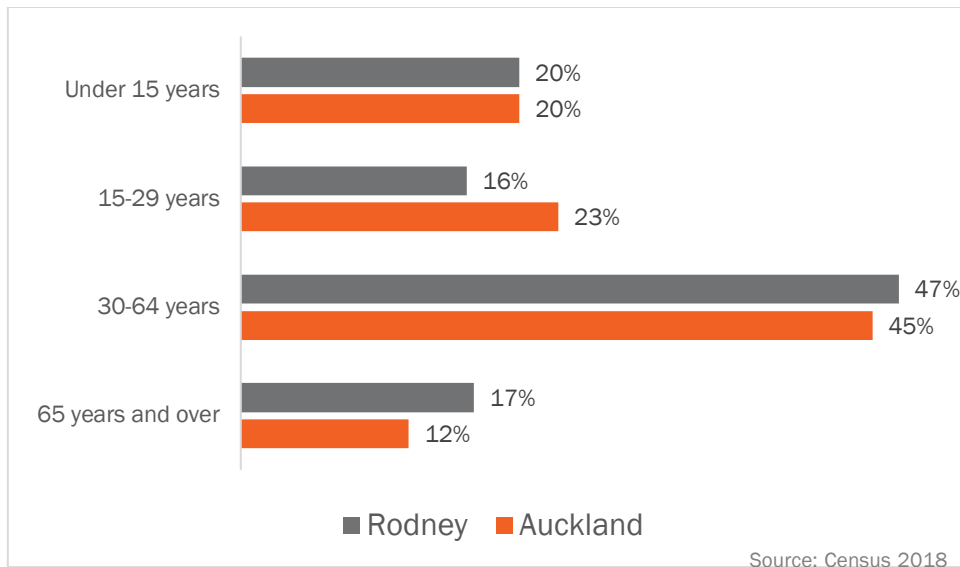


Between the 2013 and 2018 censuses population growth was 21 per cent compared to 11 per cent regionally. Medium population projections<sup>4</sup> suggest that Rodney could be home to 100,700 residents by 2038 an increase of 35,000.

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

Rodney has an older population than the regional average with fewer people in the younger working age category (15-29 years old) and more people of retirement age (65+). The median age in Rodney is 42.5 years old compared to the Auckland regional median of 34.8 years old.

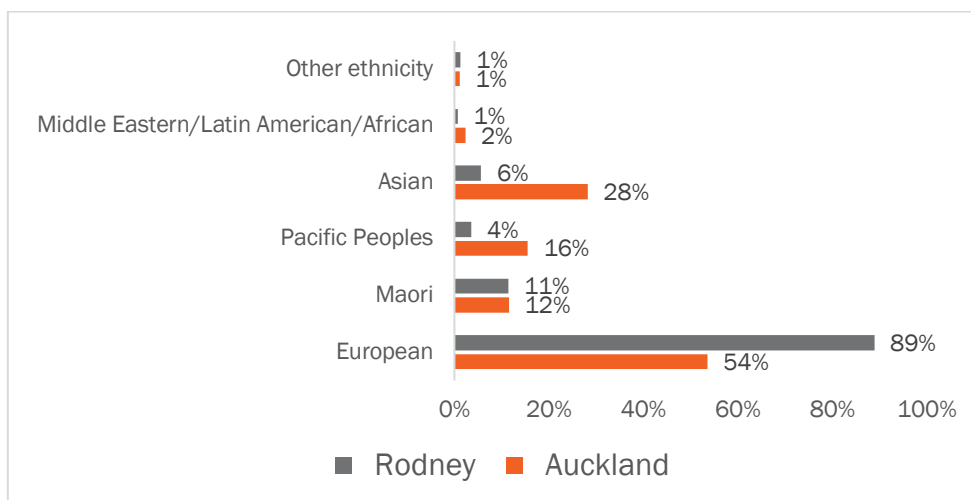
#### AGE STRUCTURE (CENSUS 2018)



#### Ethnicity

Rodney's population is predominantly of European ethnicity (89 per cent), much more so than the regional profile where Europeans make up 54 per cent of the population. While Rodney has a similar Māori population to that of the region there are fewer of Pacific and Asian ethnic origins.

#### ETHNIC MAKE-UP (CENSUS 2018)



Rodney has a smaller proportion of residents born overseas (24 per cent) compared to the region (42 per cent) and 14 per cent of people born overseas had been in New Zealand less than five years.



68%

The labour force participation rate in Rodney was 68 per cent, in June 2019, lower than the Auckland rate (71 per cent)

## Languages

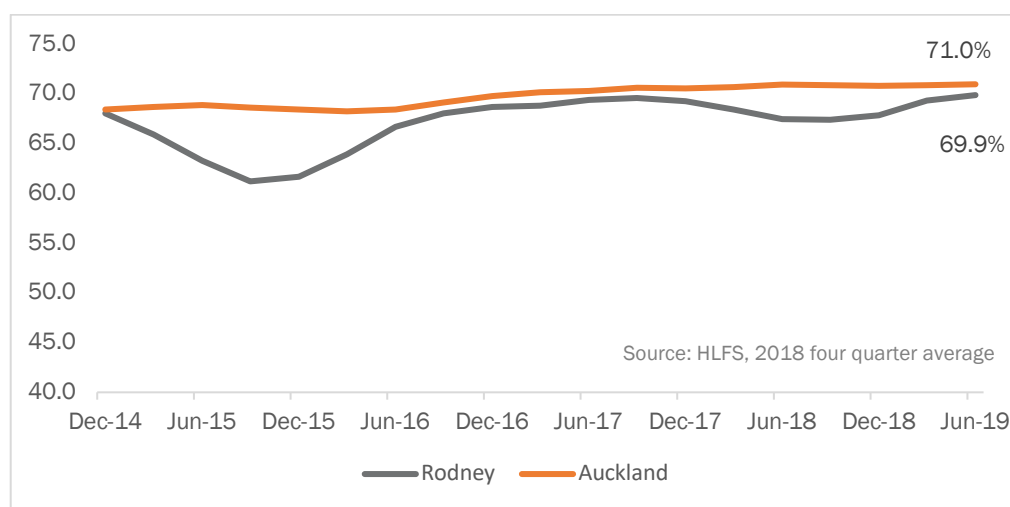
With a less diverse population than elsewhere in the region, 97 per cent of Rodney residents are able to speak English compared to 93 per cent for the region.

## Labour Force

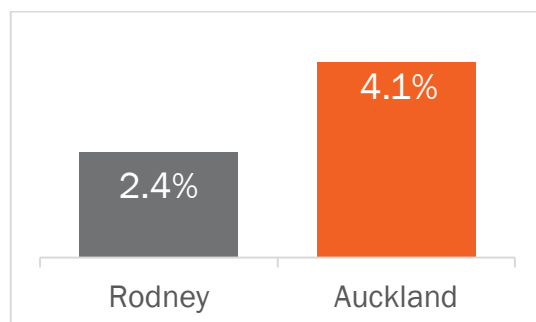
The labour force participation rate is a measure of an economy's active workforce. A high participation rate indicates more people in the area are actively engaged in the economy. The size of the labour force is critical to an area's ability to produce goods and services.

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

### LABOUR FORCE PARTICIPATION RATE



### UNEMPLOYMENT RATE (CENSUS 2018)



The unemployment rate in the 2018 Census<sup>5</sup> was 2.4 per cent in the Rodney Local Board area, lower than the Auckland region unemployment rate of 4.1 per cent.

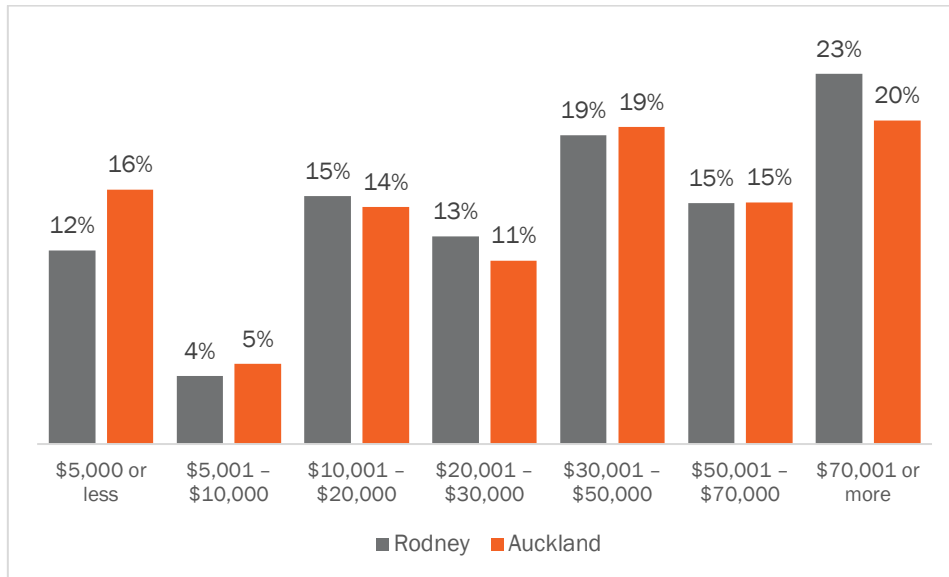
Unemployment measured by the Household Labour Force Survey in Rodney has been just above the Auckland average over the last five years. Due to the population size and low and survey methodology Rodney's unemployment rate is not reported for every quarter.

<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.

## Income

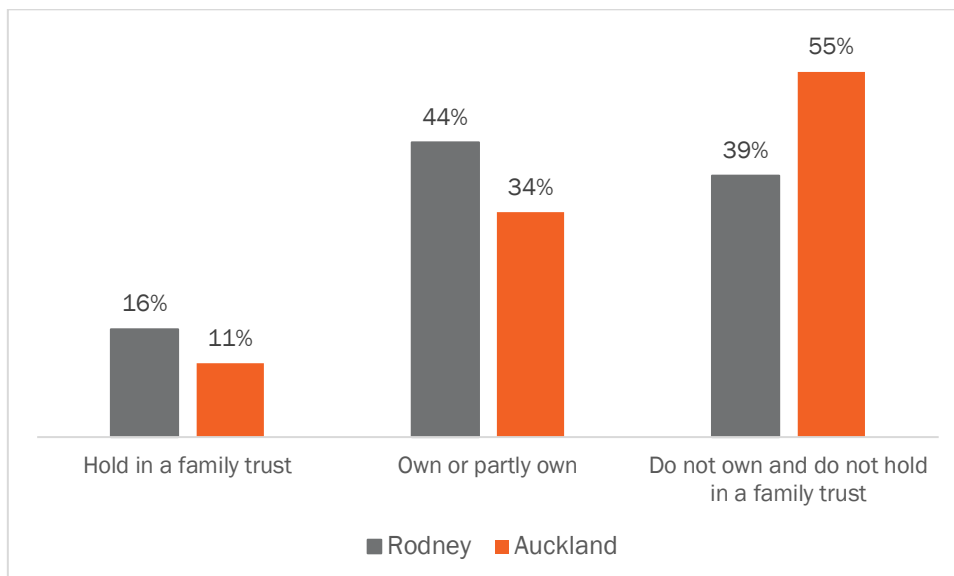
Analysis of individual income levels in 2018 shows that there was a higher proportion (23 per cent) of persons earning a high income (over \$70,000 per year) in Rodney compared to the region (20 per cent).

### INDIVIDUAL INCOMES (CENSUS 2018)



In 2018, 25 per cent of households in Rodney derived self-employment or business income, above the rate across all Auckland households 14 per cent).

### HOME OWNERSHIP (CENSUS 2018)



Home ownership in Rodney is much higher than the regional average; in 2018, 60 per cent of households owned the dwelling they lived in, compared to 45 per cent across Auckland.

## Skills

Rodney has a well qualified labour force however, fewer school leavers from Rodney leave with NCEA Level 2 or NCEA Level 3 and fewer also progress in to tertiary education upon leaving school.

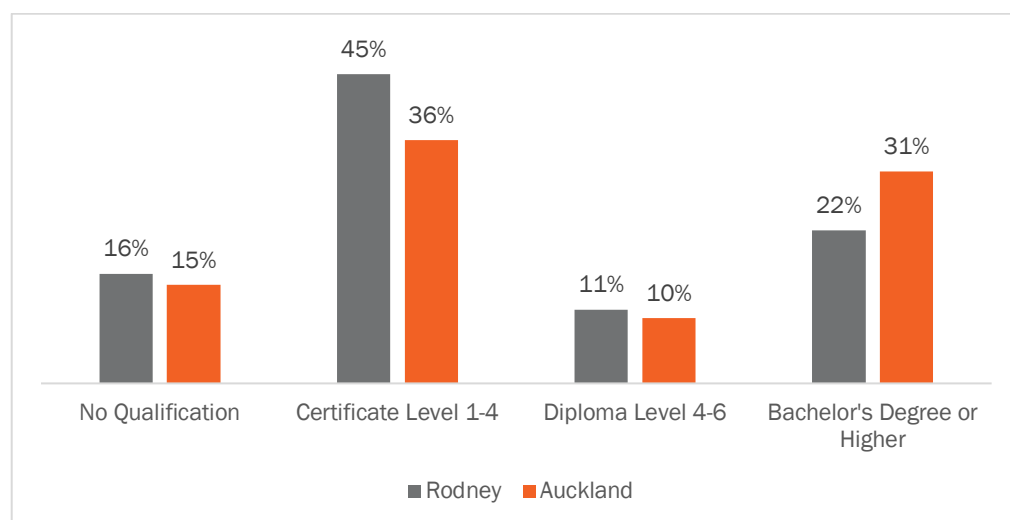
### Qualifications

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)



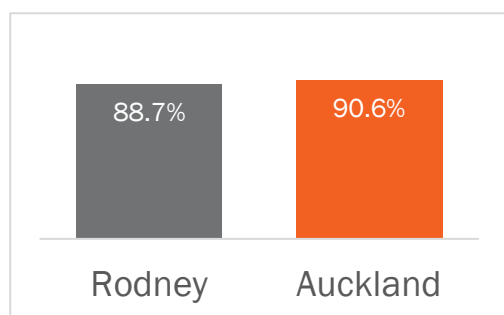
In 2018, 22 per cent of adult residents in Rodney had gained a bachelor's degree or higher, a lower proportion than the Auckland region (35 per cent). Sixteen per cent of residents had no educational qualifications compared with 15 per cent across the region<sup>7</sup>.

NCEA is the national school-leaver qualification and is used as the benchmark for entrance selection by universities and polytechnics. In 2018, 11 per cent of school leavers in Rodney did not achieve the standard for NCEA level 1 compared to nine per cent regionally.

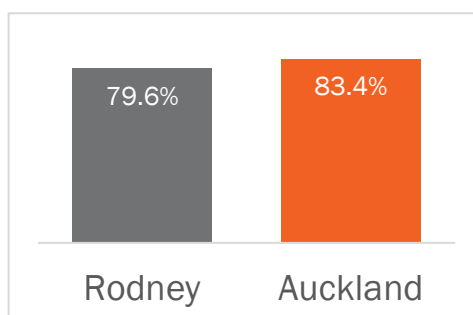
In 2018, twenty per cent of school leavers in Rodney did not achieve NCEA level 2, which provides the foundation skills required for employment. This is more than the Auckland average where 16 per cent of school leavers did not achieve NCEA Level 2 or higher.

### NCEA – STUDENTS ATTAINING NCEA (2018)

#### LEVEL 1



#### LEVEL 2



### NCEA 1 ATTAINMENT BY ETHNICITY

Percentage achieving NCEA	Level 1	Level 2
European	88.8%	80.2%
Māori	87.7%	73.7%
Pacific	95.8%	66.7%
Asian	81.8%	81.8%
Middle East, Latin American, African	100%	83.3%
Other	-	-
<b>Total Local Board</b>	<b>84.1%</b>	<b>74.5%</b>
<b>Total Auckland</b>	<b>88.7%</b>	<b>83.4%</b>

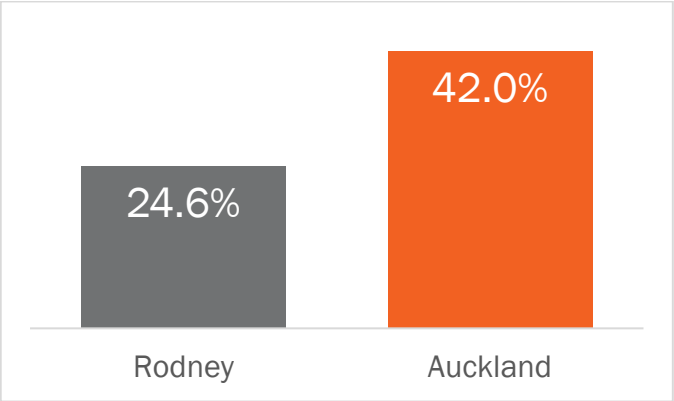
NCEA Level 3 is regarded as the minimum level required for university entry. Fifty-four per cent of Rodney school leavers achieved this, lower than the Auckland average of 63 per cent.

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

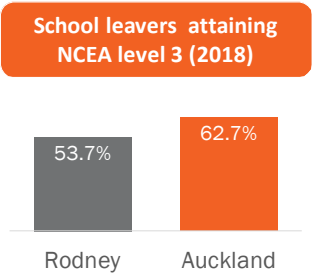
DESTINATION OF SCHOOL LEAVERS IN THEIR FIRST YEAR AFTER LEAVING

	Bachelor's and above	Certificates & diplomas levels 3-7	Certificates Levels 1-2	Not enrolled in tertiary education	Total Leavers
Rodney	24.6%	25.7%	3.6%	46.1%	358
Auckland	42.0%	20.9%	3.1%	34.1%	20,421

SCHOOL LEAVERS MOVING ON TO DEGREE LEVEL STUDY (2018)



Fewer school leavers moved on to degree level study within a year of leaving school. Twenty-five per cent of Rodney school leavers did this, much lower than the Auckland average of 42 per cent. A higher proportion moved into certificate and diploma level study, but overall fewer (54 per cent) enrolled in some form of tertiary education than the regional average (66 per cent).



# Local Economy

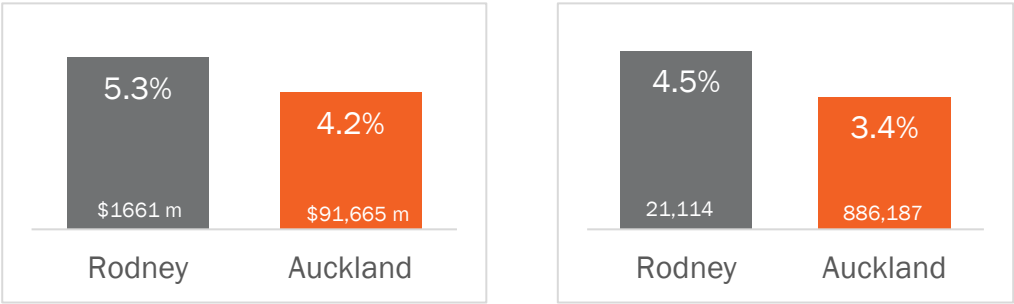
Rodney has a strong local economy driven by growth in construction and accommodation & food. Horticulture and other farming activities are also important but employment in these sectors has generally declined. The area has very few jobs in knowledge intensive industries.

## Growth and employment trends

In 2018, GDP in Rodney experienced growth of 3.5 per cent, slightly lower than the growth rate in Auckland (3.9 per cent). In the five years to 2018 the Rodney economy grew at an average annual rate of 5.3 per cent, higher than the 4.2 per cent in the Auckland region.

Employment in Rodney increased by an average of 2.3 per cent per annum in the ten years from 2008-2018, above the Auckland rate of two per cent. Over the last five years Rodney job numbers increased at a rate of 4.5 per cent per annum with the highest number of new jobs in construction services (+815 jobs) and accommodation & food services sectors (+517).

ANNUAL GDP AND EMPLOYMENT GROWTH (2008-2018) (source Infometrics)



Over the five years 2013-2018, the fastest growing industries by GDP in Rodney were construction, accommodation & food services and financial and insurance services.

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

Industry	Average p.a. change (2013-2018)
Administrative & Support Services	17.6%
Construction	15.5%
Accommodation & Food Services	11.3%
Financial & Insurance Services	7.3%
Retail Trade	7.0%

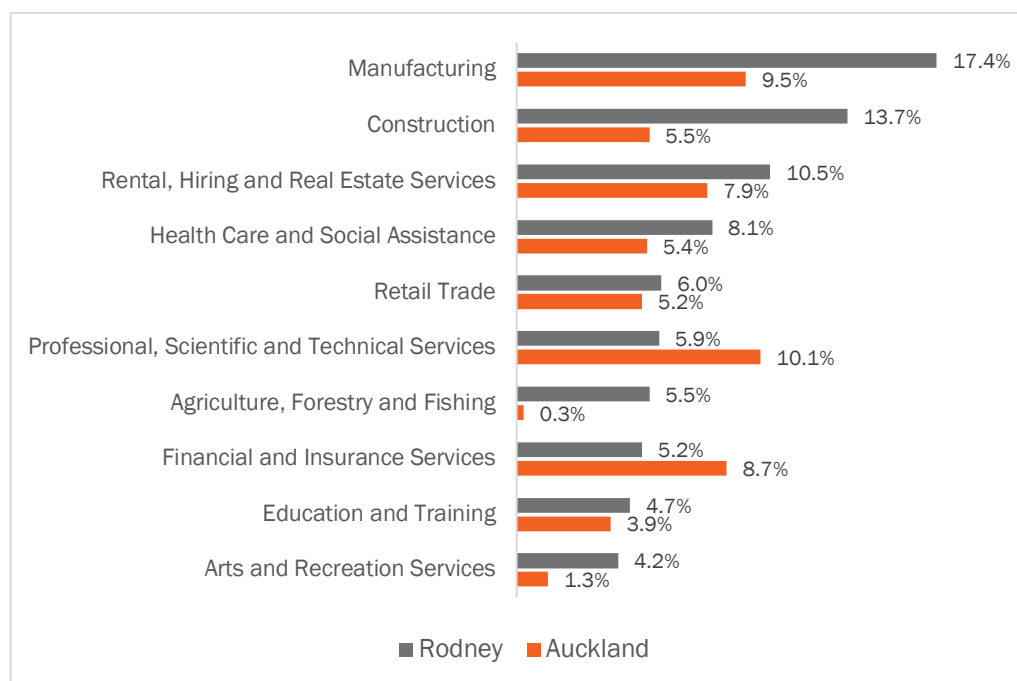


## Industry mix

Rodney'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 the Rodney economy are manufacturing and construction.

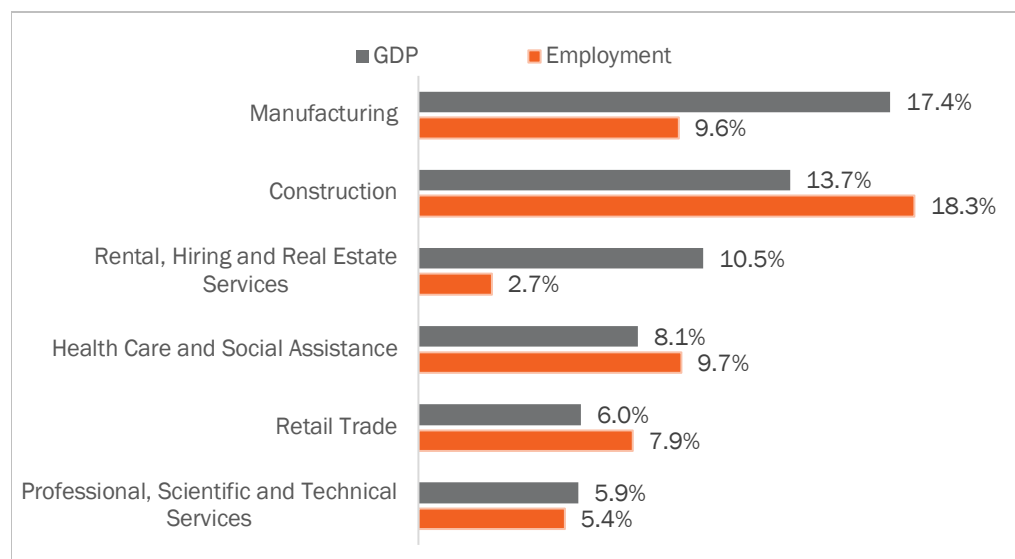
### INDUSTRY MIX BY GDP

(source Infometrics)



- **Manufacturing** contributed 17 per cent of Rodney's GDP and provided 10 per cent of the area's employment.
- **Construction** contributed 14 per cent of Rodney's GDP and provided 18 per cent of the area's employment.
- **Rental, hiring & real estate** contributed 11 per cent of Rodney's GDP but provided just three per cent of the area's employment.
- **Healthcare & social assistance** eight per cent of Rodney's GDP and provided 10 per cent of the area's employment.

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



Looking at more detailed sub-sectors we see that accommodation & food services 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 Rodney Total
1	Construction Services	2,618	12.4%
2	Health Care & Social Assistance	2,049	9.7%
3	Accommodation & Food Services	1635	7.7%
4	Education & Training	1424	6.7%
5	Professional, Scientific & Tech Services	1142	5.4%
6	Building Construction	937	4.4%
7	Other Services	880	4.2%
8	Arts & Recreation Services	808	3.8%
9	Other Store & Non Store Retailing	776	3.7%
10	Horticulture & Fruit Growing	726	3.4%
<b>Total top 10 industries</b>		<b>12,995</b>	<b>61.4</b>
<b>All other industries</b>		<b>8,123</b>	<b>38.6</b>
<b>Total employment</b>		<b>21,114</b>	

Many sectors saw significant growth from 2013-2018, particularly in the construction sector. There was a decline in numbers employed in horticulture and fruit growing and dairy farming.

Landscape construction and site preparation related employment is the most significant source of construction jobs while social assistance and aged care are important health employment sectors. Cafés and restaurants make up two thirds of employment in the

accommodation & food services sector. Within education, thirty-six per cent of jobs are in primary education.

Construction services have seen the greatest employment growth over the last five years with accommodation & food services also seeing large increases.

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

(source Infometrics)

Occupation	New Jobs
Construction Services	815
Accommodation & Food Services	517
Health Care & Social Assistance	354
Professional, Scientific & Tech Services	321
Building Construction	298

#### SECTORS WITH DECLINING JOBS 2013-2018

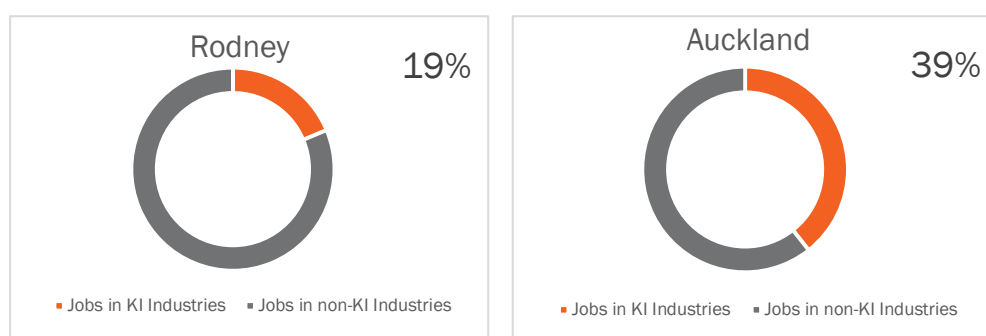
Occupation	Jobs Lost
Horticulture & Fruit Growing	243
Dairy Cattle Farming	191

### 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. Nineteen per cent of jobs in Kaipatiki 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 Rodney than they are in the region as a whole. Forestry is strongly concentrated in Rodney reflecting the area's rural nature. Beverage and tobacco manufacture and fruit growing are also represented due to the wine making area in and around Matakana.

<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 and technical occupations.



## INDUSTRIES CONCENTRATED IN LOCAL BOARD AREA

(source Infometrics)

Rank	Industry	Location Quotient	GDP \$M	Employees
1	Forestry & Logging	16.0	27.1	184
2	Beverage & Tobacco Product Manufacturing	9.7	144.9	450
3	Horticulture & Fruit Growing	9.0	15.3	726
4	Water, Sewerage & Waste Services	4.0	19.7	216
4	Wood Product Manufacturing	3.3	15.9	187

## 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.

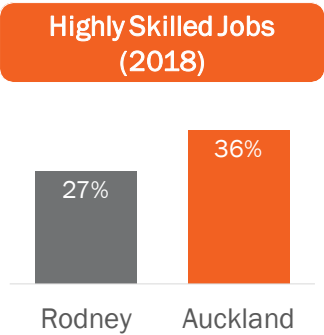
Construction and engineering are sectors of focus for ATEED that are well represented in Rodney. Similarly, development of the food and beverage sector may benefit parts of the Rodney area.

## EMPLOYMENT IN ATEED FOCUS SECTOR (2018)

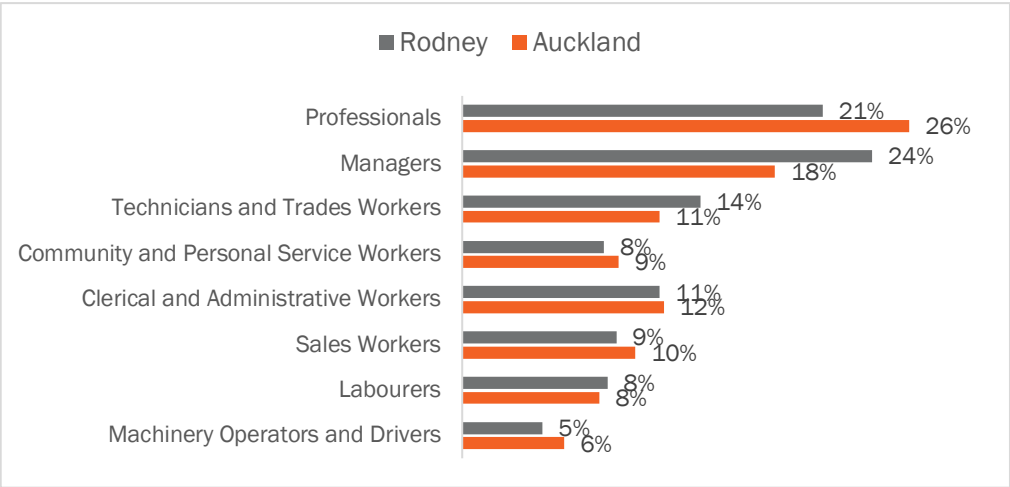
Share of Sector to Total	Auckland	Rodney	+/- on A-E sector
Advanced Materials Related	1.7%	1.1%	-34%
Commercial services	21.2%	8.4%	-61%
Construction and engineering	11.2%	19.2%	72%
Education	7.6%	6.8%	-11%
Food and Beverage	3.5%	4.2%	20%
Screen and creative	6.0%	3.6%	-40%
Technology	7.6%	2.3%	-70%
Tourism	6.2%	5.8%	-5%
Transport and Logistics	2.9%	1.9%	-36%

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 a lower proportion of highly skilled jobs in Rodney (27 per cent) and higher proportion of low-skilled jobs (40 per cent) compared to the Auckland average.

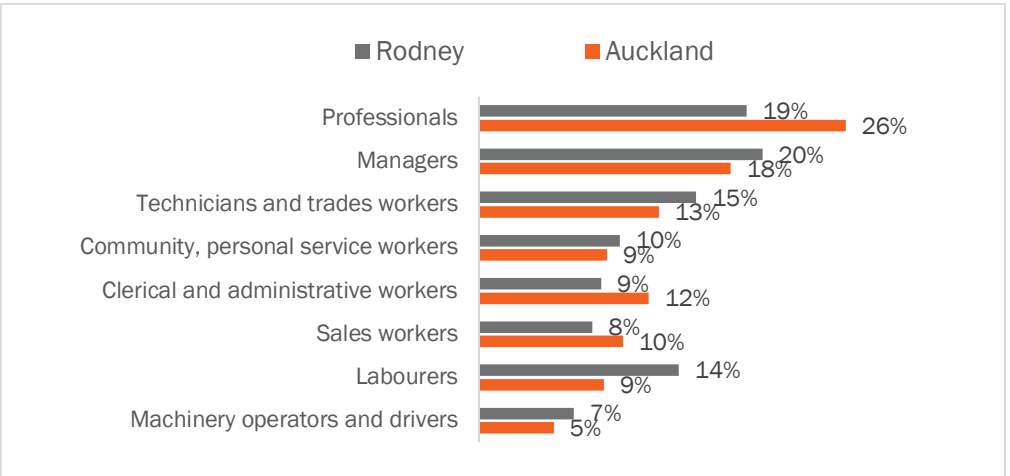


OCCUPATIONS OF RODNEY RESIDENTS (CENSUS 2018)



Managers and professional occupations were the most popular occupational categories for Rodney residents in 2018. Compared to the region, there are a much higher proportion of workers in managerial occupations in Rodney.

OCCUPATIONS IN RODNEY BASED BUSIENSSES (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 Rodney, managers are the largest occupational group (19 per cent), higher than the Auckland average (18 per cent). There are more technicians and trades workers and labourers than the Auckland average.

Specialist managers<sup>10</sup> are the largest occupational group in Rodney followed by education professionals and farmers and farm managers.

#### TOP 10 OCCUPATIONS BY EMPLOYMENT IN RODNEY (2018) (source Infometrics)

Rank	Occupations	Jobs	% of total jobs in Rodney
1	Specialist Managers	1674	7.9%
2	Education Professionals	1252	5.9%
3	Farmers & Farm Managers	999	4.7%
4	Sales Assistants & Salespersons	925	4.4%
5	Farm, Forestry & Garden Workers	883	4.2%
6	Carers & Aides	827	3.9%
7	Construction Trades Workers	763	3.6%
8	Chief Execs, General Managers, Legislators	753	3.6%
9	Hospitality, Retail & Service Managers	736	3.5%
10	Business, HR & Marketing Professionals	680	3.2%
<b>Sub-total Top 10 occupations</b>		<b>9,492</b>	<b>44.9</b>
<b>Total jobs</b>		<b>21,114</b>	Note, includes self-employed

Many occupations saw significant growth from 2013-2018, particularly for managers and trades in the construction sector and education professionals. There was a decline in numbers employed in clerical positions and protective services.

#### FASTEST GROWING OCCUPATIONS 2013-2018 (source Infometrics)

Occupation	New Jobs
Construction Services	815
Accommodation & Food Services	517
Health Care & Social Assistance	354
Professional, Scientific & Tech Services	321
Building Construction	298

#### OCCUPATIONS WITH DECLINING JOBS 2013-2018

Occupation	Jobs Lost
Horticulture & Fruit Growing	243
Dairy Cattle Farming	191
Transport Equipment Manufacturing	64

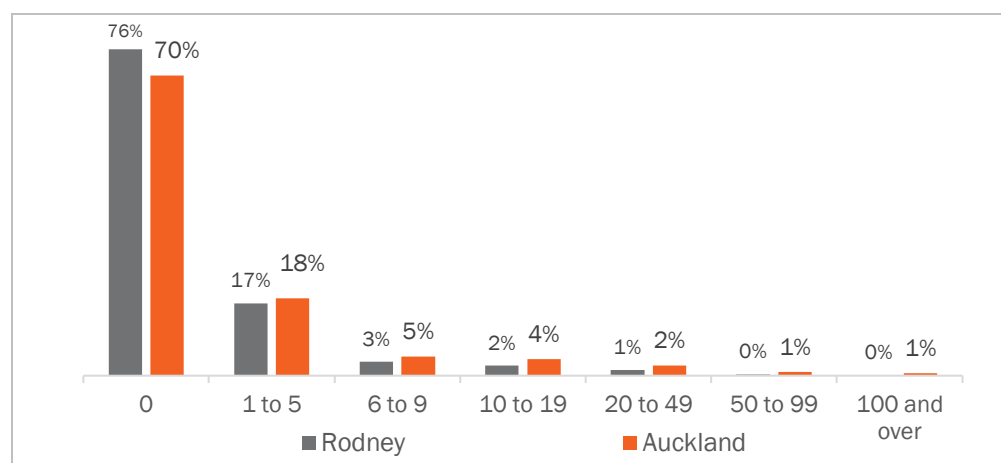
<sup>10</sup> Specialist managers include managers in advertising, construction, ICT, business administration and education.

## Business size<sup>11</sup>

In 2018 there were 10,008 businesses in Rodney employing an average of 2.0 employees each, smaller than the Auckland average 4.5 employees. The number of businesses grew 1.3 per cent a year on average over the last decade, a slower average growth rate than the Auckland average of 1.9 per cent.

### BUSINESS SIZE – NUMBER OF EMPLOYEES

(source Infometrics)



## Future of Work in Rodney

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.

Rodney Local Board is located in the north of the north Auckland region, close to important employment precincts in northern Auckland, while a few residents also 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 and social assistance is an important employment sector in Rodney and provides 10 per cent of the area's jobs. Education is also important Rodney with seven per cent of jobs in the area. Construction is a key employer in almost all local board areas and represents 18 per cent of employment in Rodney Local Board. Growth in these sectors is likely to positively impact on the Rodney 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**. Almost 60 per cent of current jobs in the Auckland city centre

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

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

are in these growth sectors which accounts for 31 per cent of jobs these sectors provide in the Auckland region.

As a North Shore local board area on the outskirts of the region, Rodney has few jobs in these sectors which account for around five per cent of local employment. Forecast growth in these sectors is likely to include some growth in Rodney. Rodney residents also have limited access to the central city to access the growing number of professional service jobs there although roading and public transport improvements may change this.

**With a largely managerial and professional workforce, focused on key growth areas of construction and education but with significant numbers of jobs also as labourers and on farms the outlook for Rodney residents being able to access employment opportunities that match their skills and experience is mixed.**

## Employment Zones

Employment in Rodney is concentrated in a number of town centres as well as a significant number of more dispersed jobs in horticulture and agriculture.

Rodney is a mix of labour importing town centres and labour exporting rural and suburban areas. There are 66,800 residents of Rodney which has a labour force of 24,700. The local board area has a total of 21,114 jobs located within it. As a result, the area is a net exporter of labour to other parts of the city.

### Employment Zones

Employment in Rodney is concentrated in a number of town centres that contain some commercial and industrial activity as well as a significant number of more dispersed jobs in horticulture and agriculture.

Warkworth and Kumeū-Huapai are the main employment areas with construction being an important sector in both. Food retail and education to serve the local population is important in Warkworth.

#### EMPLOYMENT IN WARKWORTH\*

source: Infometrics

Industry	Jobs
Supermarket, Grocery Stores and Specialised Food Retailing	388
Education and Training	297
Construction Services	289
Other Store-Based Retailing and Non-Store Retailing	275
Health Care and Social Assistance	269
<b>Total employment (all sectors)</b>	<b>3,388</b>
* Based on business demographics for the SA2 area	

#### EMPLOYMENT IN KUMEŪ / HUAPAI\*

source: Infometrics

Industry	Jobs
Construction Services	582
Professional, Scientific & Technical Services	196
Education and Training	109
Other Services	107
Health Care and Social Assistance	107
<b>Total employment (all sectors)</b>	<b>2,086</b>
* Based on business demographics for the SA2 area	

## EMPLOYMENT IN WELSFORD\*

source: Infometrics

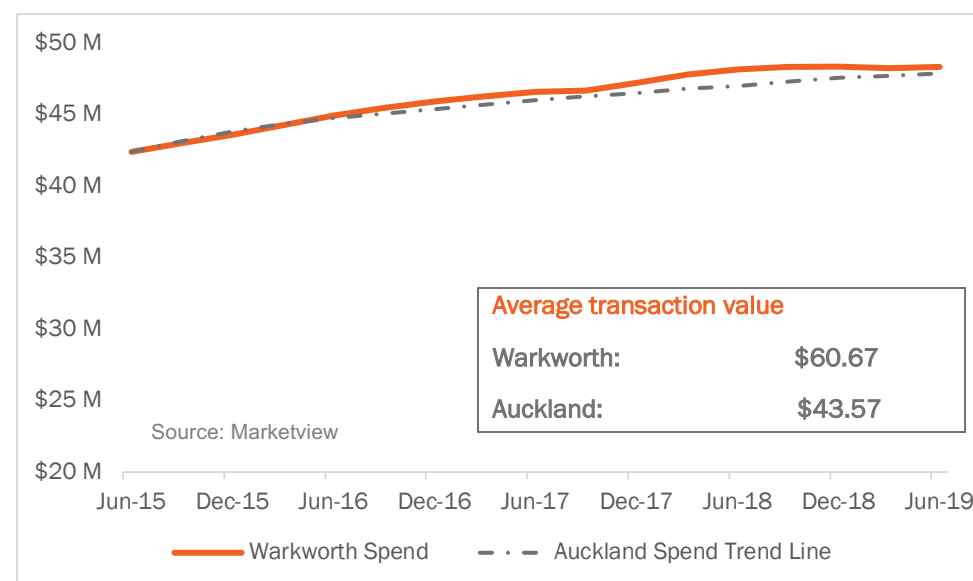
Industry	Jobs
Road Transport	163
Education and Training	156
Accommodation & Food Services	83
Wholesale Trade	80
<b>Total employment (all sectors)</b>	<b>988</b>
* Based on business demographics for the SA2 area	

## Town Centres <sup>13</sup>

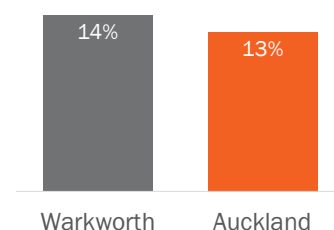
The main town centre employment zones in Rodney are Warkworth, Wellsford, Kumeū / Huapai and Matakana.

Spending in Warkworth has grown at the same rate as in Auckland as a whole, growing 14 per cent between June 2015 and June 2019 compared to 13 per cent regionally. The average transaction value in Warkworth was \$60.67, above the Auckland average of \$43.57.

### WARKWORTH SPEND AND AVERAGE TRANSACTION VALUE (2015-2019)



Spending growth 2015-2019  
(four quarter average)

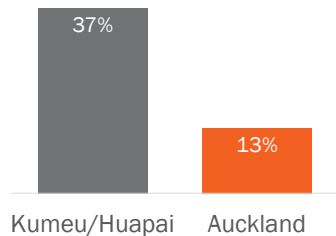


Spending in Kumeū / Huapai has grown faster than in Auckland as a whole, growing 37 per cent between June 2015 and June 2019 compared to 13 per cent regionally. The average transaction value in Kumeū / Huapai was \$47.31, above the Auckland average of \$43.57.

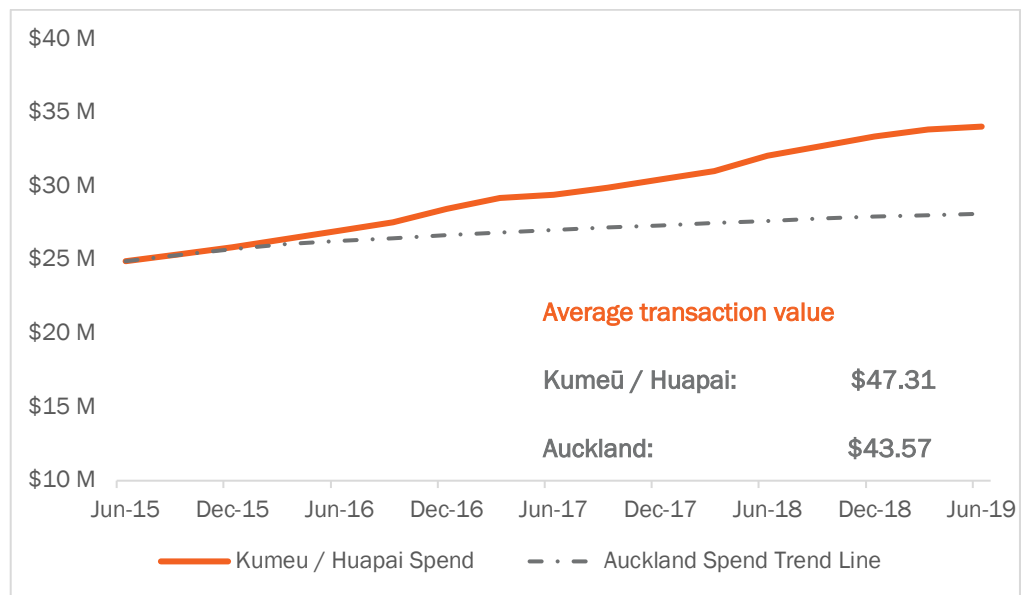
<sup>13</sup> Town centre spend data is provided by Marketview and is derived from credit and debit card transactions. Area with higher levels of cash payments may have spending slightly under reported.



### Spending growth 2015-2019 (four quarter average)

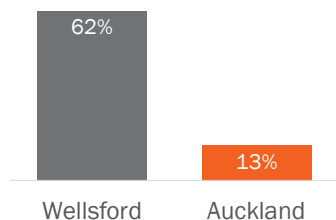


### KUMEŪ / HUAPAI SPEND AND AVERAGE TRANSACTION VALUE (2015-2019)

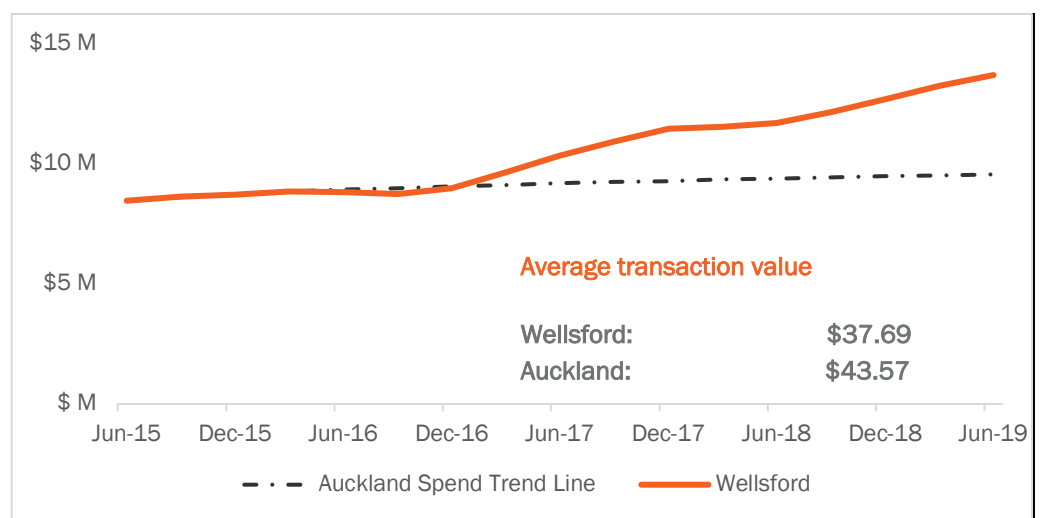


Spending in Wellsford has grown at a much faster than Auckland as a whole, growing 62 per cent between June 2015 and June 2019 compared to 13 per cent growth regionally. The average transaction value in Wellsford was \$37.69, below the Auckland average of \$43.57.

### Spending growth 2015-2019 (four quarter average)



### WELLSFORD SPEND AND AVERAGE TRANSACTION VALUE (2015-2019)



# 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 Rodney local board area. Improvements to the northern busway, Penlink and any future light rail development to the North West will significantly improve connectivity of new developments to the central city.

## 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.

**Warkworth** is a growing rural node 57 kilometres north of Auckland's centre. It is the largest rural town in north Auckland and serves a large rural catchment. Warkworth is easily accessible via SH 1 and serves as a gateway to the Matakana and Kowhai Coasts. Horticulture, winemaking, dairying, tourism and forestry are now key contributors to the local economy.

Significant residential and employment growth is expected over the next 30 years with around 1100 hectares earmarked as future residential and business land. This could

accommodate approximately 7,500 additional dwellings, or an additional 20,000 people. The anticipated growth will require investment in supporting infrastructure including transport, water and wastewater upgrades.

The development of quality transport links within Warkworth, as well as between Warkworth, Northland and the rest of Auckland will be critical to supporting the town's future growth. The Puhoi to Warkworth Road of National Significance, Ara Tūhono, will be completed in late 2021 as will the Matakana Link Road. These projects will take through-traffic and freight away from the town centre and improve travel times to and from Warkworth.

Development will be staged over the next 20 years, reflecting demand and the provision of the necessary infrastructure upgrades. A structure plan for Warkworth will refine the staging and timing of development and will identify the mix and location of housing, employment, retail, commercial and community facilities.

**Development areas** are spread across the region. Expected growth is identified if it is expected in any on 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. None of the areas identified are in Rodney.

### 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 decade<sup>14</sup>. Some of this land will be required to meet increased demand for commercial, light and heavy industrial uses.

Rodney has a number of areas identified as Future Urban and mapped out in the Future Urban Land Supply Strategy primarily at Warkworth and Kumeū-Huapai with rural development expected at Wellsford and Helensville. Silverdale / Dairy Flat on the border with Hibiscus and Bays Local Board is also expected to see business land and significant housing development while further development is expected at Wainui East.

### New dwellings

There were 728 new dwellings consented in 2018, which was 9.3 per cent of the 7,824 issued in the Auckland region. The number of new dwellings consented has been at increasing steadily since 2009 with development of several large new housing areas.

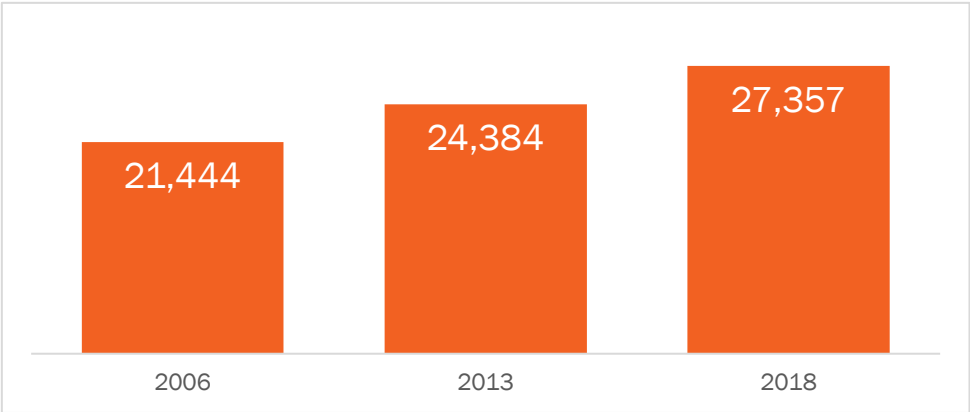
# 3,009

Additional dwellings

There were 3,009 additional dwellings in Rodney in the 2018 Census compared to 2013.

<sup>14</sup> Development Strategy

NUMBER OF PRIVATE DWELLINGS (OCCUPIED & UNOCCUPIED)



At the 2018 Census there were 4,467 unoccupied dwellings and 483 under construction. Between 2013 and 2018 censuses there were just 3,009 additional dwellings in Rodney an increase of 12.2 per cent compared to a 6.5 per cent increase across the region.

Future Developments

SH1 between Puhoi and Warkworth is a key transport link connecting the north to the upper North Island freight triangle of Auckland, Waikato and Tauranga and will greatly facilitate the movement of goods and people through Rodney.

Additional business land is planned at Silverdale Dairy Flat that will provide additional employment opportunities in the area.

## 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 Rodney Local Board 's approach focussed on empowerment of communities, including the business community as well as ensuring both the physical and natural environment are enhanced which will deliver economic benefits through land and marine based industries as well as supporting tourism.

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 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

Rodney's population is set to continue to grow, yet the area is distant from many sources of employment and education. Meeting these needs of a growing population will be important going forwards.

## ECONOMIC DEVELOPMENT OPPORTUNITIES

LED work stream	Potential area of focus in Rodney Local Board area
<b>Sustainable businesses</b>	Work with landowners, businesses and key stakeholders to promote sustainable and environmentally friendly work practices.
<b>Places</b>	Support iwi and the NorthWest District Business Improvement District's plans for developing tourism.  Continue to advocate for transport improvements to help residents access education and employment opportunities.
<b>Enterprise</b>	Develop local business precincts and town centres as great places to do business
<b>Economic intelligence</b>	Update of Prosperity Index to keep local board informed of socio-economic picture in their area.

## 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

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ATEED ECONOMIC DEVELOPMENT

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