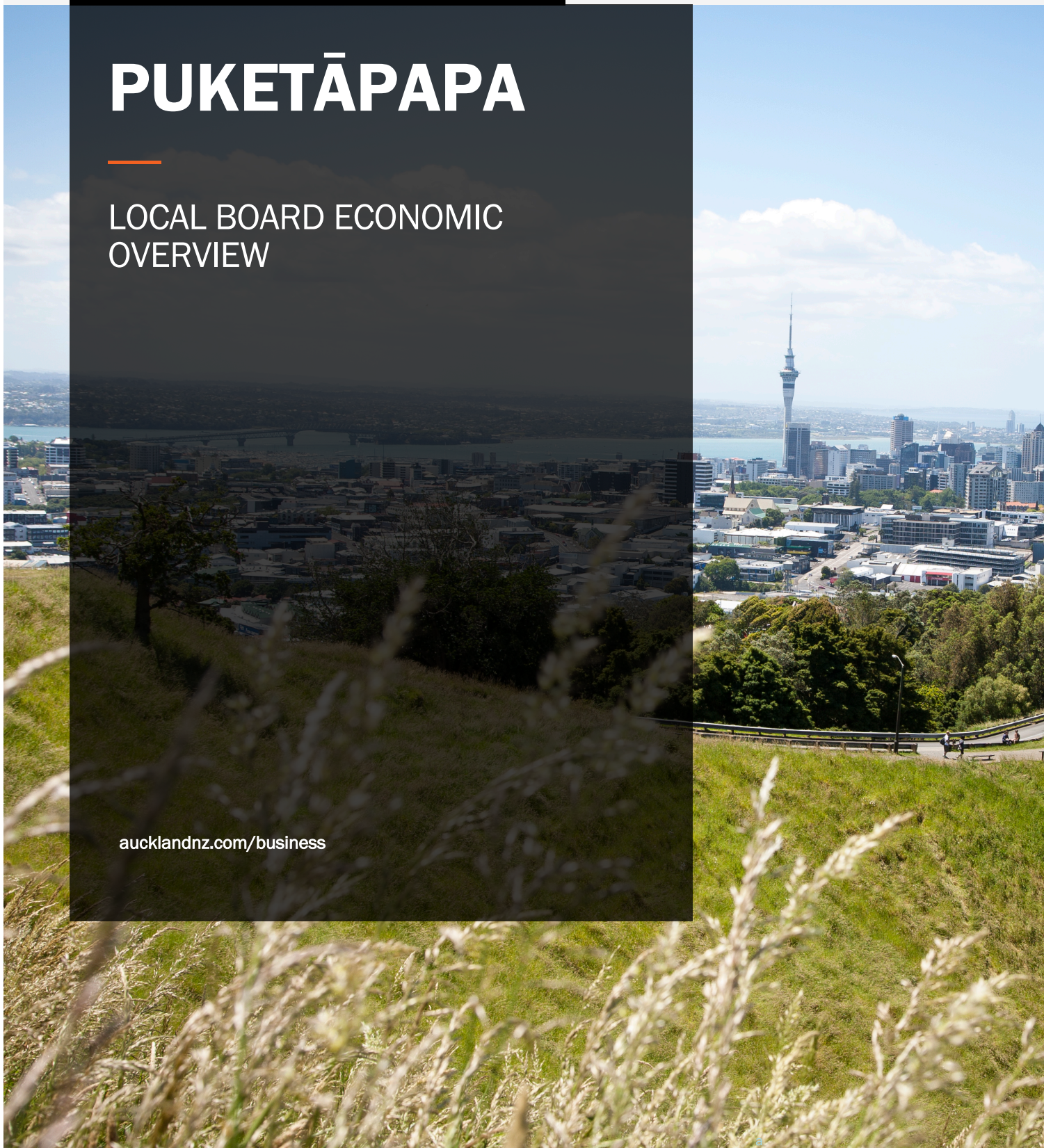


AUCKLAND ECONOMIC OVERVIEWS

# PUKETĀPAPA

LOCAL BOARD ECONOMIC  
OVERVIEW

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



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## 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.

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

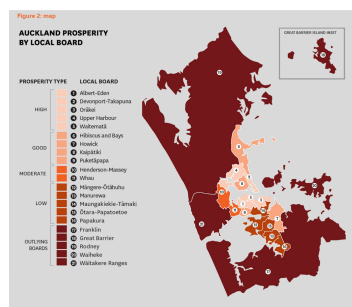
<sup>2</sup> The Auckland Index can be found at [aucklandnz.com/auckland-index](https://www.aucklandnz.com/auckland-index)

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

## The role of Local Boards

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

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



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

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

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

## What is the Puketāpapa local economic development overview?

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

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

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.

Puketāpapa is a moderately prosperous local board area with high levels of employment in sectors such as wholesale trade, education and professional services. These sectors have seen the largest increase in job numbers over the last five years.



### Population growth

Population growth has been lower than the regional average over the 2013-2018 Census period. The area has a very diverse population with sizeable Chinese and Indian communities.



### Significant employers

Wholesale trade, retail, education and professional services are the main employment sectors. Accommodation & food, healthcare and supermarket & specialised food retailing are also significant employers. Together these six sectors provide about 53% of local employment.



### Growing industries

Over the five years to 2018, the fastest growing industries by GDP in the local board area were accommodation & food, construction and retail trade.



### Unemployment rate

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



### Education attainment

Educational attainment is high, a much higher proportion of school leavers enter degree level study upon leaving 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 with development areas identified at Three Kings and Mount Roskill. Any future light rail development between the CBD and Māngere would have a significant impact on the area.

### Population growth 2013-2018

8.7%

Puketāpapa

11.0%

Auckland

### Jobs in Knowledge Intensive Industries

31.0%

Puketāpapa

39.0%

Auckland

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

51.2%

Puketāpapa

42.0%

Auckland

## LOCAL BOARD ASPIRATIONS



In its current Local Board Plan the Puketāpapa Local Board seeks to ensure that Puketāpapa has a thriving local economy that provides better employment opportunities for everyone. The local board's vision is for more local job opportunities and improved pathways for young people into those jobs.

## KEY OPPORTUNITIES



Opportunity to have a thriving local economy and good job opportunities. The local board has a development plan aimed at boosting the local economy. They will carry out its actions which seek to open up business and employment opportunities locally and foster innovation.

The Kāinga Ora led development of Mount Roskill can provide construction related employment and increased local spending as the local population grows. The local board has a role to advocate for the local community to benefit from this development.

## KEY CHALLENGES



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

## People and Households

Puketāpapa is one of Auckland's least populous local board areas with a population of 57,555 that is forecast to increase to 80,500 by 2038. The area has an ethnically diverse population with residents from India, China, Samoa and Tonga amongst others.

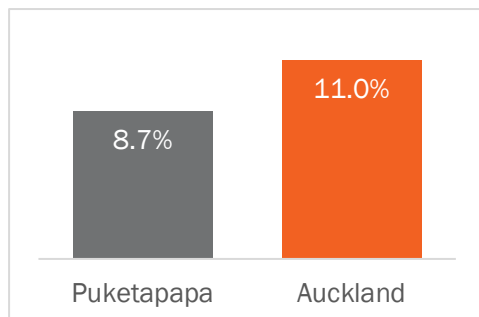
Puketāpapa is one of Auckland's moderately prosperous areas. The Auckland Prosperity Index report showed Puketāpapa is home to highly skilled residents and has a younger age profile than most other local board areas. With few knowledge-intensive industries in the area and limited number of jobs per resident the local board residents are reliant on ease of access to the city centre and fringe and industrial south to access employment opportunities.

	Puketāpapa	Auckland / Share of Auckland
Population (2018)	57,555	3.7%
Population growth (2013-2018)	8.7%	11.0%
Median Age (2018)	33.9	34.8
Labour force (2018)	32,000	876,100
Labour force participation (2018)	69%	71%
Home ownership (2018)	39%	45%

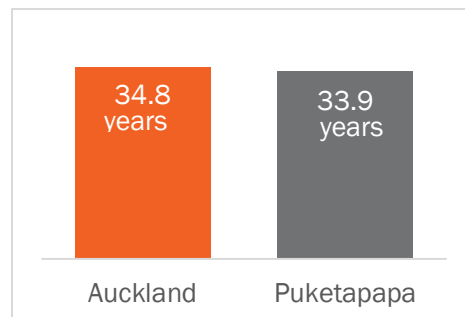
### Population

The Puketāpapa Local Board area has experienced slower than average population growth in recent years. Between the 2013 and 2018 censuses population growth was 8.7 per cent compared to 11 per cent regionally.

#### POPULATION GROWTH (2013-2018)



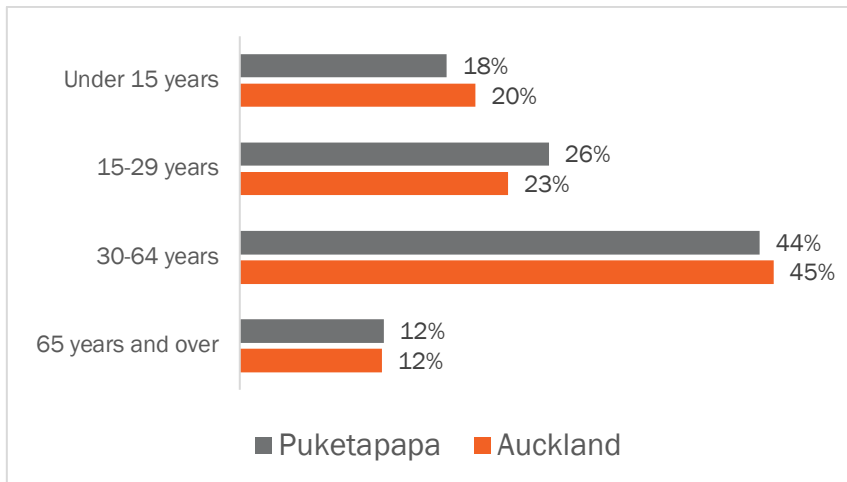
#### MEDIAN AGE (CENSUS 2018)



Medium population projections<sup>4</sup> suggest that Puketāpapa could be home to 80,500 residents by 2038 an increase of 23,000. This is equivalent to a 1.7 per cent per annum increase or an additional 1,150 people per year between 2018 and 2038.

Puketāpapa 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.

### AGE STRUCTURE (CENSUS 2018)

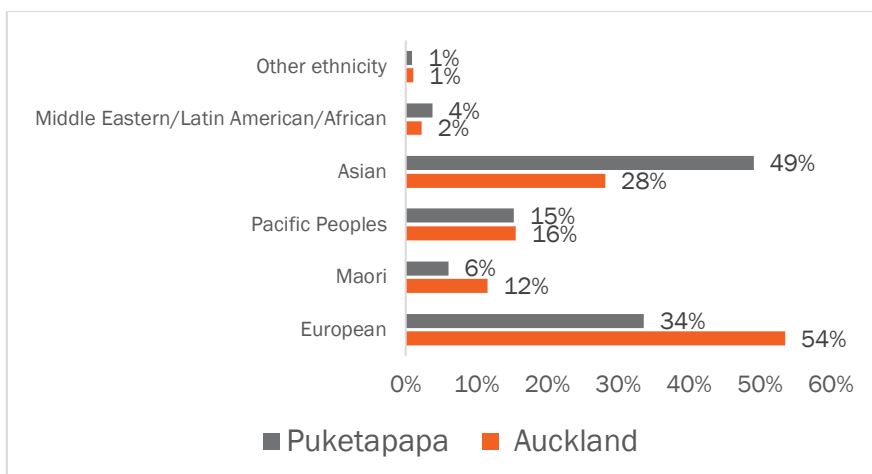


### Ethnicity

Puketāpapa's population is predominantly of Asian ethnicity (49 per cent). Māori make up six per cent of the population which is less than the proportion across the region. There are also fewer Europeans (34 per cent) than seen regionally (54 per cent). Indians (23 per cent) and Chinese (17 per cent) are the main non-European ethnic groups in Puketāpapa.

Puketāpapa has a large proportion of residents born overseas (53 per cent) and 23 per cent of people born overseas had been in New Zealand less than five years.

### ETHNIC MAKE-UP (CENSUS 2018)



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

### Languages

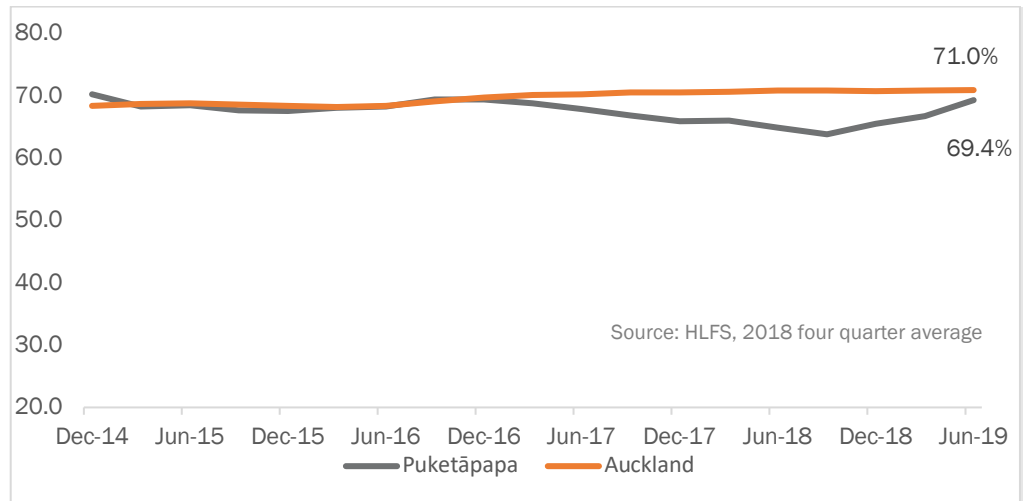
With a more diverse population than elsewhere in the region a range of languages are spoken in the area, 90 per cent of Puketāpapa residents are able to speak English compared to 93 per cent for the region.

# 69%

The labour force participation rate in Puketāpapa was 69 per cent in June 2019, lower than the Auckland rate (71 per cent)

### Labour Force

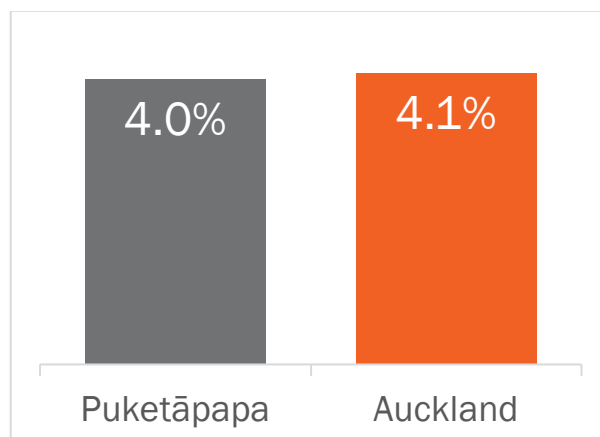
#### LABOUR FORCE PARTICIPATION RATE (HOUSEHOLD LABOUR FORCE SURVEY)



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

Unemployment measured by the Household Labour Force Survey in Puketāpapa has mostly been above the Auckland average over the last five years although most recently the rates are similar.

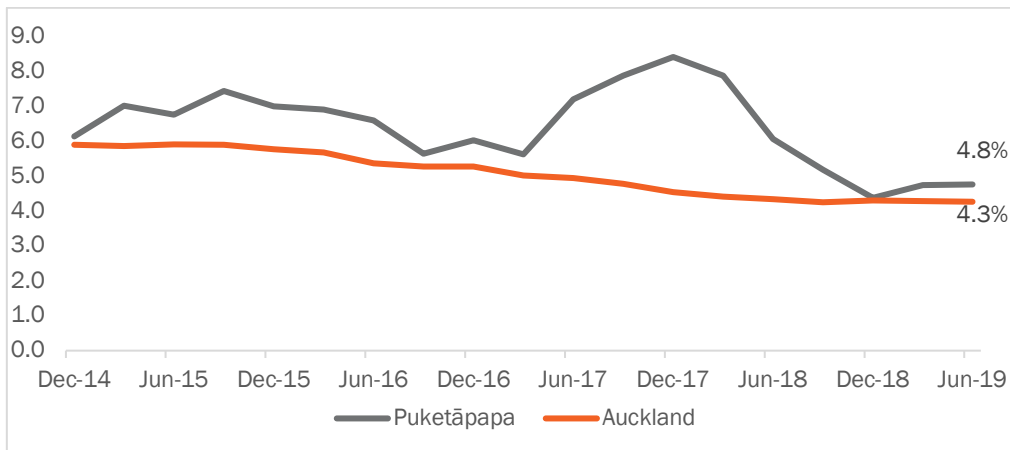
#### UNEMPLOYMENT RATE (CENSUS 2018)



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



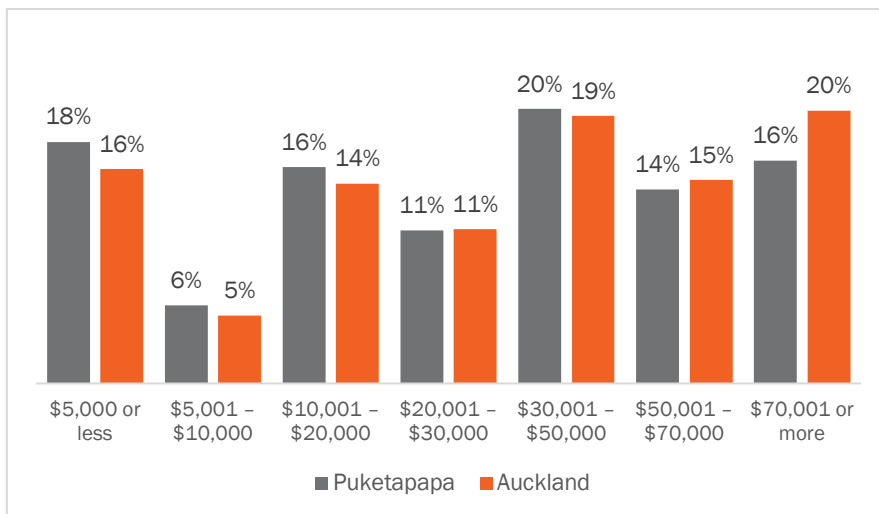
### UNEMPLOYMENT RATE OVER TIME (HOUSEHOLD LABOUR FORCE SURVEY)



### Incomes

Analysis of individual income levels in 2018 shows that there was a higher proportion (16 per cent) of persons earning a high income (over \$70,000 per year) in Puketāpapa compared to the region (two per cent).

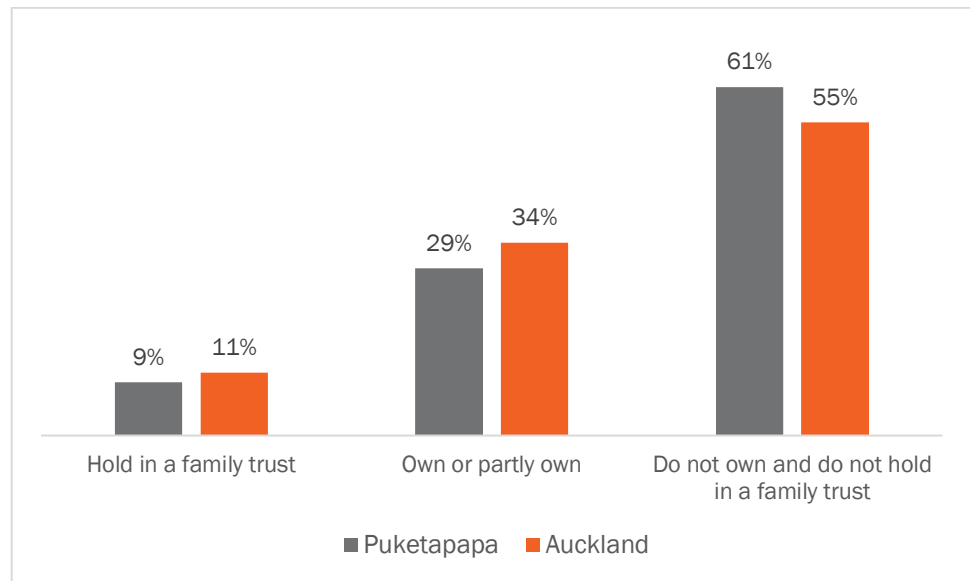
### INDIVIDUAL INCOMES (CENSUS 2018)



In 2018, 12 per cent of individuals in Puketāpapa derived self-employment or business income, below the rate across Auckland (14 per cent).

Home ownership in Puketāpapa is lower than the regional average; in 2018, 38 per cent of households owned the dwelling they lived in, compared to 45 per cent across Auckland.

### HOME OWNERSHIP (CENSUS 2018)



## Skills

Puketāpapa has a well qualified labour force with a high proportion of residents educated to degree level or higher. More school leavers from Puketāpapa leave with NCEA Level 2 or NCEA Level 3. A higher proportion than average go on to tertiary education on 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.

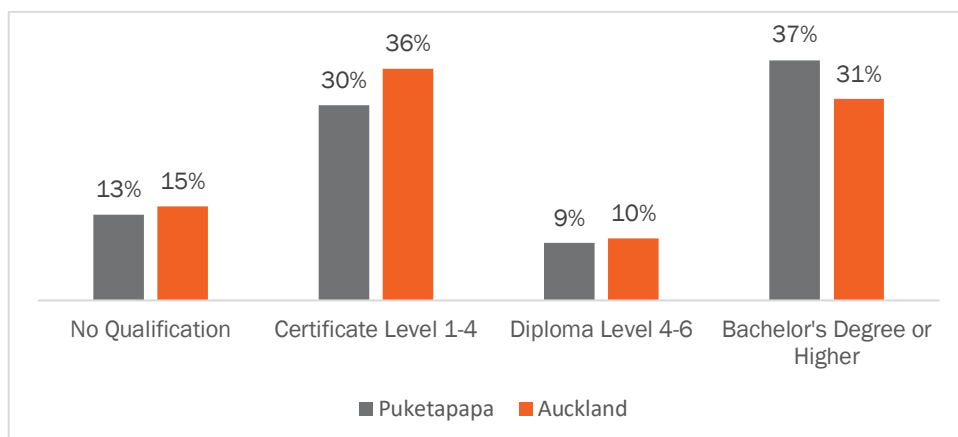
Achieving a school level qualification significantly improves a school leaver's employment prospects and people with higher level qualifications are less likely to experience unemployment. The unemployment rate fell substantially in 2017 for people with higher-level qualifications. The rate was 2.4 per 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>

**In 2018, 37 per cent of adult residents in Puketāpapa had gained a bachelor's degree or higher, a higher proportion than the Auckland region (31 per cent).** Thirteen per cent of residents had no educational qualifications compared with 15 per cent across the region<sup>7</sup>.

<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)

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

### RESIDENTS' HIGHEST QUALIFICATIONS (CENSUS 2018)

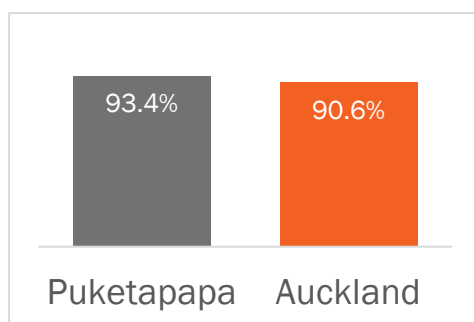


NCEA is the national school-leaver qualification and is used as the benchmark for entrance selection by universities and polytechnics. In 2018, seven per cent of school leavers in Puketāpapa did not achieve the standard for NCEA Level 1 compared to nine per cent regionally.

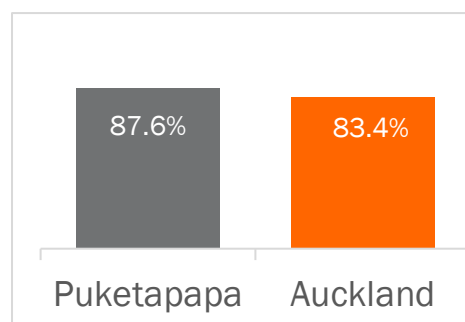
In 2018, only 12 per cent of school leavers in Puketāpapa did not achieve NCEA Level 2, which provides the foundation skills required for employment. This is better than the Auckland average where 16 per cent of school leavers did not achieve NCEA Level 2 or higher.

### NCEA – STUDENTS ATTAINING NCEA (2018)

#### LEVEL 1



#### LEVEL 2

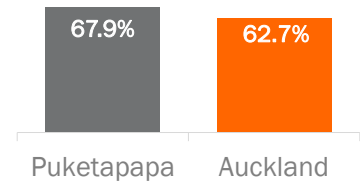


### NCEA 1 ATTAINMENT BY ETHNICITY

Percentage achieving NCEA	Level 1	Level 2
European	92.6%	83.7%
Māori	90.7%	74.1%
Pacific	91.1%	83.5%
Asian	96.0%	92.9%
Middle East, Latin American, African	93.2%	88.6%
Other	100.0%	71.4%
<b>Total Local Board</b>	<b>93.4%</b>	<b>87.6%</b>
<b>Total Auckland</b>	<b>90.6%</b>	<b>83.4%</b>

NCEA Level 3 is regarded as the minimum level required for university entry. Sixty-eight per cent of Puketāpapa school leavers achieved this, higher than the Auckland average of 63 per cent.

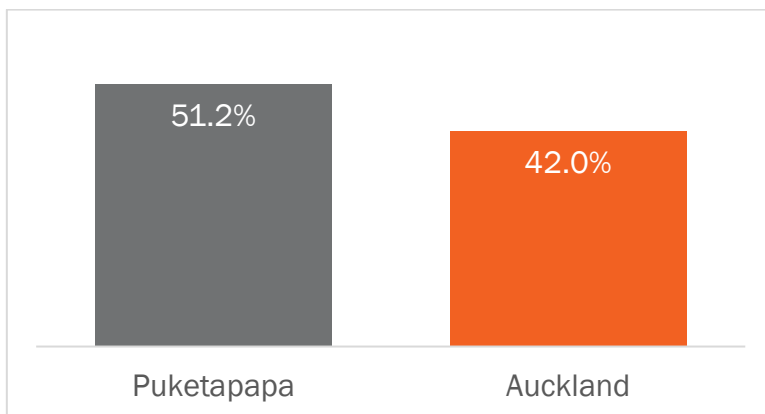
#### School leavers attaining NCEA level 3 (2018)



#### 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
Puketāpapa	51.2%	22.4%	2.1%	24.3%	905
Auckland	42.0%	20.9%	3.1%	34.1%	20,421

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



More school leavers moved on to degree level study within a year of leaving school. Fifty-one per cent of Puketāpapa school leavers did this, higher than the Auckland average of 42 per cent. A similar proportion moved into certificate and diploma level study as did regionally. Overall, more (76 per cent) enrolled in some form of tertiary education than the regional average (66 per cent).

## Local Economy

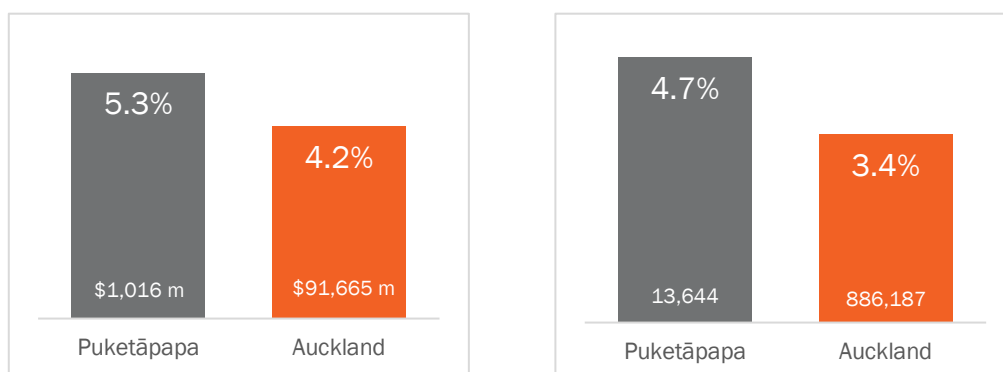
Puketāpapa has a moderately strong local economy driven by wholesale trade and retail. Professional services and education also provide many local employment opportunities and these have increased in number recently.

### Growth and employment trends

In 2018, GDP in Puketāpapa experienced growth of 6.5 per cent, higher than the growth rate in Auckland (3.9 per cent). In the five years to 2018 the Puketāpapa economy grew at an average annual rate of 5.3 per cent, higher than the 4.2 per cent in the Auckland region.

Similarly, employment in Puketāpapa increased by an average of 4.7 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 Puketāpapa job numbers increased the most in wholesale trade (+ 1,630 jobs), education and training (+1,603) and Professional, Scientific & Technical Services (+1,232).

### AVERAGE ANNUAL GDP AND EMPLOYMENT GROWTH (2013-2018)



Over the five years 2013-2018, the fastest growing industries by GDP in Puketāpapa were accommodation and food services, construction and retail trade.

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

(source Infometrics)

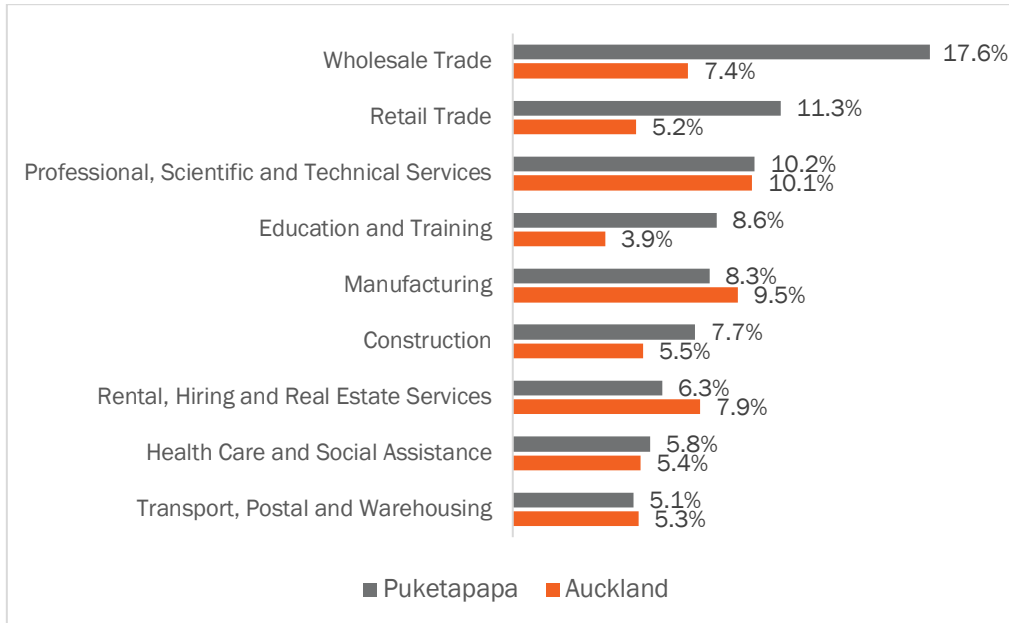
Industry	Average p.a. change
Accommodation & Food Services	14%
Construction	11%
Retail Trade	10%
Transport, Postal & Warehousing	10%
Professional, Scientific & Technical Services	9%
Wholesale Trade	9%

## Industry mix

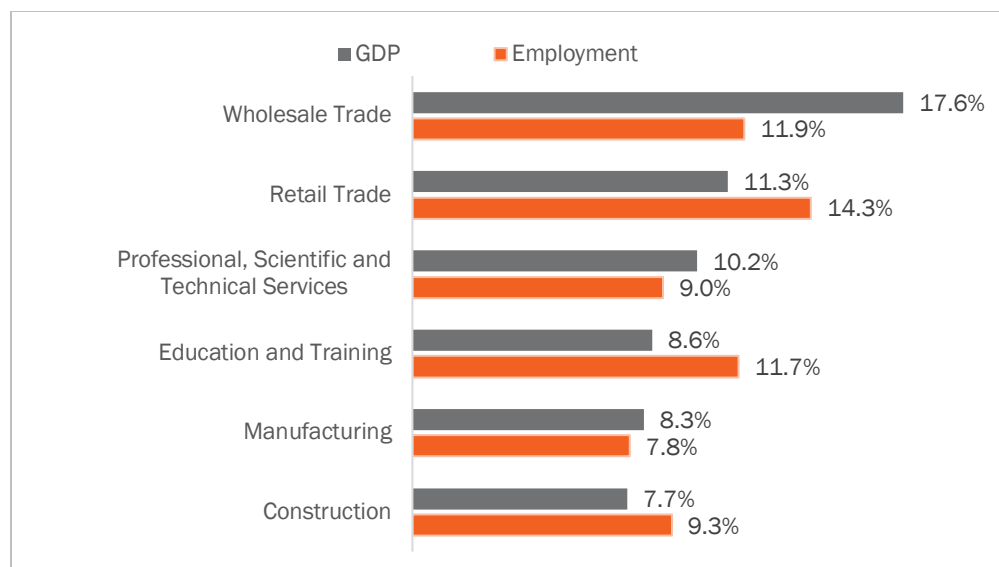
Puketāpapa's future economic performance depends on its combination of a sufficiently diversified industrial base and clusters of sectors that have the potential to achieve high rates of productivity and export growth. The main sectors with a strong presence in the Puketāpapa economy are wholesale and retail trade and professional, scientific and technical services and education.

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

(source Infometrics)



- **Wholesale trade** contributed 18 per cent of Puketāpapa's GDP and provided 12 per cent of the area's employment.
- **Retail** contributed 11 per cent of Puketāpapa's GDP and provided 14 per cent of the area's employment.
- **Professional, scientific & technical services** contributed 10 per cent of Puketāpapa's GDP and provided nine per cent of the area's employment.
- **Education & training** contributed nine per cent of Puketāpapa's GDP and provided 12 per cent of the area's employment.

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

Wholesale trade, retail trade professional, scientific & technical services and education & training are the key employment sectors in Puketāpapa.

Looking at more detailed sub-sectors we see that accommodation and food services as well as health care & social assistance are also important employment sectors in the area.

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

Rank	Industry	Jobs	% of Puketāpapa Total
1	Wholesale Trade	1630	11.9%
2	Education & Training	1603	11.7%
3	Professional, Scientific & Tech Services	1232	9.0%
4	Other Store & Non-Store Retailing	1016	7.4%
5	Accommodation & Food Services	964	7.1%
6	Health Care & Social Assistance	901	6.6%
7	Supermarket & Specialised Food Retailing	889	6.5%
8	Other Services	802	5.9%
9	Construction Services	791	5.8%
10	Administrative & Support Services	603	4.4%
<b>Total top 10 industries</b>		<b>10,431</b>	<b>76.3%</b>
<b>All other industries</b>		<b>3,213</b>	<b>23.7%</b>
<b>Total employment</b>		<b>13,644</b>	Source: Infometrics

General groceries wholesale makes up almost three quarters of wholesale trade jobs in Puketāpapa. Within education, 38 per cent of jobs are in primary education while Corporate head office management services are the main types of employment professional and technical services.



Wholesale trade has seen the greatest employment growth over the last five years with accommodation and food services professional, scientific and technical services also seeing large increases.

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

Sector	New Jobs
Wholesale Trade	567
Accommodation & Food Services	408
Professional, Scientific & Tech Services	386
Other Store & Non-Store Retailing	333
Construction Services	296

#### SECTORS WITH DECLINING JOBS – 54 SECTOR CLASSIFICATION (2013 - 2018)

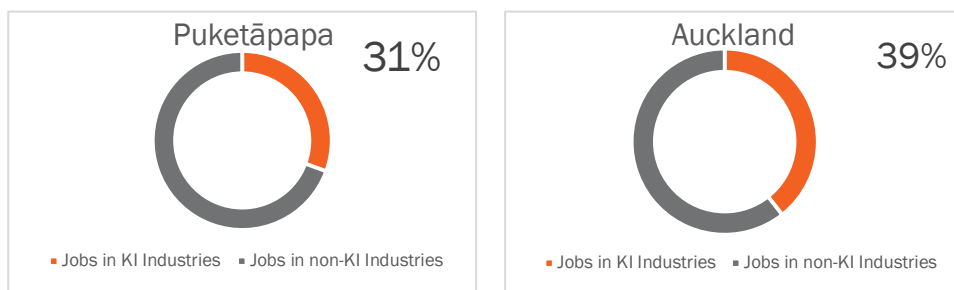
Occupation	Jobs Lost
Textile, Leather, Clothing, Footwear Manufacturing	64
Education & Training	45
Health Care & Social Assistance	38

### Knowledge-intensive industries

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

#### JOBS IN KNOWLEDGE INTENSIVE INDUSTRIES

(source Infometrics)



### Comparative Advantage

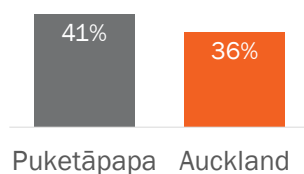
A number of sectors are more strongly represented in Puketāpapa than they are in the region as a whole. These include fruit, cereal & other food product manufacturing, wholesale and supermarket retailing.

<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)

Industry	Location Quotient	GDP (\$M)	Employees
Fruit, Cereal & Other Food Product Manufacturing	3.5	30.1	404
Wholesale Trade	3.5	179.3	1660
Supermarket & Specialised Food Retailing	3.3	49.6	889

**Highly Skilled Jobs (2018)****ATEED Sectors of Focus**

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

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

Education is one of the sectors of focus for ATEED that is well represented in Puketāpapa

**EMPLOYMENT IN ATEED FOCUS SECTOR (2018)**

(source Infometrics)

Share of Sector to Total	Auckland	Puketāpapa	+/- on A-E sector
Advanced Materials Related	1.7%	0.6%	-63%
Commercial services	21.2%	13.3%	-37%
Construction and engineering	11.2%	9.9%	-11%
Education	7.6%	11.8%	56%
Food and Beverage	3.5%	12.4%	252%
Screen and creative	6.0%	3.2%	-47%
Technology	7.6%	3.2%	-58%
Tourism	6.2%	6.6%	7%
Transport and Logistics	2.9%	1.0%	-67%

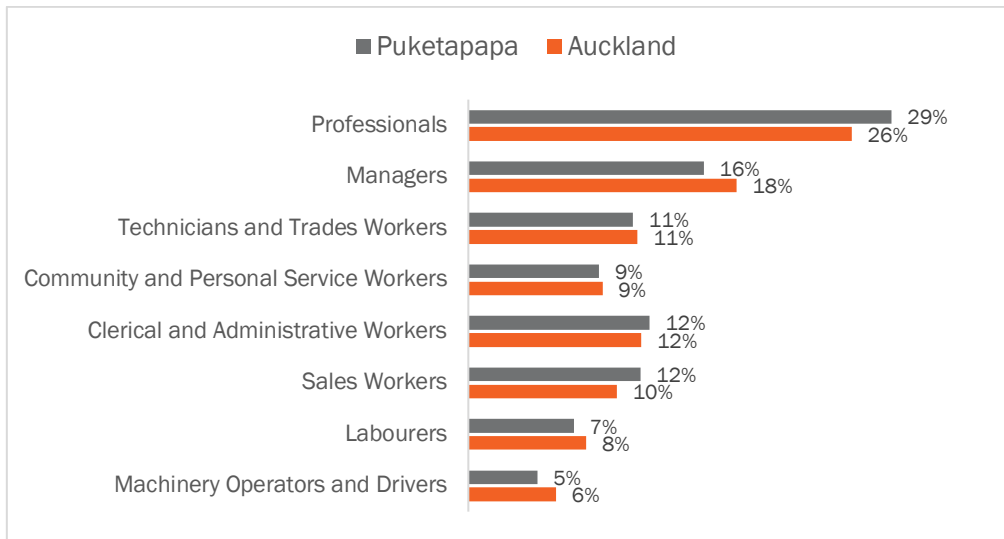
**Occupations <sup>9</sup>**

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 higher proportion of highly skilled jobs in Puketāpapa (41 per cent) and lower proportion of low-skilled jobs (33 per cent) compared to the Auckland average.

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

<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.

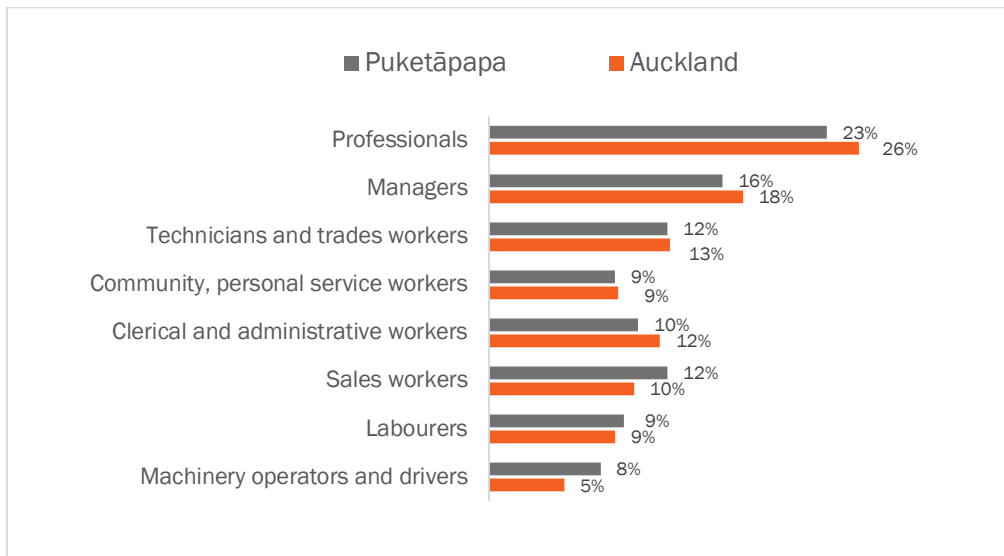
### OCCUPATIONS OF PUKETĀPAPA RESIDENTS (CENSUS 2018)



Of the jobs in Puketāpapa, professionals are the largest occupational group (23 per cent), lower than the Auckland average (26 per cent). The occupational structure of other jobs in the local board area is in line with that of the wider region though there are more sales workers and machinery operators.

### OCCUPATIONS IN PUKETĀPAPA BASED BUSINESSES (2018)

Source: Infometrics



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

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

**TOP 10 OCCUPATIONS BY EMPLOYMENT IN PUKETĀPAPA (2018)** (source Infometrics)

Rank	Occupations	Jobs	% of total jobs in Puketāpapa
1	Education Professionals	4,190	8.1%
2	Specialist Managers	4,075	7.9%
3	Health Professionals	3,376	6.5%
4	Business, HR & Marketing Professionals	2,818	5.5%
5	Sales Assistants & Salespersons	2,657	5.1%
6	Carers & Aides	2,311	4.5%
7	Hospitality, Retail & Service Managers	2,075	4.0%
8	Design, Engineering, Science Professionals	1884	3.6%
9	Chief Execs, General Managers, Legislators	1869	3.6%
10	Sales Representatives & Agents	1657	3.2%
<b>Sub-total Top 10 occupations</b>		<b>6,883</b>	<b>50.5</b>
<b>Total jobs</b>		<b>13,644</b>	Note, includes self-employed

Many occupations saw significant growth from 2013-2018, particularly for sales and managers in the construction and hospitality sectors. There was a decline in numbers employed in health professionals and clerical positions.

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

Occupation	New Jobs
Sales Assistants & Salespersons	307
Specialist Managers	255
Hospitality, Retail & Service Managers	200
Road & Rail Drivers	198
Business, HR & Marketing Professionals	182
Storepersons	149

**OCCUPATIONS WITH DECLINING JOBS 2013-2018**

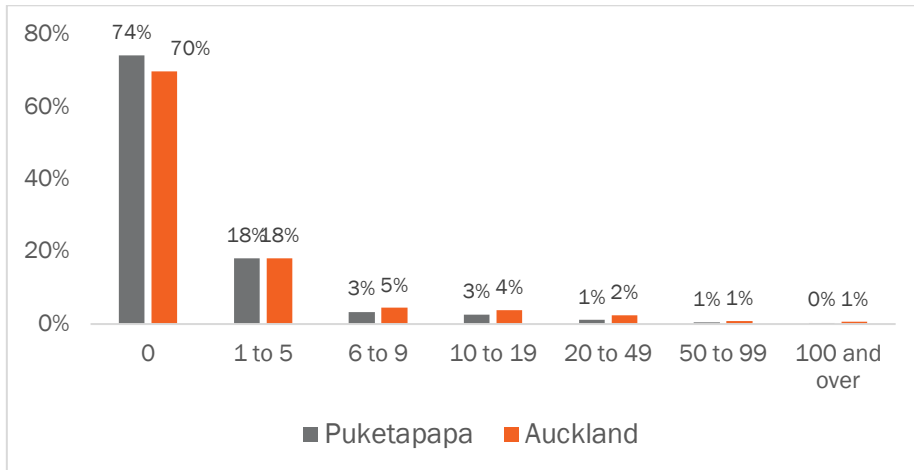
Occupation	Jobs Lost
Arts & Media Professionals	-32
Carers & Aides	-32
Machine & Stationary Plant Operators	-17

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

In 2018 there were 5,262 businesses in Puketāpapa employing an average of 2.6 employees each, smaller than the Auckland average 4.5 employees.

### BUSINESS SIZE – NUMBER OF JOBS (2018)

(source Infometrics)



The number of businesses grew 2.9 per cent a year on average over the last decade, a faster average growth rate than the Auckland average of 1.9 per cent.

## Future of Work in Puketāpapa

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.

Puketāpapa Local Board is located in the centre of the Auckland region close to important employment precincts in central, south and west Auckland, while many 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.

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

<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 strongly concentrated.** Almost 60 per cent of current jobs in the Auckland CBD are in these growth sectors which accounts for 31 per cent of jobs these sectors provide in the Auckland region.

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

Puketāpapa has a number of jobs in these sectors which account for around 10 per cent of local employment. Forecast growth in these sectors is likely to include further growth in Puketāpapa. Puketāpapa residents also have access to the central city to access the growing number of professional service jobs there.

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

## Employment Zones

Employment in Puketāpapa is concentrated in a number of town centres and key employment areas such as Stoddard Road, Wesley, Hillsborough and Royal Oak.

Puketāpapa is a mix of labour importing commercial areas and labour exporting suburban areas. There are 57,555 residents of Puketāpapa which has a labour force of 32,000. The local board area has a total of 13,644 jobs located within it. As a result, the area is a net exporter of a labour to other parts of the city.

### Employment Zones

Employment in Puketāpapa is concentrated in a number of town centres and light industrial zones.

The main employment zone in Puketāpapa is in Royal Oak where a high number of professional jobs in professional services and health are located. Professional services and health jobs are also located at Hillsborough. There are significant numbers of jobs in wholesale trade around Wesley.

#### EMPLOYMENT IN ROYAL OAK AREA\*

(source Infometrics)

Industry	Jobs
Telecommunications, Internet and Library Services	725
Health Care and Social Assistance	505
Professional, Scientific and Technical Services	403
Accommodation and Food Services	375
Supermarket, Grocery Stores and Specialised Food Retailing	370
Other Store-Based Retailing and Non-Store Retailing	322
<b>Total employment (all sectors)</b>	<b>4,011</b>
* Based on business demographics for the SA2 area	

#### EMPLOYMENT IN WESLEY AREA (STODDARD ROAD)\* (source Infometrics)

Industry	Jobs
Wholesale Trade	1639
Supermarket, Grocery Stores and Specialised Food Retailing	391
<b>Total employment (all sectors)</b>	<b>3,364</b>
* Based on business demographics for the SA2 area	

### EMPLOYMENT IN HILLSBOROUGH\*

(source Infometrics)

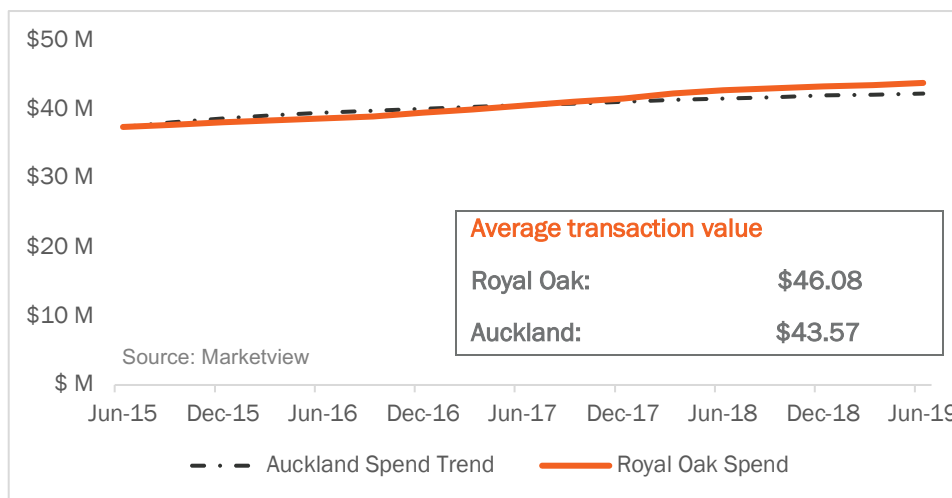
Industry	Jobs
Professional, Scientific and Technical Services	415
Health Care and Social Assistance	300
Other Store-Based Retailing and Non-Store Retailing	243
<b>Total employment (all sectors)</b>	<b>2,666</b>
* Based on business demographics for the SA2 area	

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

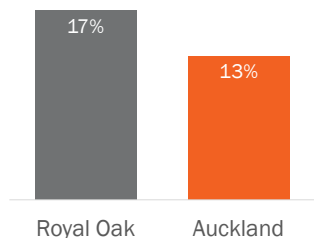
The main town centre employment zones in Puketāpapa are Royal Oak, Stoddard Road and Mount Roskill.

Spending in Royal Oak grew above the rate of Auckland as a whole, growing 17 per cent between June 2015 and June 2019 compared to 13 per cent regionally. The average transaction value in Royal Oak Road was \$46.08, just above the Auckland average of \$43.57 (source: Marketview).

#### ROYAL OAK SPEND AND AVERAGE TRANSACTION VALUE (2015-2019)



Spending growth 2015-2019  
(four quarter average)

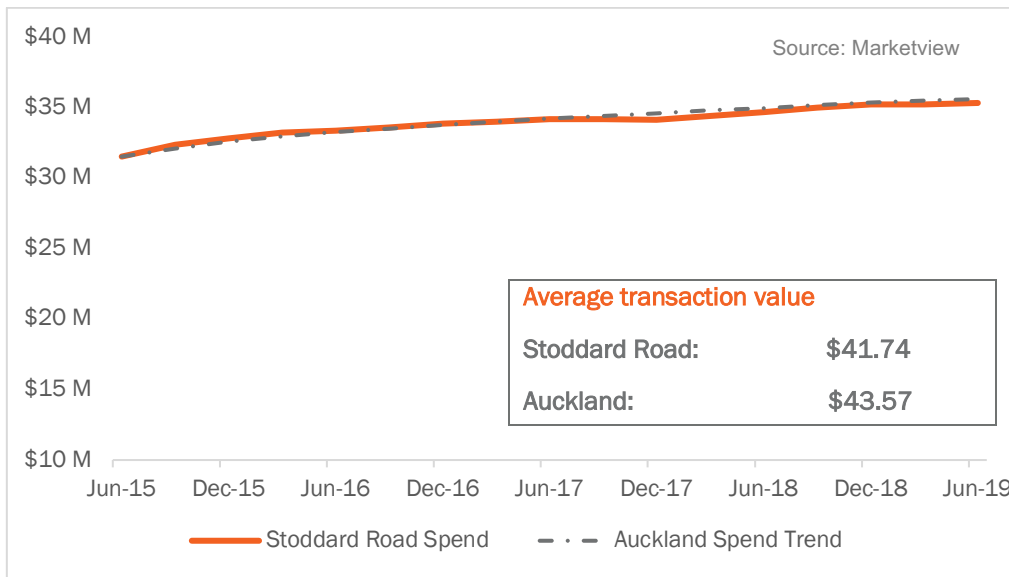


Spending in Stoddard Road grown at the same rate as in Auckland as a whole, growing 12 per cent between June 2015 and June 2019 compared to 13 per cent regionally. The average transaction value in Stoddard Road was \$41.74, just below the Auckland average of \$43.57.

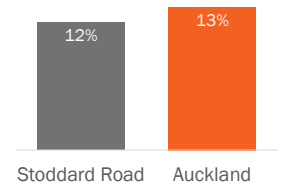
<sup>13</sup> Town centre spend data is provided by Marketview and is derived from credit and debit card transactions. Area with higher levels of cash payments may have spending slightly under reported



**STODDARD ROAD SPEND AND AVERAGE TRANSACTION VALUE (2015-2019)**

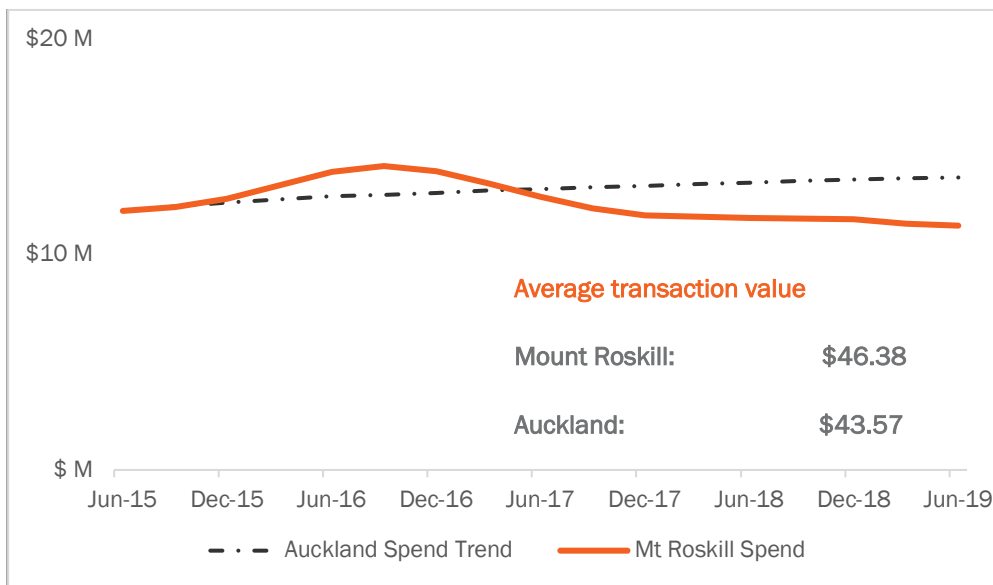


**Spending growth 2015-2019 (four quarter average)**

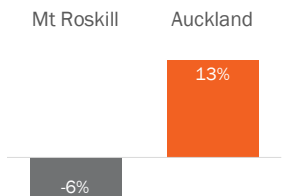


Spending in Mount Roskill has not grown at the same rate as in Auckland as a whole, declining six per cent between June 2015 and June 2019 compared to 13 per cent growth regionally. The average transaction value in Mount Roskill was \$46.38, above the Auckland average of \$43.57.

**MT ROSKILL SPEND AND AVERAGE TRANSACTION VALUE (2015-2019)**



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



## 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 Puketāpapa local board area. Any future light rail development between the CBD and Mangere would have a significant impact on the area.

### 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 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.

Two development areas are included in Puketāpapa that are expected to see major growth in the short and medium term.

Mt Roskill and Three Kings are located less than 10km from the city centre. With frequent buses along Sandringham, Mt Eden and Dominion Roads and buses along Mt Albert Road, connecting to the Mt Albert rail station, the area has good accessibility.

The Auckland Unitary Plan provides scope for increased density in Mt Roskill and Three Kings with large areas zoned for Terraced Housing and Apartment Building (THAB) and Mixed Housing Urban (MHU). Redevelopment has commenced at Three Kings Quarry. Kainga Ora are currently progressing developments in Roskill South. These areas are expected to add significant numbers of houses to the area over the next 30 years as well as a modest contribution to employment.

A potential light rail service along Dominion Road would increase accessibility and act as a catalyst for development around future stations<sup>14</sup>.

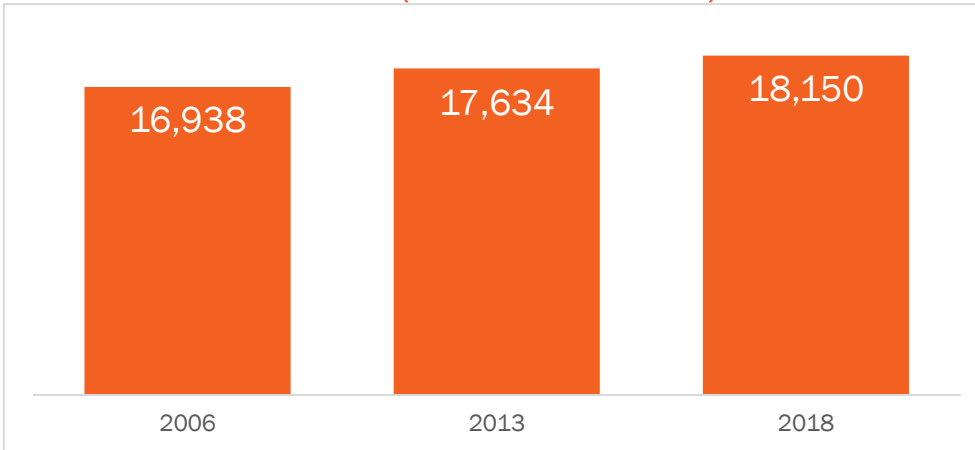
Development Area	Phasing	Expected Dwelling Growth 2018-2048	Anticipated Employment Growth 2018-2048
Three Kings and Mt Roskill	4-10 years	6,240	2,260

### New dwellings

There were 177 new dwellings consented in 2018, which was 2.3 per cent of the 7,824 issued in the Auckland region. The number of new dwellings consented has been at increasing steadily since 2011.

Between 2013 and 2018 censuses there were just 516 additional dwellings in Puketāpapa an increase of 2.9 per cent compared to a 6.5 per cent increase across the region.

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



At the 2018 Census there were 771 unoccupied dwellings and 180 under construction.

### Future Developments

Should the proposed introduction of light rail down Dominion Road on a city centre to Mangere line progress there is the possibility for Puketāpapa residents to have good access to any stops in or adjacent to the local board area and the potential for economic development opportunities along the route

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

# 516

Additional dwellings

There were 516 additional dwellings in Puketāpapa in the 2018 Census compared to 2013.

## 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 Puketāpapa Local Board seeks to ensure that Puketāpapa has a thriving local economy that provides better employment opportunities for everyone. The local board's vision is more local job opportunities and improved pathways for young people into those jobs.

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 ATEEDs local delivery can help the local board deliver against its objectives. Where related initiatives that are delivered by other parts of the Auckland Council family these are noted.

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

## ISSUES

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

## ECONOMIC DEVELOPMENT OPPORTUNITIES

LED work stream	Potential area of focus in Puketāpapa Local Board area
<b>Places</b>	Consider the opportunities presented in Mt Roskill area plan and facilitate conversations to ensure development opportunities meet the needs of local businesses.
<b>Enterprise</b>	<p>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).</p> <p>Support youth employment pathways as well as the Young Enterprise Scheme that provide a business experience for local schools.</p> <p>Continue to support projects that support the development of local social enterprises.</p>
<b>Economic intelligence</b>	Update of Prosperity Index to keep local board informed of socio-economic picture in their area.
<b>Leveraging local opportunities</b>	<p>The Kainga Ora led development of Mount Roskill can provide construction related employment and increased local spending as the local population grows. The local board has a role to advocate for the local community to benefit from this development.</p> <p>Advocate for public transport links such as to the proposed light rail.</p>

## Glossary

Column name	Column name
<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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