TĀTAKI AUCKLAND UNLIMITED REPORT

# Ōtara-Papatoetoe Local Economic Overview 2022

## TĀTAKI AUCKLAND UNLIMITED REPORT

1 **Introduction**

2 **People and Households**
Demographics
Incomes

3 **Skills**
Education
Qualifications

4 **Local Economy**
Growth
Employment
Sectors
Occupations

5 **Places**
Employment zones
Town centres

**Glossary**

aucklandnz.com/business

# 1: Introduction

This data report provides details of the socio-economic data that was analysed in the production of the *Local Economic Summary and TAU Advice 2022* report, provided to the local board.

## About this report

This data report provides detail of the demographic make-up of the local board area, the general economic well-being of households in the area, the qualifications residents have and the types of jobs they do.

In addition, the nature of employment opportunities that are available locally and how these have changed over time is included.

How the area's economy has performed relative to the wider Tāmaki Makaurau Auckland region provides an indicator of how the local economy is performing. However, it should be noted that for many of the more residential local board areas, the bulk of employment opportunities may well be in neighbouring areas that are home to the region's larger industrial and commercial zones.

A section on the main town centres in the local board area shows how the centres have performed relative to the region over the last five years, noting however, that the COVID-19 pandemic has had a significant impact over the latter half of that period.

Data in this report are drawn from several publicly available sources as well as privately compiled data sources (Infometrics, Marketview).

- Population data is primarily drawn from the 2018 Census, as well as official estimates that have been subsequently released by Statistics New Zealand and published by Infometrics.
- Labour force data comes from the Household Labour Force Survey (HLFS).
- Education data is primarily sources from the Ministry of Education's Education Counts website.
- Employment and GDP data for different sectors is sourced from Infometrics and is provided at local board level. Data on key economic places within local board areas (e.g., an industrial precinct) draws on Statistics New Zealand's Business Demographics data, which is available at the Statistical Area 2 (SA2) level, a smaller geographic level than the local board level. Differences in the way these data sets are reported produces some discrepancies between the data, but these are not significant within the context of this report.
- Town Centre spend data was sourced from Verisk Marketview.

The summary and advice report provides the key data about the local economy from this report and identifies potential areas of focus for the local board to consider through the 2023 Local Board Plan consultation and development stages. It also includes some actions the local board may wish to consider for inclusion in the next Local Board Plan. Some of these actions will be ones the local board already supports through work being undertaken with a range of council departments and council-controlled organisations (CCOs).

# 2: People and Households

Ōtara-Papatoetoe is one of Auckland's most populous local board areas with a population of 93,500 that is forecast to increase to 108,600 by 2048. The area has a young and ethnically diverse population with residents from Samoa, Tonga, and the Cook Islands.

Ōtara-Papatoetoe is one of Auckland's less prosperous areas. The Auckland Prosperity Index report showed Ōtara-Papatoetoe is home to a lower skilled labour force than most other local board areas. While there are knowledge-intensive industries in the area, the skill base means the workforce has lower access to good employment opportunities.

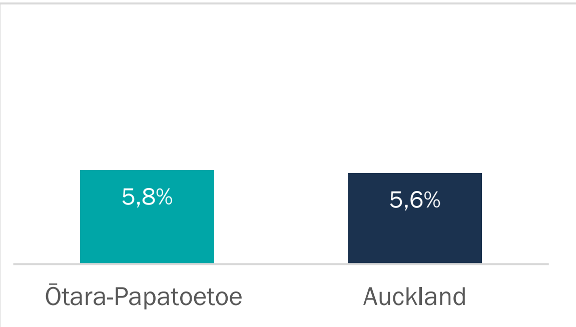
**POPULATION SUMMARY**

| | Ōtara-Papatoetoe | Auckland/Share |
|---|---|---|
| Population (2021) | 93,500 | 5.4% |
| Population growth (2016-2021) | 5.8% | 5.6% |
| Median Age (2021) | 30.5 | 35.6 |
| Labour force (2022) | 55,300 | 983,800 |
| Labour force participation (2022) | 68% | 72% |
| Home ownership (2018) | 30% | 45% |

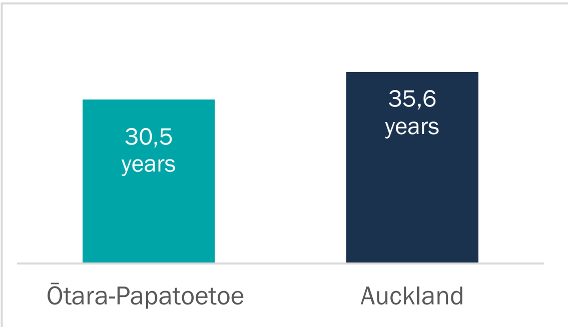
### Population

The Ōtara-Papatoetoe Local Board area has experienced average population growth in recent years when compared to the region. Between 2016 and 2021 population growth was 5.8 per cent compared to 5.6 per cent regionally (Infometrics 2021)[1].

**POPULATION GROWTH (INFOMETRICS 2016-2021)**




**MEDIAN AGE (INFOMETRICS 2021)**

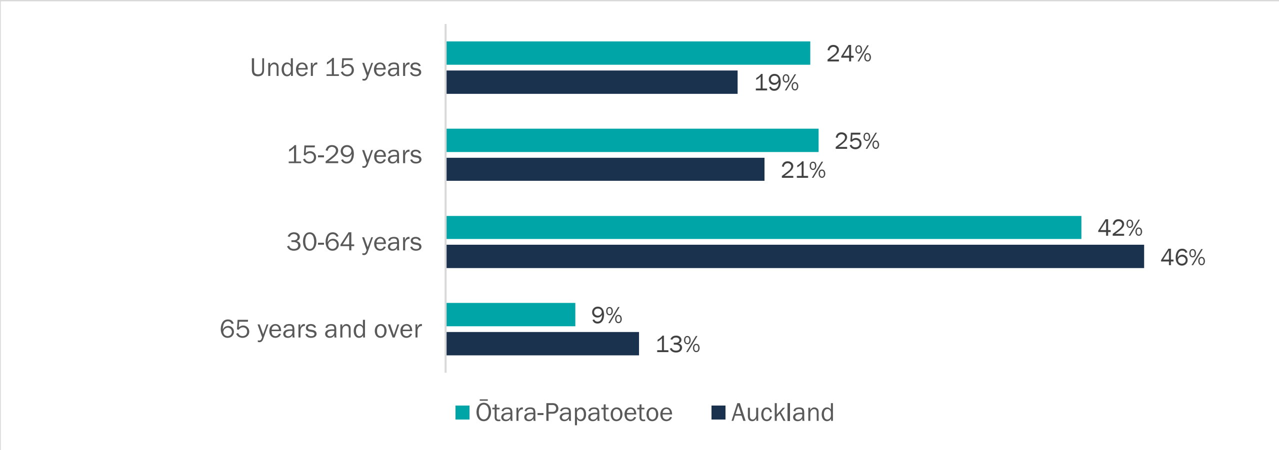



Medium population projections suggest that Ōtara-Papatoetoe could be home to 108,600 residents by 2048, an increase of 15,100. This equates to a 0.6 per cent per annum increase or 559 additional residents per year between 2021 and 2048 (NZ Statistics).

[1] Infometrics population estimates

Ōtara-Papatoetoe has a younger median age to the region, but its working age population is similar to the regional average. There are proportionately more young people and fewer people of retirement age.

**AGE STRUCTURE (INFOMETRICS 2021)**

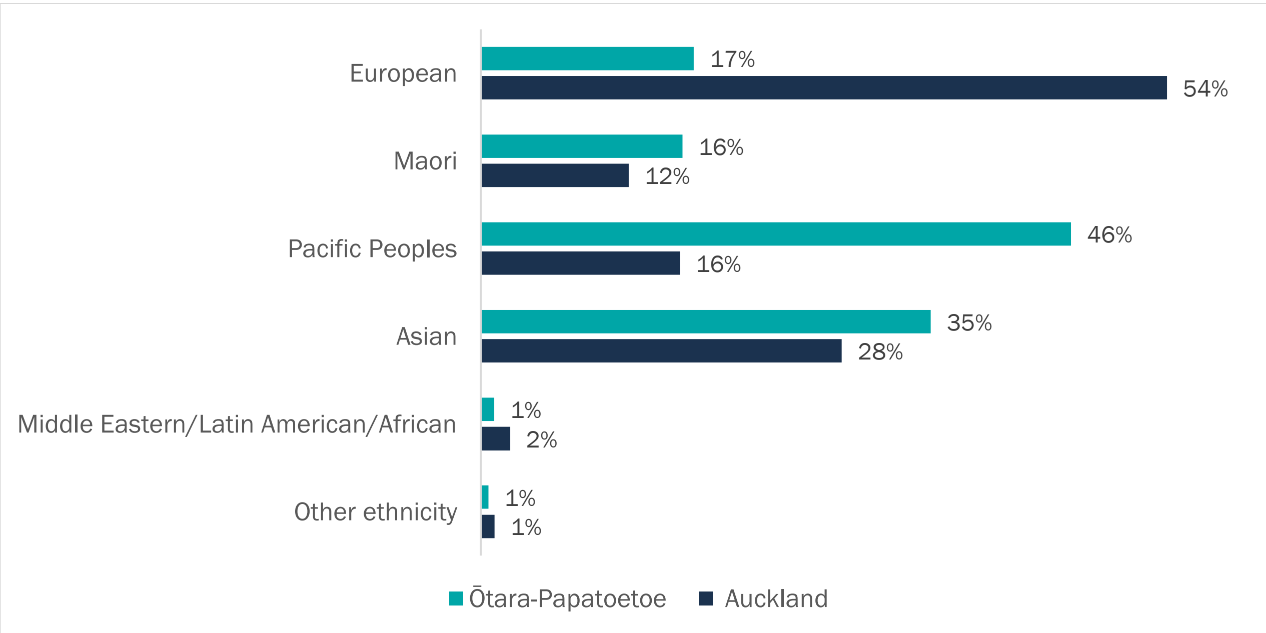



## Ethnicity

Ōtara-Papatoetoe's population is predominantly of Pacific Peoples ethnicity (46 per cent), more so than the regional profile, where Europeans make up 54 per cent of the population. Ōtara-Papatoetoe also has more Māori and Asian residents than the region. There are relatively few people of European ethnic origin. Of the Pacific Peoples, the majority are Samoan with significant populations of Tongans and Cook Islanders. The Asian population are mostly of Indian origin.

Ōtara-Papatoetoe has a large proportion of residents born overseas (47 per cent) compared to 42 per cent for the region. Of people born overseas, 22 per cent had been in New Zealand for less than five years, similar to the regional average of 24 per cent.

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



## Languages

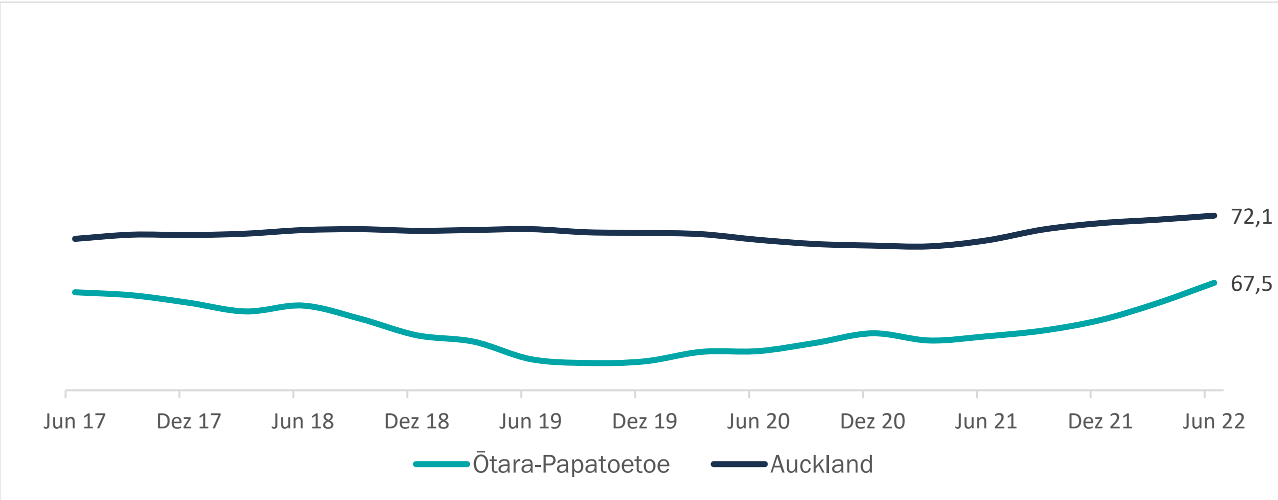
With a diverse population, there are a wide range of languages in use in Ōtara-Papatoetoe. Ninety per cent of residents are able to speak English compared to the 93 per cent for the region.

## 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.

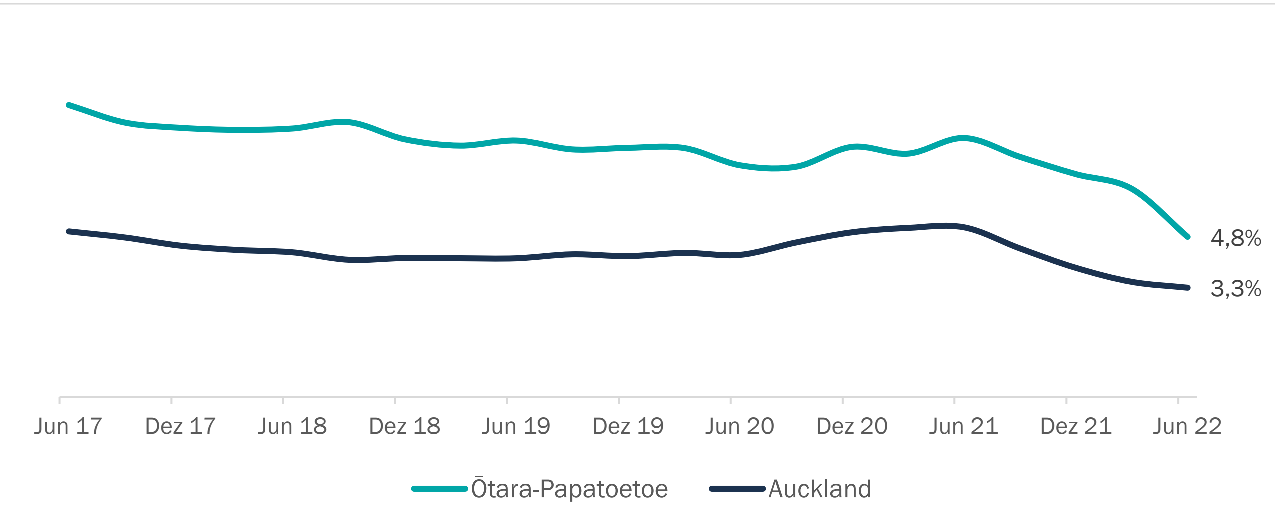
The labour force participation rate in Ōtara-Papatoetoe is 68 per cent, lower than the Auckland rate (72 per cent).

**LABOUR FORCE PARTICIPATION RATE OVER TIME (HOUSEHOLD LABOUR FORCE SURVEY 2022)**




Unemployment, measured by the Household Labour Force Survey in Ōtara-Papatoetoe, has remained significantly higher than the Auckland average over the last five years, but has fallen in recent years to be 1.5 per cent higher than the Auckland rate.

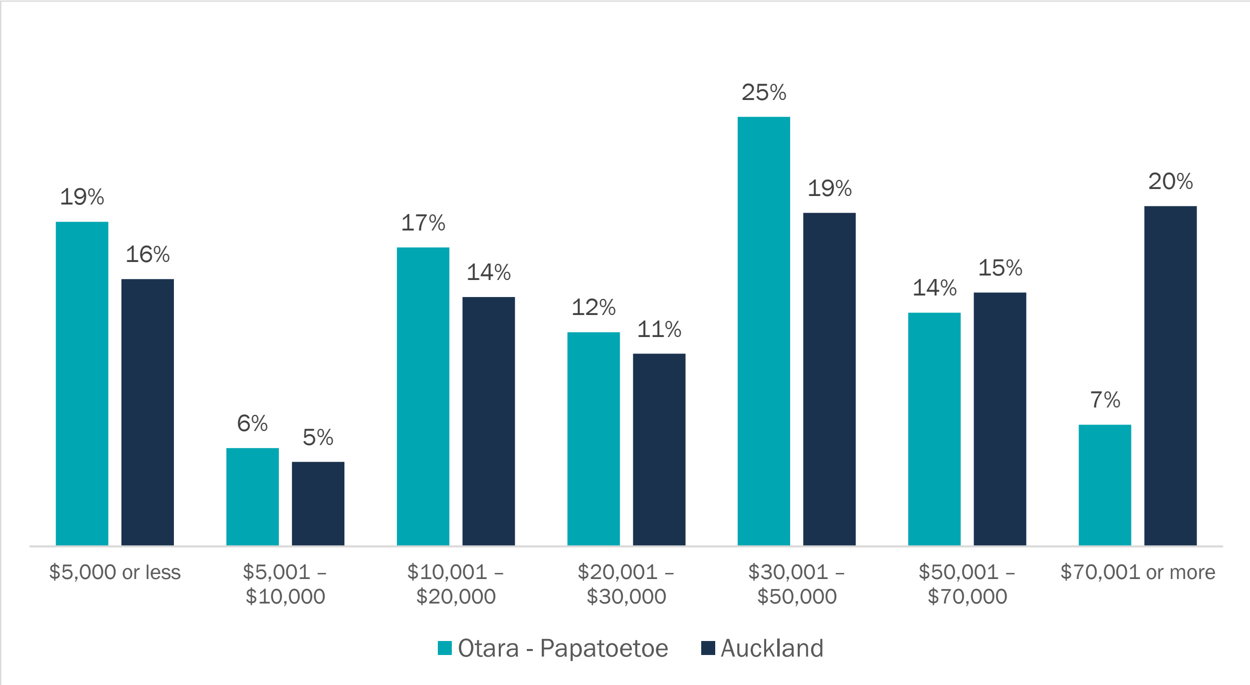
**UNEMPLOYMENT RATE OVER TIME (HOUSEHOLD LABOUR FORCE SURVEY 2022)**



## Income

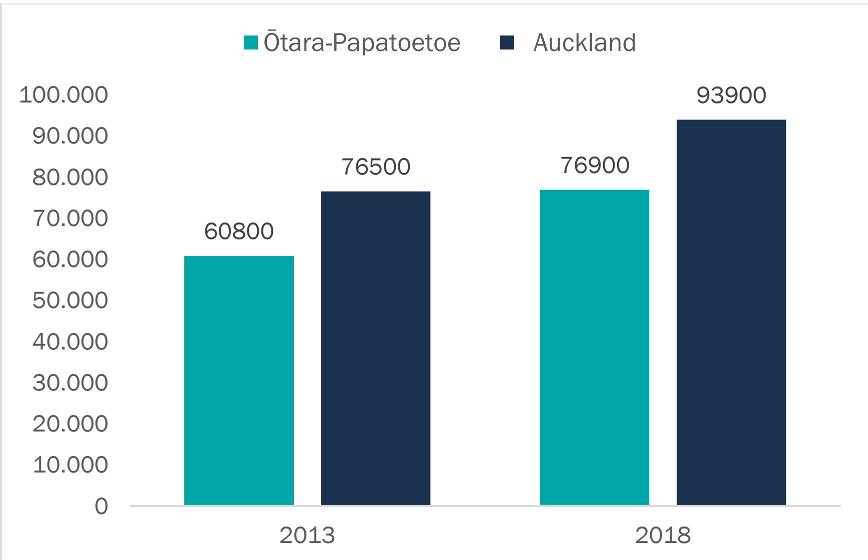
Analysis of individual income levels in 2018 shows that there was a much lower proportion (seven per cent) of persons earning a high income (over $70,000 per year) in Ōtara-Papatoetoe compared to the region (20 per cent).

**INDIVIDUAL INCOMES (CENSUS 2018)**




At the 2018 census, the median household income in Ōtara-Papatoetoe was $76,900, lower than the Auckland median of $93,900. Excluding the Gulf Islands, Ōtara-Papatoetoe had the lowest level in the Auckland region.

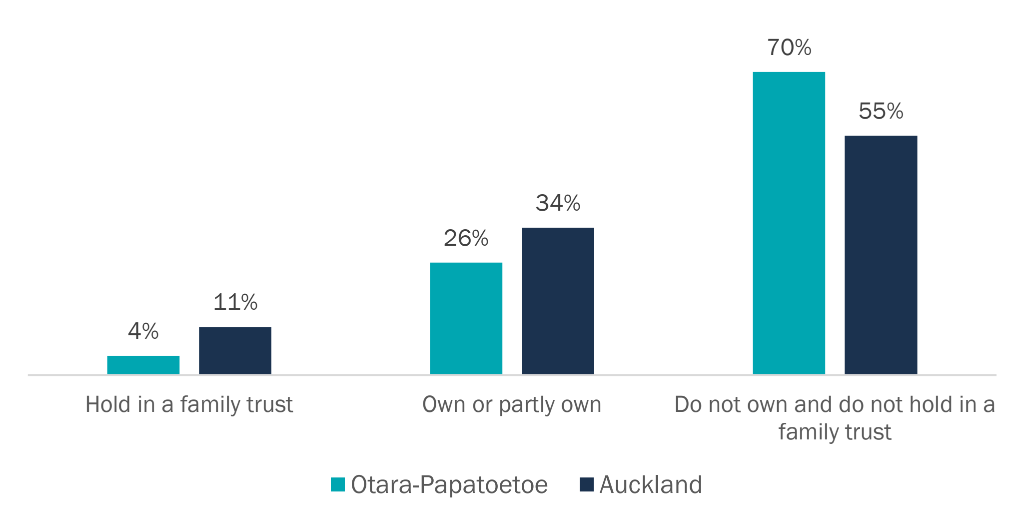
**MEDIAN HOUSEHOLD INCOMES (CENSUS 2018)**




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

Home ownership in Ōtara-Papatoetoe is lower than the regional average. In 2018, 30 per cent of households owned the dwelling they lived in, compared to 45 per cent across Auckland.

**HOME OWNERSHIP (CENSUS 2018)**




## Household Prosperity

Ōtara-Papatoetoe is one of many local board areas with lower household incomes and higher levels of unemployment that feature as less prosperous areas within the *Auckland Prosperity Index* (2018 and 2020)[2].

These areas are a focus of attention from Auckland Council and other agencies looking to improve economic well-being. Predominantly located in South and West Auckland, there are some geographically targeted initiatives seeking to tackle the uneven distribution of economic prosperity across the region. In addition, some regional initiatives, focused on supporting particular communities, see the focus of their delivery in parts of South and West Auckland where those communities live.

Tātaki Auckland Unlimited is delivering Project Ikuna, an initiative connecting eligible employers and education providers to upskill Auckland's Pacific workforce in sectors and jobs likely to be affected by automation and other technological change.

Community and Social Innovation (CSI) hosts a number of interventions with economic development outcomes with the aim of reducing the wealth gap between communities. Key projects are:

- AMOTAI - a supplier diversity initiative, supporting Māori and Pasifika enterprises to overcome barriers to government contracts so that economic equity is accelerated for minority and indigenous businesses.

- Māori & Pasifika Trades Training – a training initiative that aims to create quality employment opportunities for Māori and Pasifika through training in trades that are in high demand in the region.

- UpTempo – a workforce innovation initiative that aims to improve Pasifika access to higher paid jobs through a whole of family approach to workforce development.

- Youth Economy – a team within CSI, supporting enhanced economic wellbeing and prosperity for youth in South and West Auckland by increasing access to high-quality careers and pathways.

[2] https://www.aucklandnz.com/business/economy-and-sectors/market-news-and-trends/aucklands-prosperity-index-reports

# 3: Skills

Ōtara-Papatoetoe has a less qualified labour force with a low proportion of residents educated to degree level or higher. Fewer school leavers from Ōtara-Papatoetoe leave with NCEA Level 2 or NCEA Level 3 and a lower proportion enrol in tertiary education upon completing school than the regional average.

### Skills and Workforce

An area's skills base contributes to the overall well-being and prosperity of its communities. Having the skills to access stable and well-paid employment also provides opportunities to respond in times of economic downturns or external shocks such as the COVID-19 pandemic or the Global Financial Crisis when typically, those in less secure employment and without higher skill levels tend to fare worst.

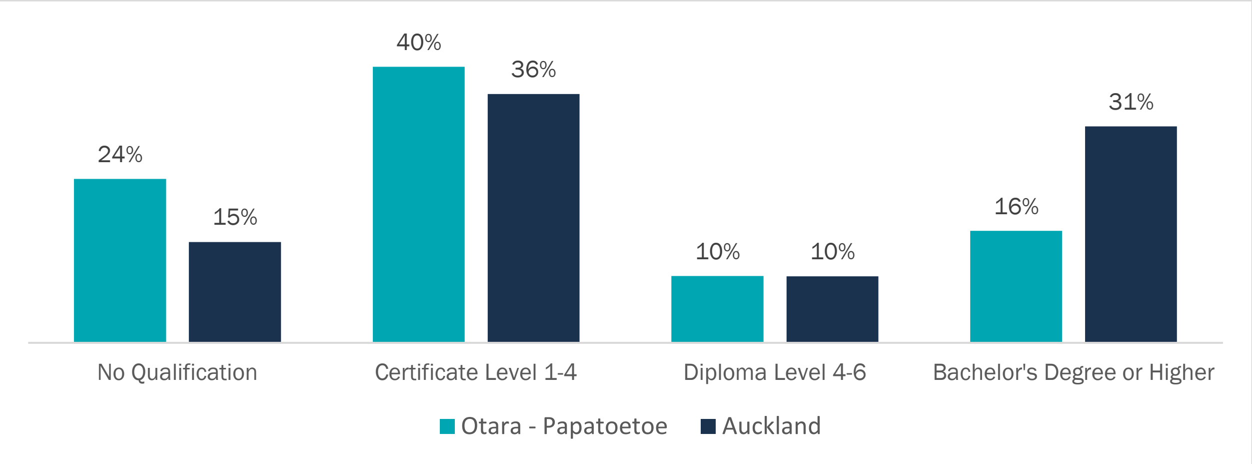
School attainment is one indicator of future skill levels, but skills acquisition is a process that continues through tertiary education and training and into employment. A wide range of programmes exist to address skills shortages, both for key sectors that struggle to find suitably skilled staff as well as for communities where increased skill levels would improve employment opportunities for residents.

### 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: 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.

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




In 2018, 16 per cent of adult residents in Ōtara-Papatoetoe had gained a bachelor's degree or higher, a lower proportion than the Auckland region (31 per cent). Twenty-four per cent of residents had no educational qualifications compared with 15 per cent across the region[3].

[3] Highest qualification is derived for people aged 15 years and over

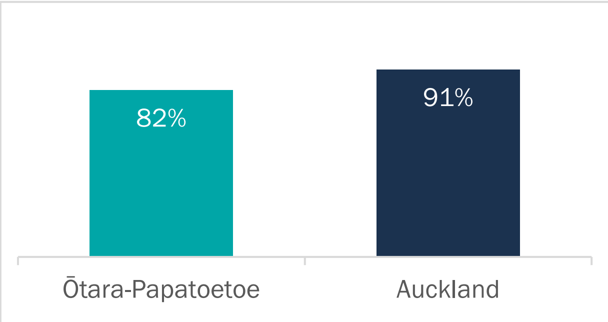
## Educational attainment

NCEA is the national school leavers qualification and is used as the benchmark for entrance selection by universities and polytechnics. In 2021, 18 per cent of school leavers in Ōtara-Papatoetoe did not achieve the standard for NCEA Level 1 compared to nine per cent regionally.

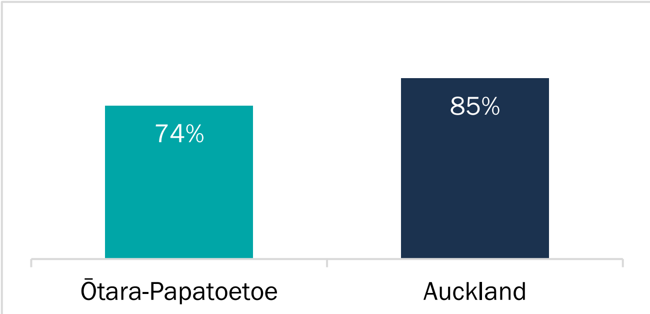
In 2021, 26 per cent of school leavers in did not achieve NCEA Level 2, which provides the foundation skills required for employment. This is below the Auckland average where 15 per cent of school leavers did not achieve NCEA Level 2 or higher.

**NCEA – STUDENTS ATTAINING NCEA (MINISTRY OF EDUCTION 2021)**

**LEVEL 1**




**LEVEL 2**

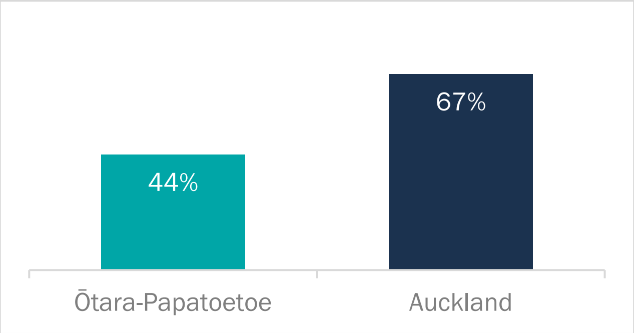



**NCEA 1 & 2 ATTAINMENT BY ETHNICITY (MINISTRY OF EDUCTION 2021)**

| Percentage achieving NCEA | Level 1 | Level 2 |
|---|---|---|
| European | 76.2% | 64.4% |
| Māori | 66.1% | 52.8% |
| Pacific | 82.0% | 72.0% |
| Asian | 92.7% | 89.4% |
| Middle East, Latin American, African | 69.2% | 69.2% |
| Other | 0.0% | 0.0% |
| **Total Local Board** | **82.3%** | **73.5%** |
| **Total Auckland** | **91.2%** | **84.9%** |

NCEA Level 3 is regarded as the minimum level required for university entry. Forty-four per cent of Ōtara-Papatoetoe school leavers achieved this, fewer than the Auckland average (67 per cent).

### SCHOOL LEAVERS ATTAINING NCEA LEVEL 3 (MINISTRY OF EDUCTION 2021)




### NCEA 3 ATTAINMENT BY ETHNICITY (MINISTRY OF EDUCATION 2021)

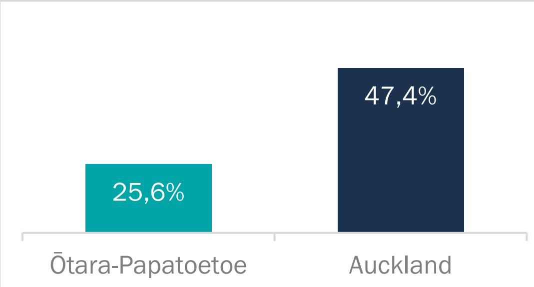
| Percentage achieving NCEA 3 | Ōtara-Papatoetoe % | AKL region % |
|---|---|---|
| Māori | 24.5 | 43.5 |
| Pacific | 39.1 | 54.2 |
| Asian | 67.5 | 83.3 |
| Middle East, Latin American, African | 38.5 | 68.8 |
| Other | - | 73.7 |
| European | 34.7 | 69.8 |
| **Total** | **43.7** | **67.2** |

Fewer school leavers moved on to degree level study within a year of leaving school. Twenty-six per cent of school leavers did this, much below the Auckland average of 47 per cent. A higher proportion moved into certificate and diploma level study, but overall, fewer (53 per cent) enrolled in some form of tertiary education, below the regional average (69 per cent).

### DESTINATION OF SCHOOL LEAVERS IN THEIR FIRST YEAR AFTER LEAVING (MINISTRY OF EDUCTION 2021)

| Local Board | Bachelor's and above | Certificates & diplomas levels 3-7 | Certificates Levels 1-2 | Not enrolled in tertiary education | Total Leavers |
|---|---|---|---|---|---|
| Ōtara-Papatoetoe | 25.6% | 23.0% | 3.9% | 47.5% | 1,072 |
| Auckland | 47.4% | 19.6% | 2.0% | 31.0% | 19,033 |

### SCHOOL LEAVERS MOVING ON TO DEGREE LEVEL STUDY (MINISTRY OF EDUCTION 2021)



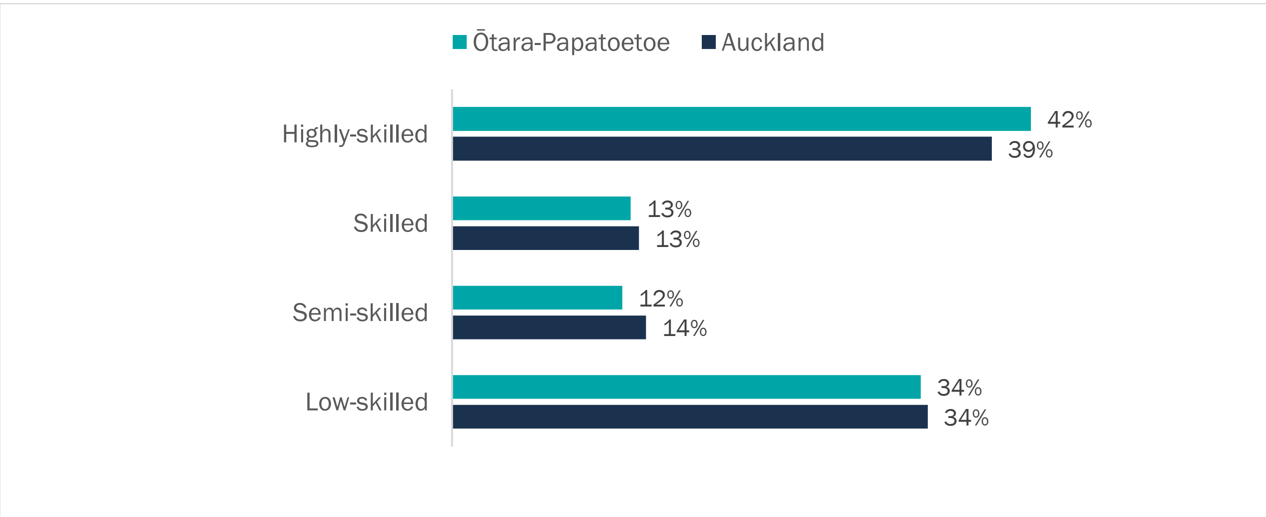

### DESTINATION OF SCHOOL LEAVERS IN THEIR FIRST YEAR BY ETHNICITY (MINISTRY OF EDUCATION 2021)

| Ethnicities | Bachelor's and above | Certificates & diplomas levels 3-7 | Certificates Levels 1-2 | Not enrolled in tertiary education | Total Leavers |
|---|---|---|---|---|---|
| Māori | 8.5% | 23.9% | 9.0% | 58.5% | 188 |
| Pacific | 20.9% | 22.5% | 3.5% | 53.5% | 723 |
| Asian | 47.7% | 25.7% | 0.8% | 25.7% | 241 |
| MELAA | - | - | - | - | - |
| Other | - | - | - | - | - |
| NZ European | 15.7% | 20.0% | 7.1% | 57.1% | 70 |

## Occupations

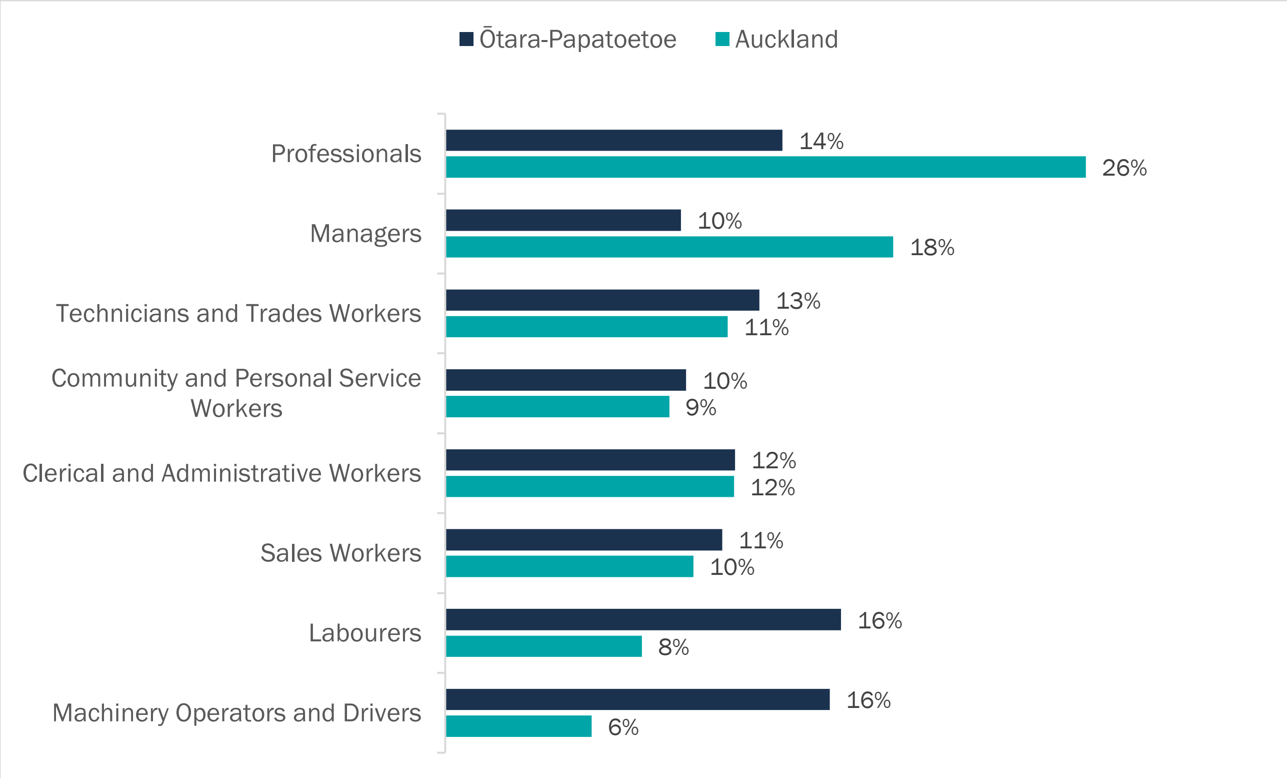
Higher skilled jobs offer people an improved standard of living and are a critical component in attracting workers to an area. Statistics NZ allocates occupations to skill levels based on the range and complexity of tasks performed in a particular job.

### EMPLOYMENT BY SKILL LEVEL IN ŌTARA-PAPATOETOE (INFOMETRICS 2021)



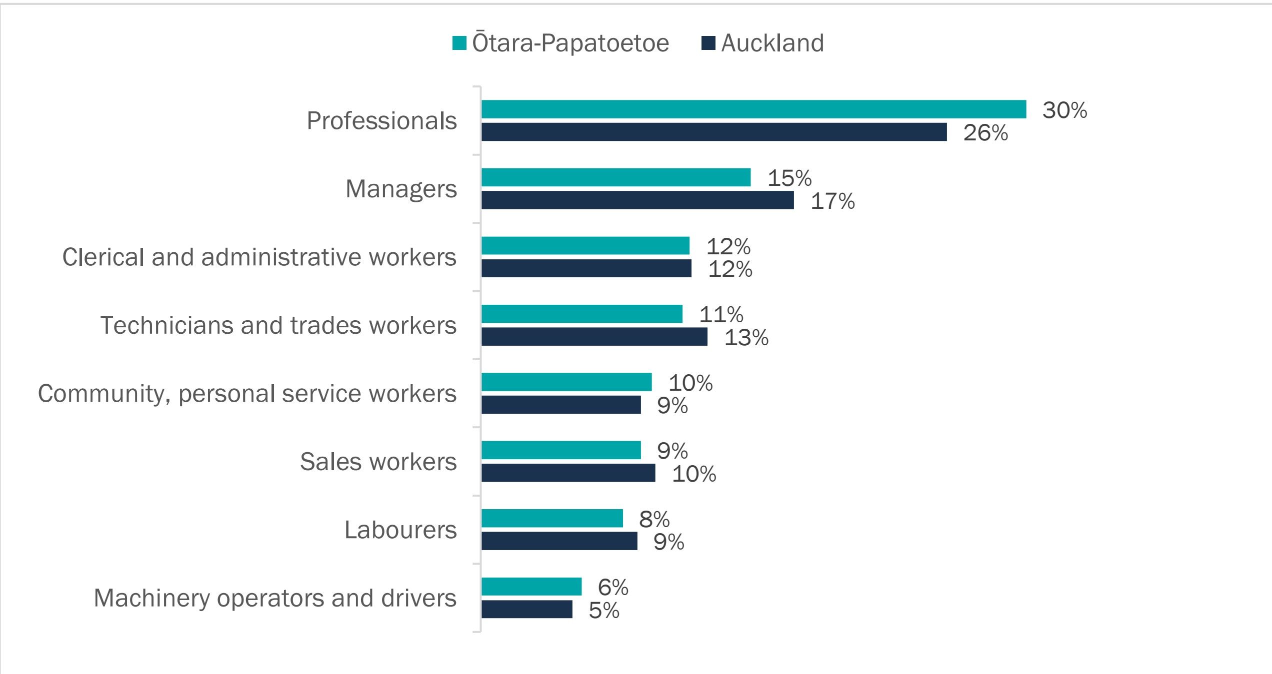

The Ōtara-Papatoetoe Local Board area had a higher proportion of employment in the skilled and higher-skilled levels (55 per cent) compared to the wider Auckland region (52 per cent).

## OCCUPATIONS OF RESIDENTS LIVING IN ŌTARA-PAPATOETOE (CENSUS 2018)




Labourers and machinery and drivers' categories were the most popular occupations of residents in Ōtara-Papatoetoe in 2018 (32 per cent), while the wider Auckland regional average was at 14 per cent. Residents who were professionals and managers (24 per cent) were significantly fewer compared to the regional average (44 per cent).

## OCCUPATIONS IN ŌTARA-PAPATOETOE BASED BUSINESSES (INFOMETRICS 2021)



Of the jobs located in the Ōtara-Papatoetoe local board area, professionals were the largest occupational group (30 per cent), above the wider Auckland regional average (26 per cent). The manager occupation group (15 per cent) was slightly below the regions average (17 per cent). The other occupational groups located in the area were broadly in line with that of the region.

Health professionals were the largest occupational group in Ōtara-Papatoetoe, 10.5 per cent of the total work force.

### TOP 10 OCCUPATIONS LOCATED IN ŌTARA-PAPATOETOE (INFOMETRICS 2021)

| Rank | Occupation | Jobs (2021) | % of Ōtara-Papatoetoe Total |
|---|---|---|---|
| 1 | Health Professionals | 5,337 | 10.5% |
| 2 | Specialist Managers | 4,179 | 8.2% |
| 3 | Education Professionals | 3,164 | 6.2% |
| 4 | Business, HR & Marketing Professionals | 2,839 | 5.6% |
| 5 | Sales Assistants & Salespersons | 2,503 | 4.9% |
| 6 | Carers & Aides | 2,090 | 4.1% |
| 7 | Chief Execs, General Managers, Legislators | 1,723 | 3.4% |
| 8 | Hospitality, Retail & Service Managers | 1,501 | 2.9% |
| 9 | Legal, Social & Welfare Professionals | 1,483 | 2.9% |
| 10 | Sales Representatives & Agents | 1,440 | 2.8% |
| | **Sub-total of top 10 occupations** | **26,259** | **51.5%** |
| | **Total jobs** | **50,916** | **100%** |

Health professionals, the largest occupational group, was also the fastest growing, adding 690 new jobs between 2016-2021.

### FASTEST GROWING OCCUPATIONS (INFOMETRICS 2016-2021)

| Sector | New Jobs |
|---|---|
| Health Professionals | 690 |
| Specialist Managers | 495 |
| Construction Trades Workers | 415 |
| Business, HR & Marketing Professionals | 347 |
| Road & Rail Drivers | 305 |

### OCCUPATIONS WITH DECLINING JOBS (INFOMETRICS 2016-2021)

| Sector | Jobs Lost |
|---|---|
| General Clerical Workers | -50 |
| Machine & Stationary Plant Operators | -31 |
| Factory Process Workers | -21 |

# 4: Local Economy

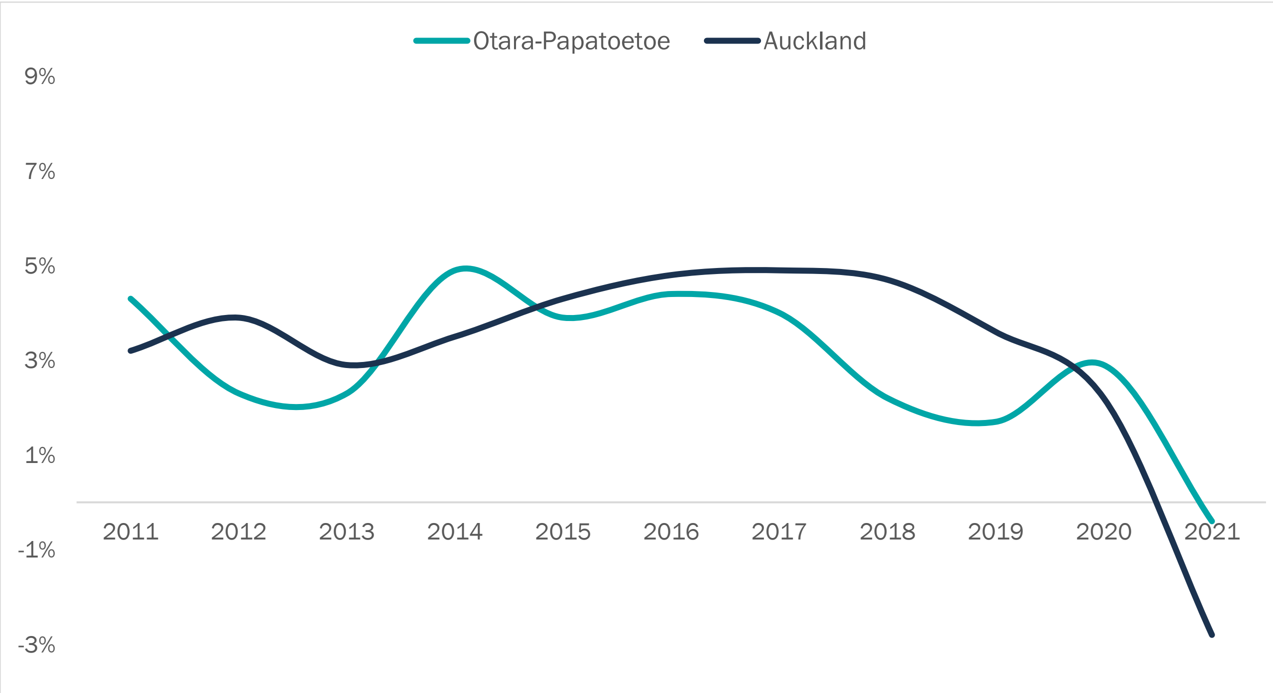
Ōtara-Papatoetoe has a strong local economy driven by a large proportion of its GDP and employment in the healthcare sector. Manufacturing is the second largest contributor to the local economy. The retail trade and construction sector both provide a significant number of local jobs. There has been recent growth in the number of jobs in construction services and healthcare sectors. Forty-one per cent of jobs in Ōtara-Papatoetoe were in knowledge intensive industries, which is higher than the regional average of 36 per cent.

## Growth and employment trends

Between 2020-2021, Ōtara-Papatoetoe experienced negative GDP growth of -0.4 per cent, less than the negative growth rate in the Auckland region of -2.8 per cent. In the five years to 2021, the Ōtara-Papatoetoe economy grew at an average annual rate of 2.1 per cent, below the 2.5 per cent in the Auckland region.

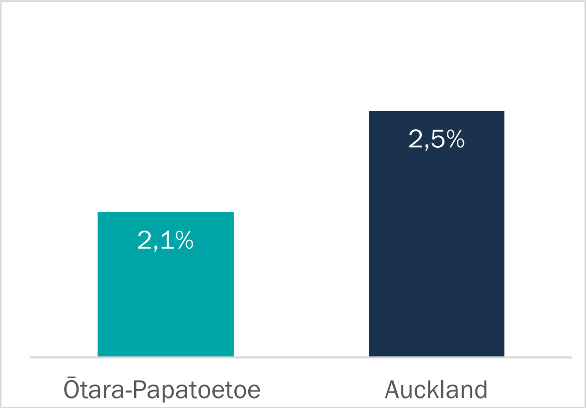
COVID-19 impacted significantly on GDP growth across the Auckland region. The first Level 4 lockdown was 25 March 2020 until 27 April 2020. For the remainder of the year lower-level restrictions were in place until Auckland went back to Level 4 lockdown again on 17 August 2021. The graph below covers the period to end of the financial year in March 2021, so does not show the further impact of the second Level 4 lockdown period. Ōtara-Papatoetoe GDP growth declined at a similar rate as the regional average during the lockdown period.

**GDP ANNUAL PERCENTAGE CHANGE (INFOMETRICS 2011-2021)**

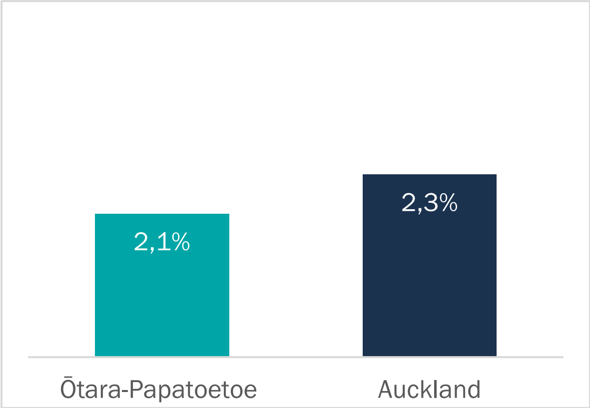


Employment in Ōtara-Papatoetoe increased by an average of 2.1 per cent per annum in the five years from 2016-2021, below the Auckland rate of 2.3 per cent. Over the last five years, Ōtara-Papatoetoe job numbers increased the most in construction services (+1,089), healthcare (+979), other services (+578) and building construction (+573).

**AVERAGE ANNUAL GDP GROWTH (INFOMETRICS 2016-2021)**




**AVERAGE ANNUAL EMPLOYMENT GROWTH (INFOMETRIC 2016-2022)**




Other services were the fastest growing sector by GDP between 2016-2021. This sector includes personal services such as hair, beauty and weight management, death care, religious, civic professional and other interest group services. This data relates to GDP growth rates, not the overall size of the sector.

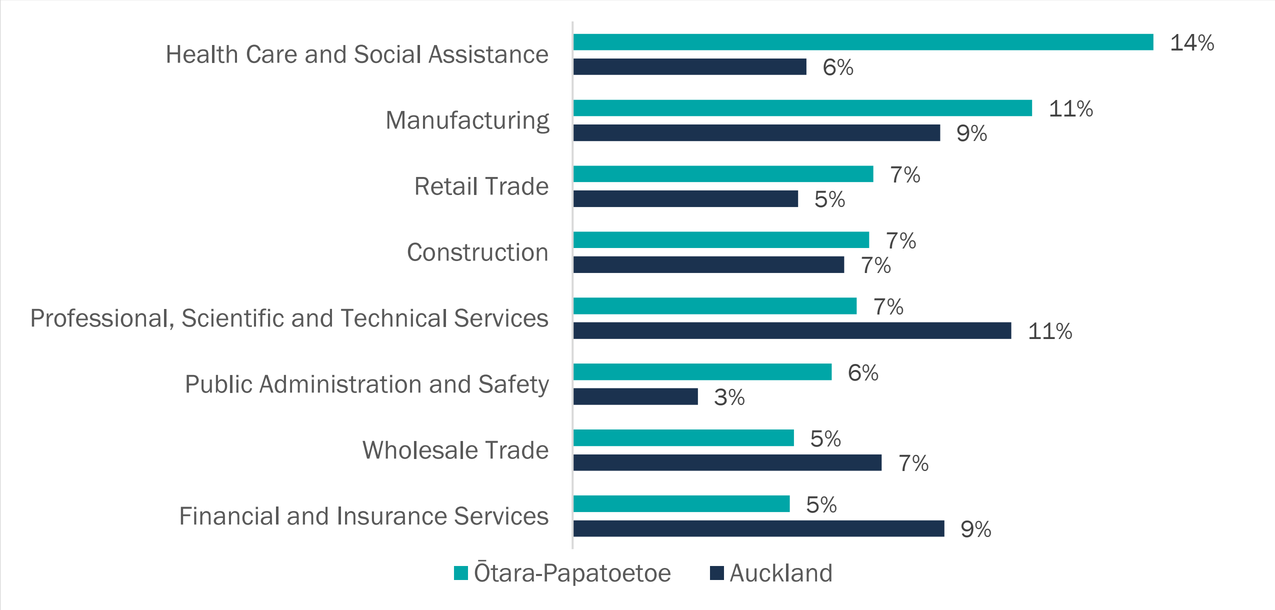
**FASTEST GROWING INDUSTRIES BY GDP - ANZSIC LEVEL 1 (INFOMETRICS 2021)**

| Industry | Average p.a. change (2016-2021) |
|---|---|
| Other Services | 8.0% |
| Construction | 7.6% |
| Financial & Insurance Services | 5.3% |
| Professional, Scientific & Technical Services | 5.1% |
| Retail Trade | 4.6% |

## Industry mix

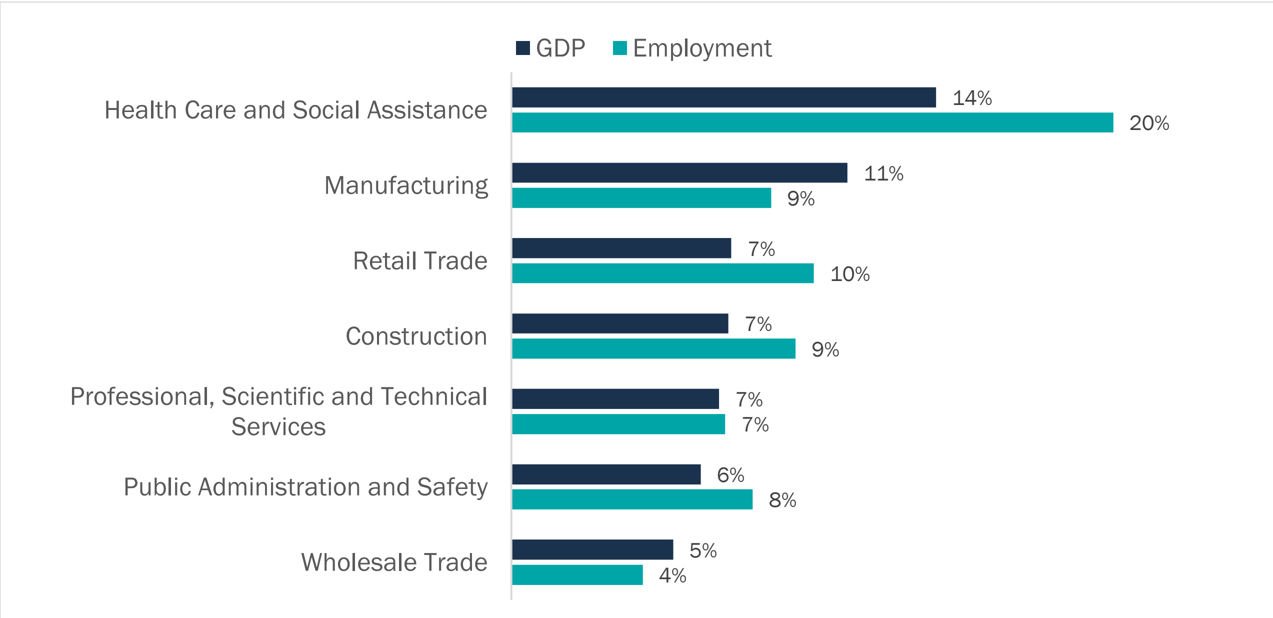
Ōtara-Papatoetoe's future economic performance depends on its combination of a sufficiently diversified industrial base and clusters of sectors that have the potential to achieve high rates of productivity and export growth. The main sectors generating income in the Ōtara-Papatoetoe economy were healthcare, manufacturing retail trade and construction.

## BROAD INDUSTRY MIX BY GDP - ANZSIC LEVEL 1 (INFOMETRICS 2021)




- **Healthcare and social assistance** contributed 14 per cent of Ōtara-Papatoetoe's GDP and provided almost 20 per cent of the area's employment
- **Manufacturing** contributed 11 per cent of Ōtara-Papatoetoe's GDP and provided nine per cent of employment
- **Retail trade** contributed seven per cent of Ōtara-Papatoetoe's GDP and provided nine per cent of the area's employment
- **Construction** contributed seven per cent of Ōtara-Papatoetoe's GDP and provided nine per cent of the area's employment

## TOP INDUSTRIES BY EMPLOYMENT AND GDP - ANZSIC LEVEL 1 (INFOMETRICS 2021)




Healthcare and social assistance, manufacturing and retail trade were the key sectors in Ōtara-Papatoetoe.

Looking at more detailed sub-sectors, we see that education and training, administration and support services and professional services were also key sectors. Hospitals, primary and higher education, labour supply services and corporate head office management services were large employers.

## TOP 10 INDUSTRIES BY EMPLOYMENT– 54 SECTOR CLASSIFICATION (INFOMETRICS 2021)

| Rank | Industry | Jobs (2021) | % O-P Total |
|---|---|---|---|
| 1 | Healthcare & Social Assistance | 10,008 | 19.7% |
| 2 | Education & Training | 4,355 | 8.6% |
| 3 | Administrative & Support Services | 3,610 | 7.1% |
| 4 | Professional, Scientific & Tech Services | 3,574 | 7.0% |
| 5 | Other Store & Non-Store Retailing | 2,993 | 5.9% |
| 6 | Central Gov Admin, Defence & Safety | 2,584 | 5.1% |
| 7 | Construction Services | 2,550 | 5.0% |
| 8 | Wholesale Trade | 2,211 | 4.3% |
| 9 | Accommodation & Food Services | 1,911 | 3.8% |
| 10 | Other Services | 1,780 | 3.5% |
| | **Total top 10 industries** | **35,576** | **70.0%** |
| | **All other industries** | **15,340** | **30.0%** |
| | **Total employment** | **50,916** | **100.0%** |

Many sectors experienced employment growth between 2016-2021. The construction sector added the greatest number of new jobs.

## NEW JOBS BY SECTOR – 54 SECTOR CLASSIFICATION (INFOMETRICS 2016-2021)

| Sector | New Jobs |
|---|---|
| Construction Services | 1,089 |
| Healthcare & Social Assistance | 979 |
| Other Services | 578 |
| Building Construction | 573 |
| Professional, Scientific & Tech Services | 510 |
| Central Gov Admin, Defence & Safety | 461 |
| Road Transport | 460 |

The wholesale trade sector lost 271 jobs between 2016-2021. Several manufacturing sectors also lost jobs including food, clothing, and non-metallic mineral product manufacturing.

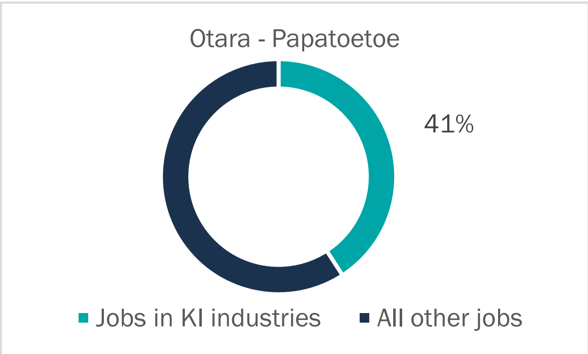
**SECTORS WITH DECLINING JOBS – 54 SECTOR CLASSIFICATION (INFOMETRICS 2016-2021)**

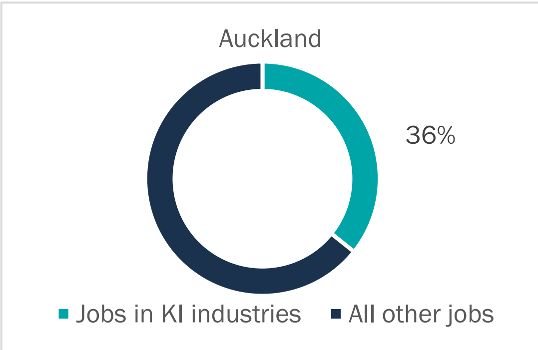
| Sector | Jobs Lost |
|---|---|
| Wholesale Trade | -271 |
| Fruit, Cereal & Other Food Product Manufacturing | -185 |
| Textile, Leather, Clothing, Footwear Manufacturing | -175 |
| Non-Metallic Mineral Product Manufacturing | -164 |

## Knowledge intensive employment

Knowledge intensive industries[4] represent an increasing share of the New Zealand economy's output and employment and may be a source of future productivity growth. Forty-one per cent of jobs in Ōtara-Papatoetoe were in knowledge intensive industries, which was higher than the regional average of 36 per cent.

**JOBS IN KNOWLEDGE INTENSIVE INDUSTRIES (INFOMETRICS 2021)**




## Sector strengths

This section uses location quotients to identify what industries an area may have a comparative advantage in. An area has a location quotient larger than one when the share of that industry in the area's economy is greater than the share of the same industry in the national economy.

A number of sectors are more strongly represented in Ōtara-Papatoetoe's than they are in the region as a whole. The beverage and tobacco product manufacturing sector is strongly represented with DB Breweries located in the area. Healthcare is the key sector and Middlemore hospital the major employer in the area.

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

**INDUSTRIES CONCENTRATED IN LOCAL BOARD AREA (INFOMETRICS 2021)**

| Rank | Industry | LQ | GDP ($M) | Jobs |
|---|---|---|---|---|
| 1 | Pulp & Paper Product Manufacturing | 5.2 | 91.1 (1.5%) | 420 |
| 2 | Beverage & Tobacco Product Manufacturing | 4.3 | 207.2 (3.4%) | 630 |
| 3 | Local Government Administration | 3 | 103.3 (1.7%) | 1,432 |
| 4 | Healthcare & Social Assistance | 2.2 | 836.4 (13.9%) | 10,008 |
| 5 | Motor Vehicle, Parts & Fuel Retailing | 2.1 | 94 (1.6%) | 948 |

At the detailed sector level there are several manufacturing sectors that are particularly strongly represented including spring, wire, tyre, paperboard, beer, and sanitary paper product manufacturing.

**LOCAL SPECIALISMS (INFOMETRICS 2021)**

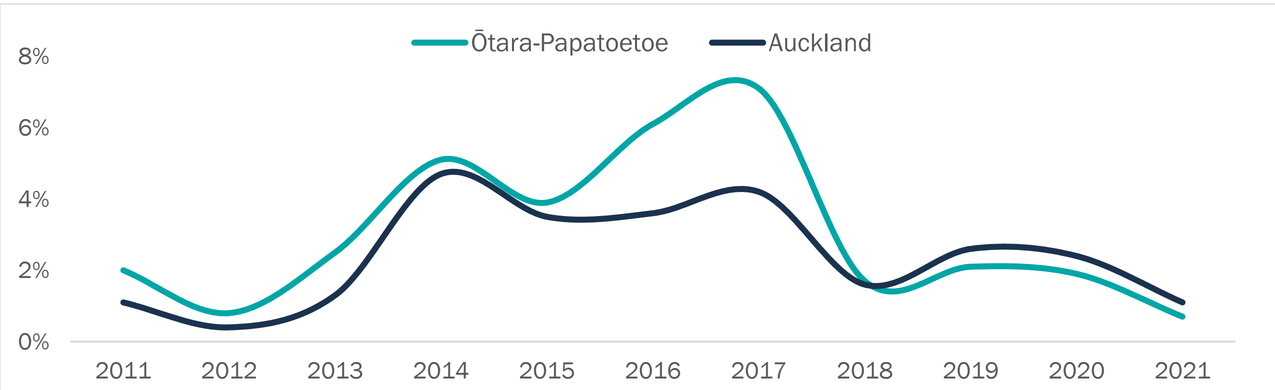
| Rank | Industry | LQ | GDP ($M) | Share |
|---|---|---|---|---|
| 1 | Spring & Wire Product Manufacturing | 15.2 | 24.0 | 0.4% |
| 2 | Tyre Manufacturing | 13.0 | 6.0 | 0.1% |
| 3 | Corrugated Paperboard Manufacturing | 12.7 | 78.1 | 1.3% |
| 4 | Beer Manufacturing | 11.5 | 126.1 | 2.1% |
| 5 | Sanitary Paper Product Manufacturing | 10.8 | 12.0 | 0.2% |

## Businesses

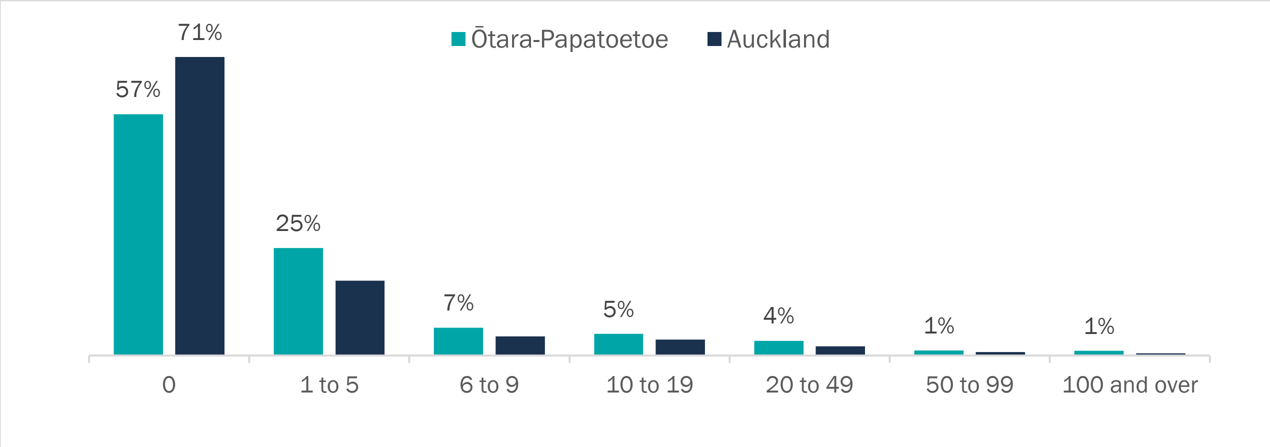
Businesses across the region in many sectors have faced challenges since the outbreak of the COVID-19 pandemic with tourism, hospitality and personal services clearly affected by border closures and the restrictions under the various alert level and traffic light settings. Other sectors will have performed better under the restrictions with people having far fewer options when meeting their essential needs.

Auckland, as New Zealand's gateway, has been most affected and within the region there will be differing levels of impact depending on the sectoral make up of an area. The first Level 4 lockdown in Auckland was 25 March 2020. From this date for the remainder of the year and until the end of the financial year in March 2021, there were varying levels of restrictions. The number of business units in Ōtara-Papatoetoe fell at a similar rate as the Auckland regional average.

**BUSINESS UNITS' GROWTH PERCENTAGE YEARLY CHANGE (INFOMETRICS 2011-2021)**

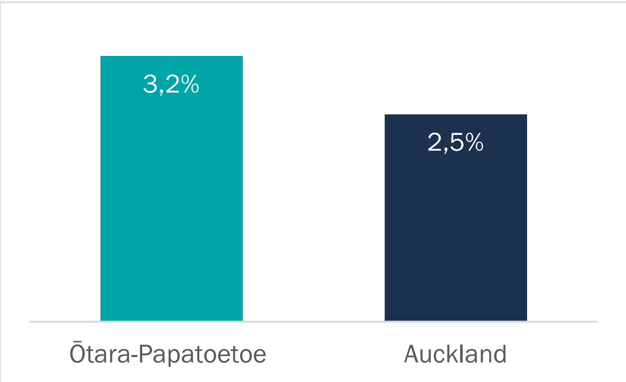


## BUSINESS SIZE - NUMBER OF EMPLOYEES (INFOMETRICS 2021)




In 2021, there were 6,546 businesses in Ōtara-Papatoetoe, employing an average of 7.8 employees each, more than the Auckland regional average of 4.4 employees. The vast majority (82 per cent) of businesses in Ōtara-Papatoetoe have five employees or less, highlighting the importance of small enterprises in the local economy.

## BUSINESS UNITS - 10 YEAR AVERAGE ANNUAL GROWTH (INFOMETRICS 2021)




The number of businesses in Ōtara-Papatoetoe grew by 3.2 per cent a year on average over the last decade, at a higher rate than the Auckland regional average of 2.5 per cent. Growth in the number of businesses in an area reflects increased entrepreneurial activity and economic activity as entrepreneurs are prepared to take risks and start new ventures.

# 5: Economic Places

Employment in Ōtara-Papatoetoe is concentrated in the growth node of Manukau and a number of smaller town centres. Key institutions such MIT and Midddlemore Hospital provide many jobs. The Wiri industrial zone in Manurewa is adjacent to Manukau in Ōtara-Papatoetoe while the East Tamaki industrial zone is in part located in the local board area and also in neighbouring Howick.

Ōtara-Papatoetoe is a mix of labour importing commercial and industrial areas and labour exporting suburban areas. There are 93,500 residents of Ōtara-Papatoetoe which has a labour force of 55,300. The local board area has a total of 50,916 jobs located within it. As a result, the area is a small net exporter of labour to other parts of the city.

Eke Panuku is leading the transformation of Manukau over the next 20-plus years with the several key projects, including the Puhinui Stream regeneration, building a community whare offering new spaces for the local community and the Hayman Park playground. Also, Panuku is developing Old Papatoetoe, with the revitalisation of the town centre now well underway.

## Employment Zones

Employment in Ōtara-Papatoetoe is concentrated in the main town centres of Manukau, Ōtara and Papatoetoe and also at Middlemore Hospital.

The main employment zones in Ōtara-Papatoetoe are in central Manukau and at Middlemore Hospital, where a high number of jobs in healthcare and social assistance are located. Manukau has a mix of retail jobs as well as government, professional and administration jobs. These two locations account for just over 50 per cent of all jobs in the local board area. The main industrial locations are in East Tamaki, which is mostly located in Howick and at Wiri, directly south of Manukau centre in Manurewa.

**EMPLOYMENT IN MANUKAU* (NZ STATISTIC 2021)**

| Sector | Jobs |
|---|---|
| Retail Trade | 3,450 |
| Public Administration & Safety | 3,050 |
| Healthcare & Social Assistance | 1,850 |
| Manufacturing | 1,800 |
| Wholesale Trade | 1,300 |
| Administrative & Support Services | 1,300 |
| Professional, Scientific & Technical Services | 970 |
| Accommodation & Food Services | 880 |
| Transport, Postal & Warehousing | 810 |
| Construction | 690 |
| **Total All Sectors** | **18,700** |
| * Based on business demographics for the SA2 area | |

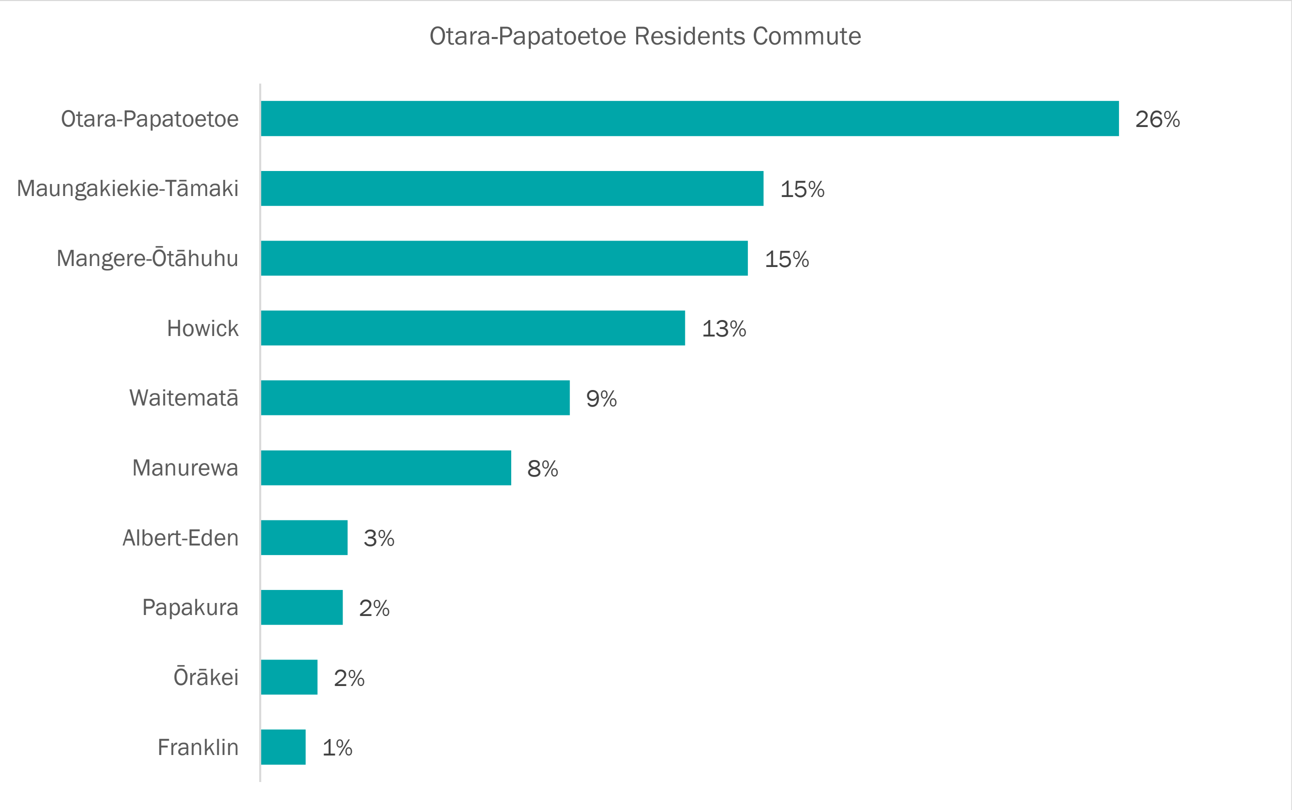
### EMPLOYMENT IN MIDDLEMORE* (NZ STATISTIC 2021)

| Sector | Jobs Lost |
|---|---|
| Healthcare & Social Assistance | 7,500 |
| **Total All Sectors** | **7,700** |
| * Based on business demographics for the SA2 area | |

## Commuting

In 2018, 26 per cent of Ōtara-Papatoetoe residents worked within the local board area. The most popular destinations for work outside of the area were Maungakeikei-Tamaki (15 per cent) and Mangere-Otahuhu (15 per cent).

### TRAVEL TO WORK PATTERNS – PERCENTAGE OF TOTAL TRIPS FROM HOWICK (CENSUS 2018)[5]




## Town Centres

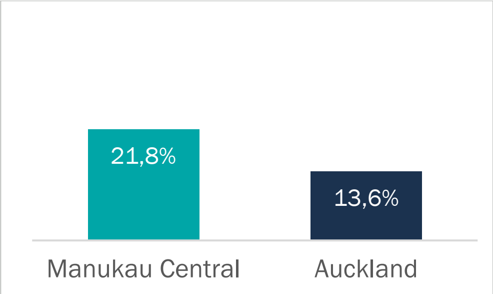
Many town centres faced challenges prior to the COVID-19 pandemic but the impact of Auckland's lockdowns to limit the outbreaks of COVID-19 cases has posed significant challenges for retail centres across the region.

The main town centre employment zones in the Ōtara-Papatoetoe local board area are Manukau, Ōtara, Hunter's Corner and Papatoetoe.

[5] Richard Paling Consulting 2018

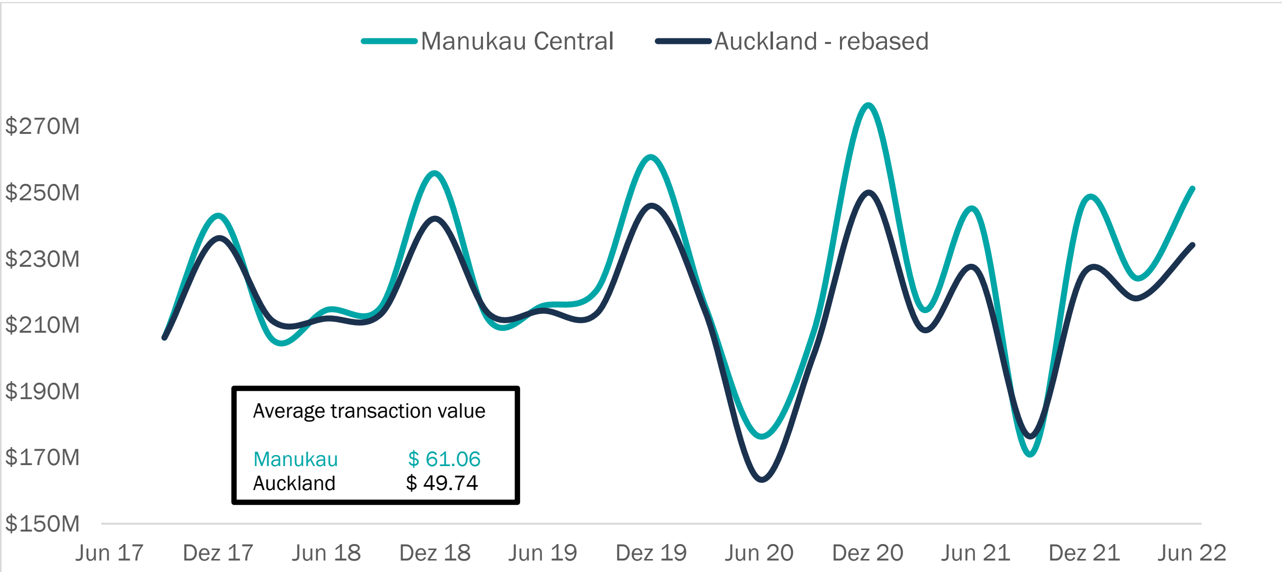
Spending in Manukau between 2017-2022 increased by 21.8 per cent, compared to growth of 13.6 per cent regionally. The average transaction value in Manukau was $61.06, above the Auckland average of $49.74. (MarketView 2022)

## MANUKAU BID SPENDING GROWTH (2017-2022)



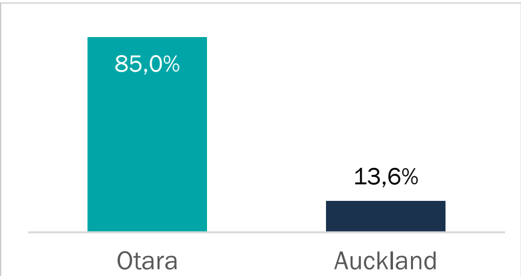

Spending in Manukau has been at a similar rate as the region and has followed a similar pattern with declines during the COVID-19 lockdown periods of Mar 2020 - May 2020 and Aug 2021 - Oct 2021.

## MANUKAU BID SPEND AND AVERAGE TRANSACTION VALUE (2017-2022)



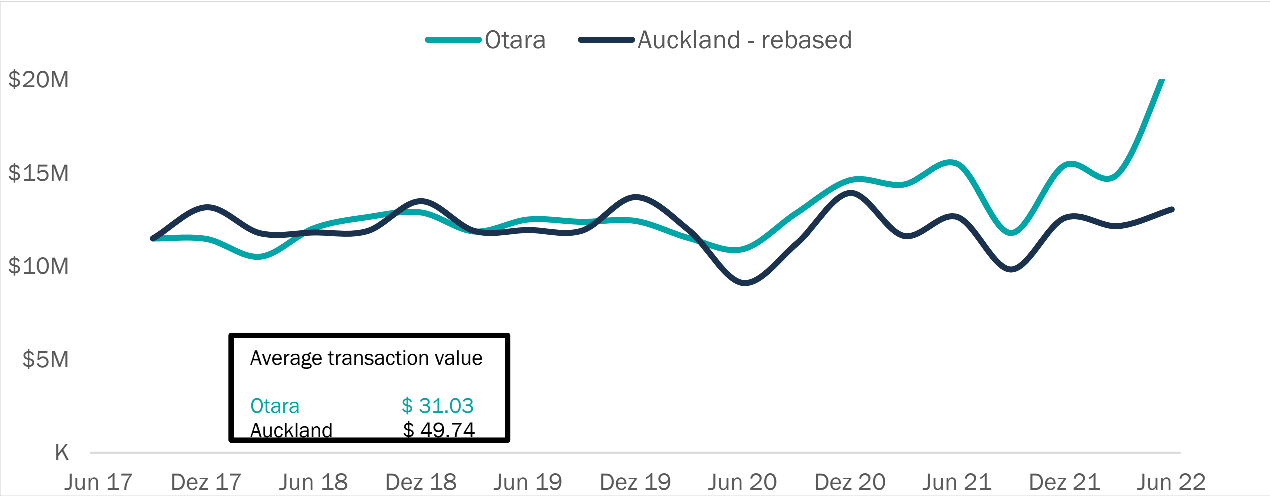

Spending in Ōtara between 2017-2022 increased by 85 per cent, compared to growth of 13.6 per cent regionally. The average transaction value in Ōtara was $31.03, below the Auckland average of $49.74. (Marketview 2022)

## ŌTARA BID SPENDING GROWTH (2017-2022)



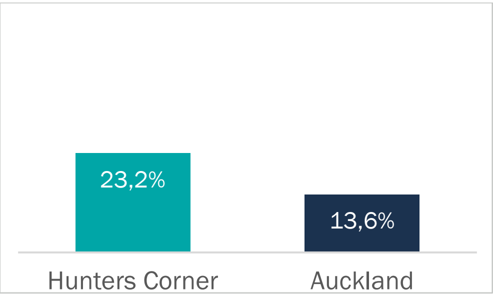
Spending in Ōtara has been at a similar rate as the region and has followed a similar pattern with declines during the COVID-19 lockdown periods of Mar 2020 - May 2020 and Aug 2021 - Oct 2021. In 2022 it has increased at a faster rate than the region.

### ŌTARA BID SPEND AND AVERAGE TRANSACTION VALUE (2017-2022)



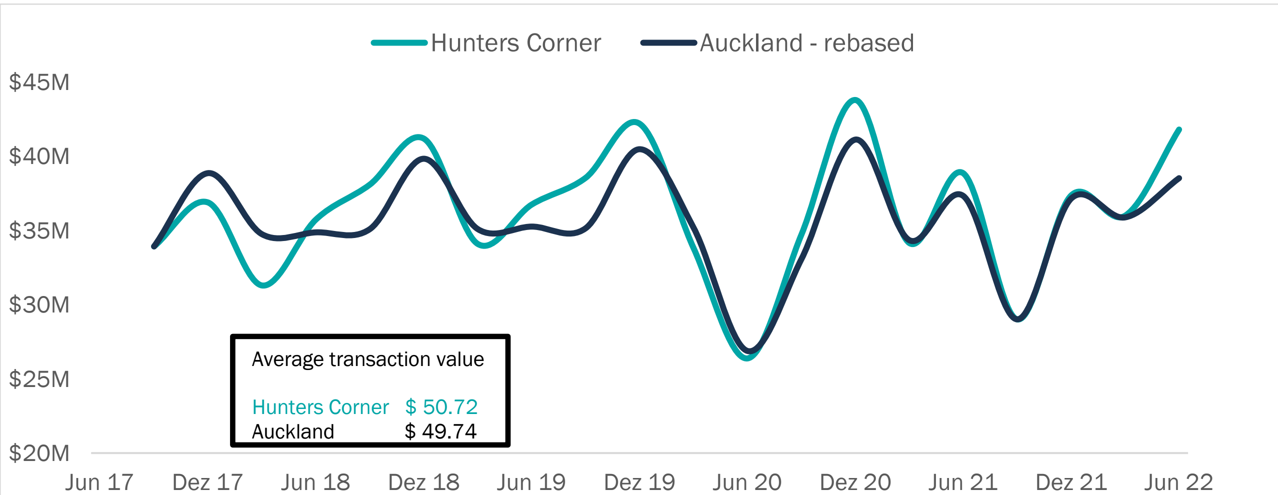

Spending in Hunter's Corner between 2017-2022 increased by 23.2 per cent, compared to growth of 13.6 per cent regionally. The average transaction value in Hunter's Corner was $50.72, above the Auckland average of $49.74. (Marketview 2022)

### HUNTER'S CORNER BID SPENDING GROWTH (2017-2022)



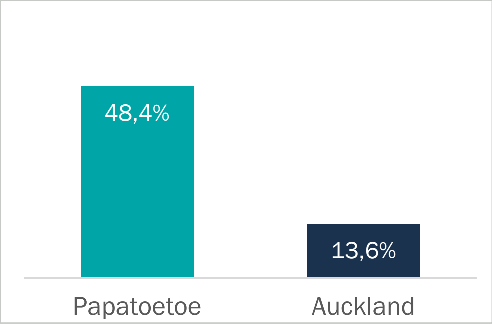

Spending in Hunters Corner has been at a similar rate as the region and has followed a similar pattern with declines during the COVID-19 lockdown periods of Mar 2020 - May 2020 and Aug 2021 - Oct 2021.

### HUNTER'S CORNER BID SPEND AND AVERAGE TRANSACTION VALUE (2017-2022)



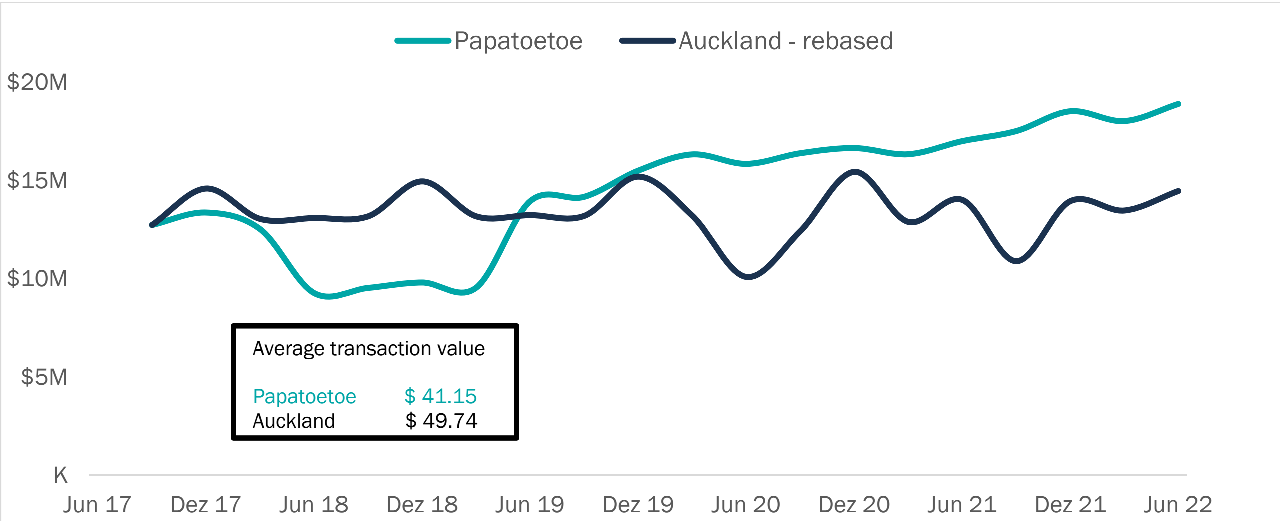
Spending in Papatoetoe between 2017-2022 increased by 48.4 per cent, compared to growth of 13.6 per cent regionally. The average transaction value in Papatoetoe was $41.15, below the Auckland average of $49.74. (Marketview 2022)

### PAPATOETOE BID SPENDING GROWTH (2017-2022)




Spending in Papatoetoe has been at a rate higher than of the region. Unlike the majority of town centres in the region, spending did not decline to the same extent during the COVID-19 lockdown periods of Mar 2020 - May 2020 and Aug 2021 - Oct 2021.

### PAPATOETOE BID SPEND AND AVERAGE TRANSACTION VALUE (2017-2022)



# Glossary

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

## GET IN TOUCH

## TĀTAKI AUCKLAND UNLIMITED WELCOME COMMENT AND FEEDBACK ON THE ECONOMIC.

John Norman
Head of Economic Places

E john.norman@aucklandnz.com

aucklandnz.com/business