

TĀTAKI AUCKLAND UNLIMITED REPORT

Aotea/Great Barrier Local Economic Overview 2022



Tātaki Auckland Unlimited Report

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Note of Error October 2023

The previous published version of this report contained an error.

The population growth (2016-2021) figure in the table and chart in *Section 2: Population and Households* had been incorrectly calculated.

The error is corrected in this version. Inquiries to: john.norman@aucklandnz.com



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 sourced 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

Aotea/Great Barrier is Auckland’s least populous local board area with a population of 1,050 (However, health centre enrolment suggests the population may be closer to 1,200, a figure that is used locally by council’s service delivery teams) that is forecast to increase to 1,200 by 2048. Aotea/Great Barrier is a relatively less prosperous area.

Aotea/Great Barrier is one of Auckland’s less prosperous areas. The Auckland Prosperity Index report showed that as an island with a small number of residents, Aotea/Great Barrier has a unique prosperity profile. Its residents have an older age profile that is reflected in the workforce’s lower qualifications and the island’s high home ownership. A high self-employment rate provides opportunity to grow economic activity but limited connectedness is a major constraint.

POPULATION SUMMARY (CENSUS, HLFS)

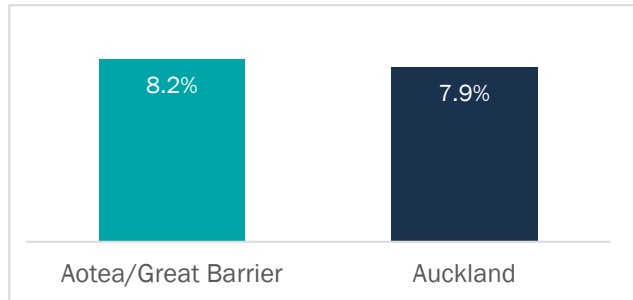
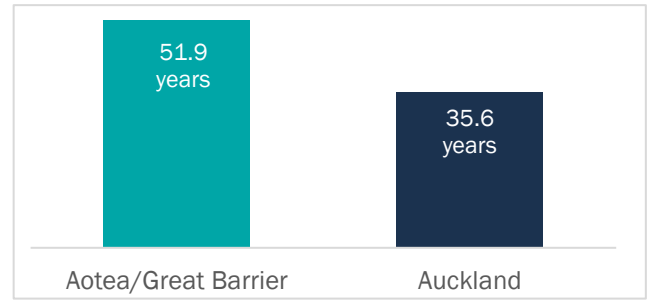
	Aotea/Great Barrier	Auckland/Share
Population (2021)	1050	0.1%
Population growth (2016-2021)	8.2%	7.9%
Median Age (2021)	51.9	35.6
Labour force (2018)	510	867,100
Labour force participation (2018)	54%	45%
Home ownership (2018)	54%	45%

Population

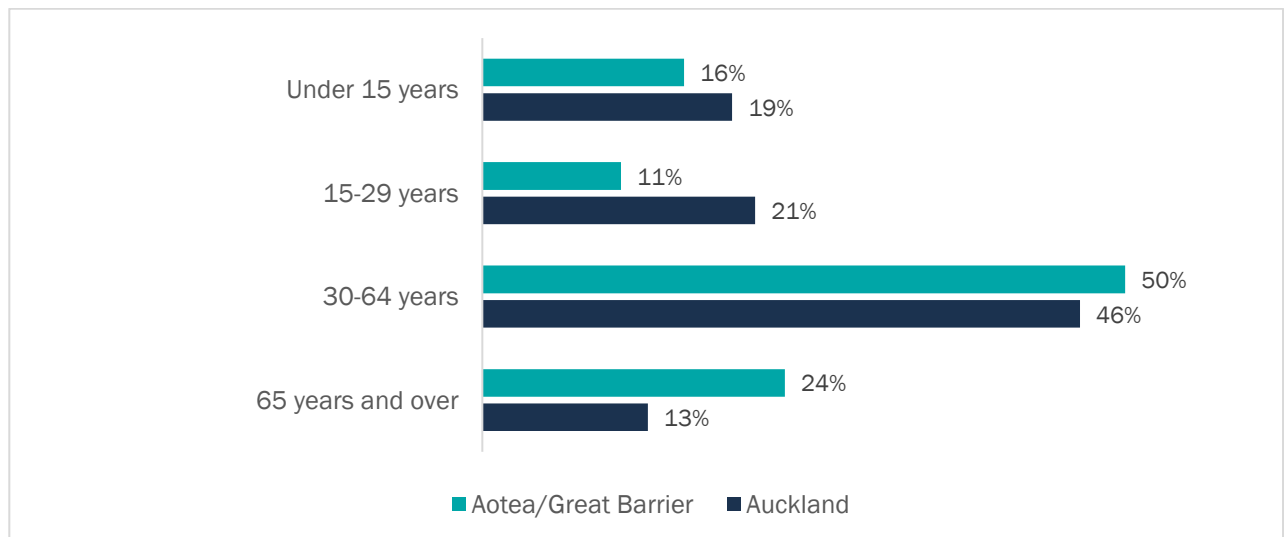
The Aotea/Great Barrier Local Board area has experienced higher population growth than the region in recent years. Between 2016 and 2021 the population growth was 8.2 per cent compared to 7.9 per cent growth regionally (Infometrics)¹.

Medium population projections suggest that Aotea/Great Barrier could be home to 1,200 residents by 2048, an increase of about 150 (Statistics NZ).

¹ Infometrics population estimates

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

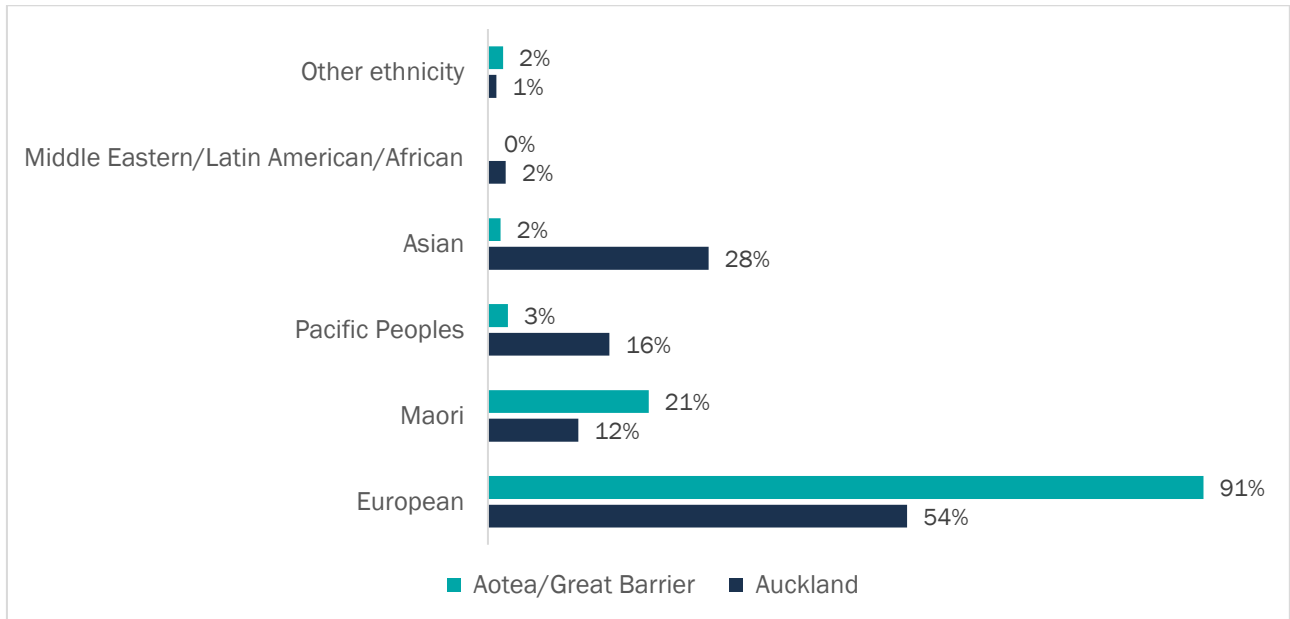
Aotea/Great Barrier has a higher median age than the region, its working age population is higher than the regional average and there are proportionately fewer young people and more people of retirement age.

AGE STRUCTURE (INFOMETRICS 2021)**Ethnicity**

Aotea/Great Barrier's population is predominantly of European ethnicity (91 per cent), more so than the regional profile where Europeans make up 54 per cent of the population. Aotea/Great Barrier also has more Māori residents than the regional average.

Aotea/Great Barrier has a lower-than-average proportion of residents born overseas (19 per cent) compared to the Auckland region (42 per cent). Of people born overseas, 14 per cent had been in New Zealand for less than five years, less than the region (24 per cent).

ETHNIC MAKE-UP (CENSUS 2018)



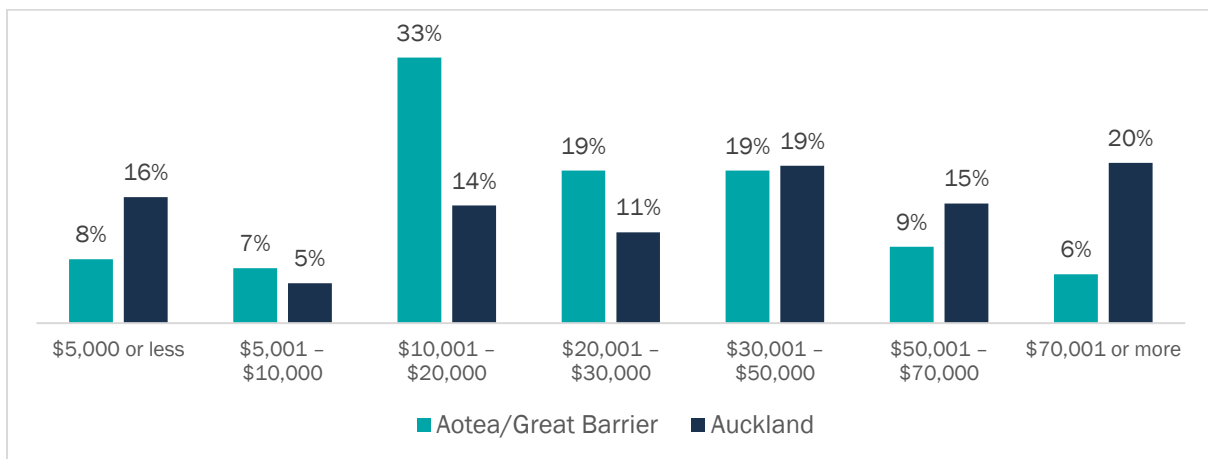
Languages

Ninety-eight per cent of residents are able to speak English compared to 93 per cent regionally.

Income

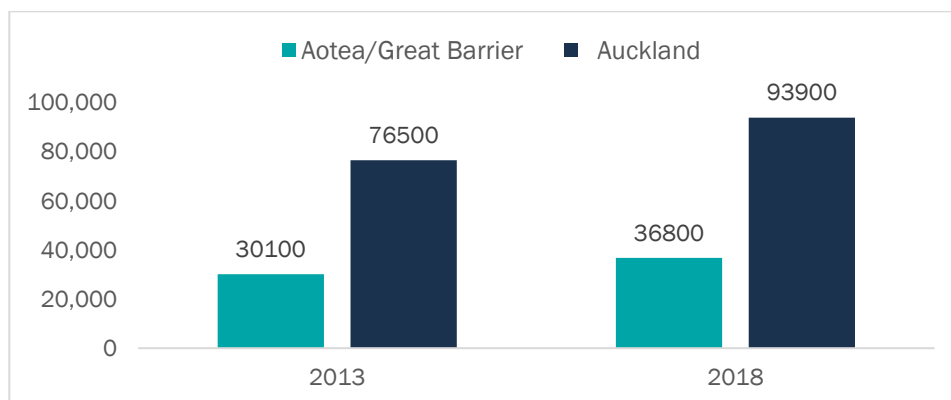
Analysis of individual income levels in 2018 shows that there was a lower proportion (six per cent) of persons earning a high income (over \$70,000 per year) in Aotea/Great Barrier compared to the region (20 per cent).

INDIVIDUAL INCOMES (CENSUS 2018)



The median household income in Aotea/Great Barrier (\$36,800) was the lowest in the region. The regional average was \$93,900.

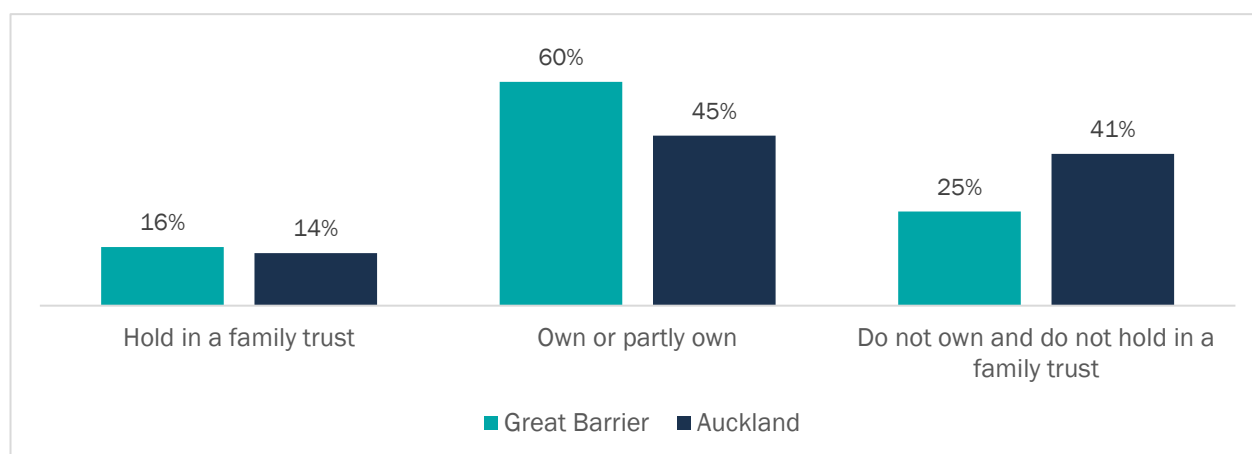
MEDIAN HOUSEHOLD INCOMES (CENSUS 2018)



In 2018, 27 per cent of households in Aotea/Great Barrier derived self-employment or business income, above the rate across all Auckland households (14 per cent).

Home ownership in Aotea/Great Barrier is higher than the regional average; in 2018, 75 per cent of households owned the dwelling they lived in, compared to 59 per cent across Auckland.

HOME OWNERSHIP (CENSUS 2018)



3: Skills

Aotea/Great Barrier has a less well qualified labour force with a lower proportion of residents educated to degree level or higher and more residents with no qualifications.

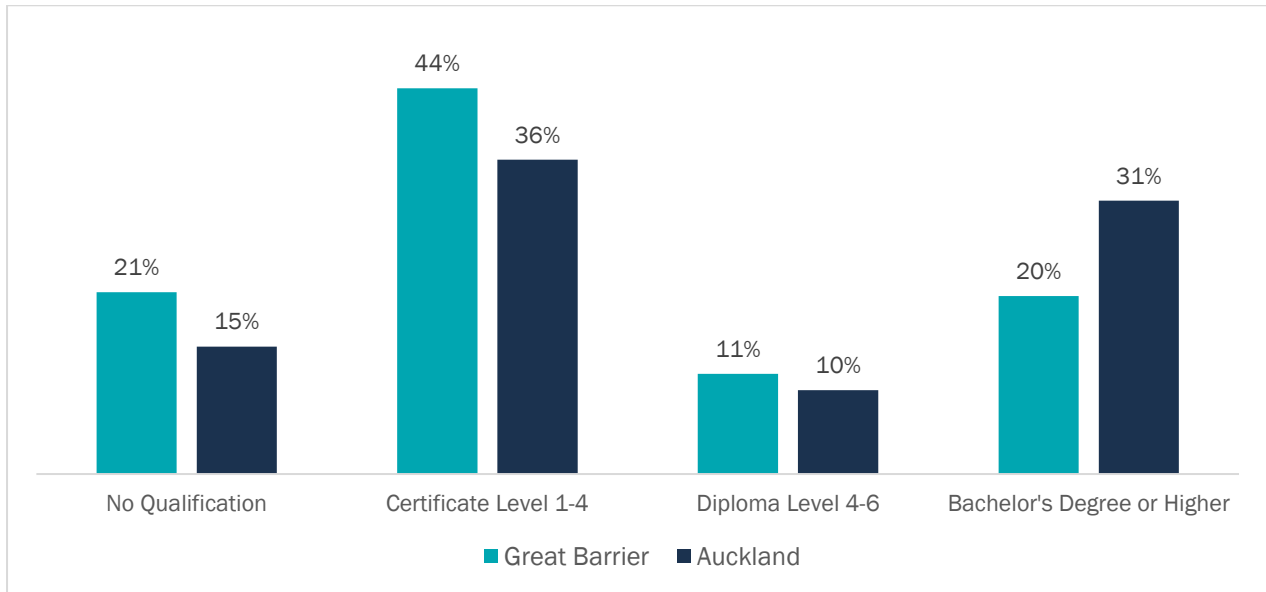
Qualifications

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

In 2018, 20 per cent of adult residents in Aotea/Great Barrier had gained a bachelor's degree or higher, a lower proportion than the Auckland region (31 per cent). Twenty-one per cent of residents had no educational qualifications compared with 15 per cent across the region².

² Highest qualification is derived for people aged 15 years and over

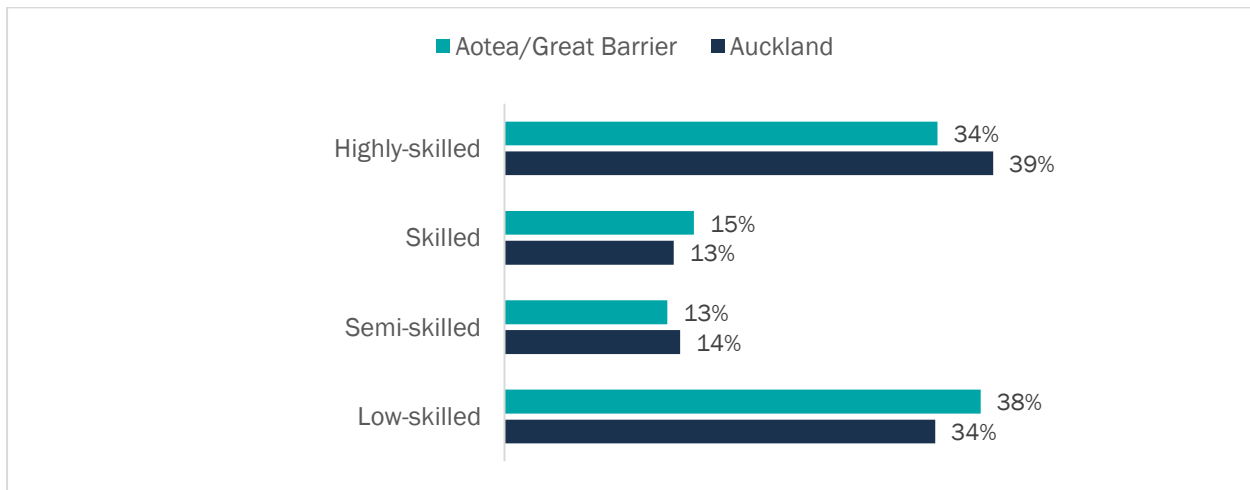
RESIDENTS' HIGHEST QUALIFICATIONS (CENSUS 2018)



Occupations

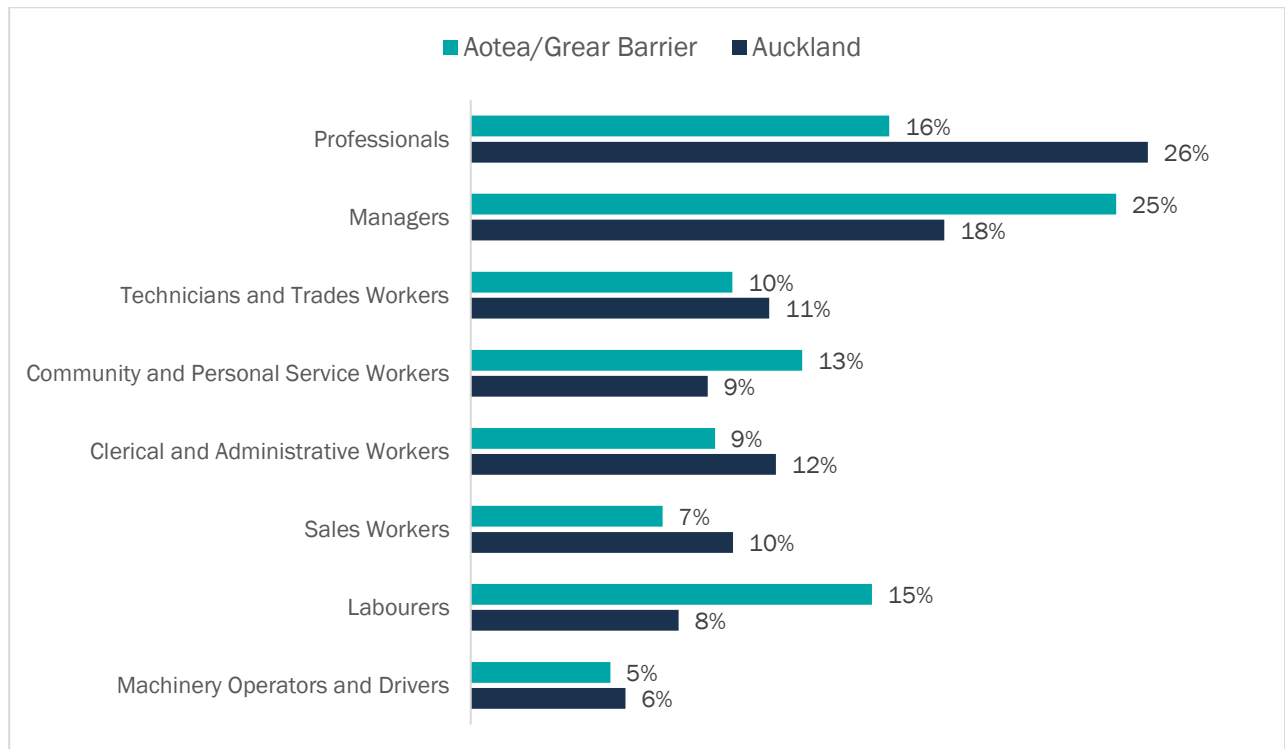
Higher skilled jobs offer people an improved standard of living and are a critical component in attracting workers to an area. Statistics NZ allocates occupations to skill levels based on the range and complexity of tasks performed in a particular job.

EMPLOYMENT BY SKILL LEVEL IN AOTEA/GREAT BARRIER (INFOMETRICS 2021)



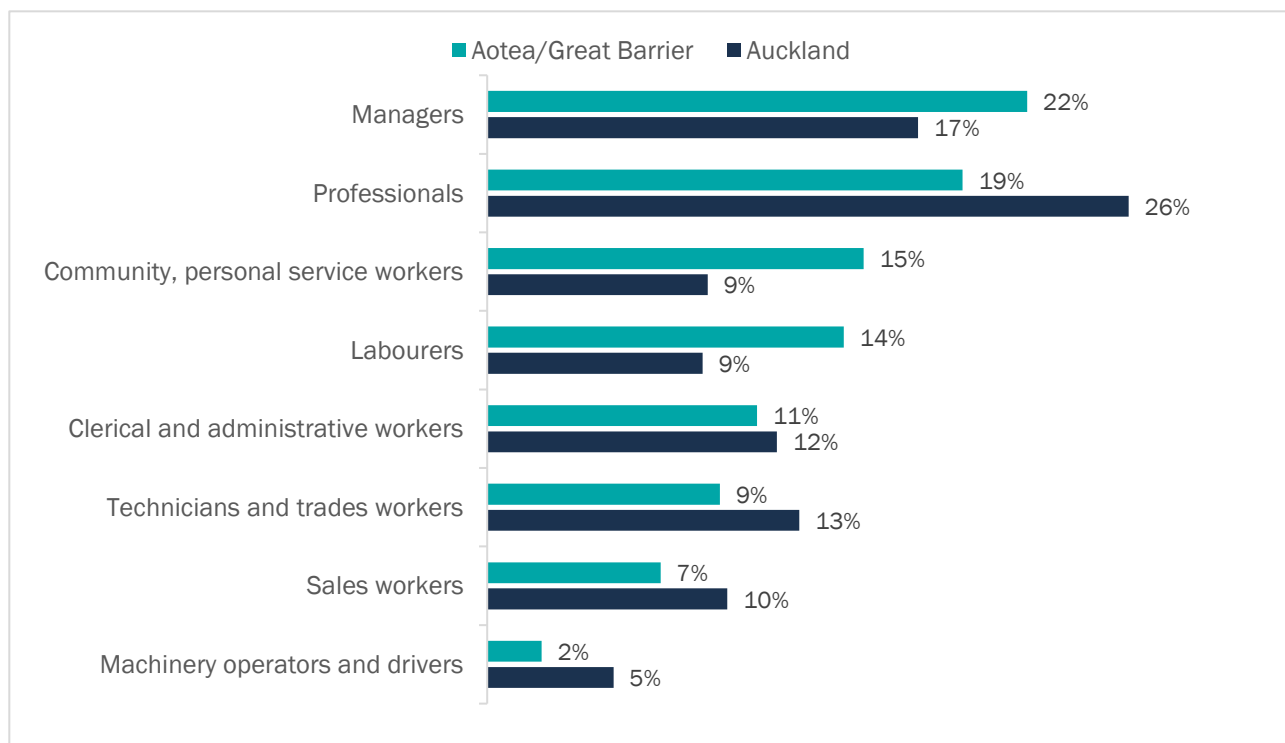
The Aotea/Great Barrier Local Board area had a lower proportion of employment in the highly skilled level (34 per cent) compared to the wider Auckland region (39 per cent). Conversely it had a higher proportion of employment in low-skilled level (38 per cent) compared to the region (34 per cent).

OCCUPATIONS OF RESIDENTS LIVING IN AOTEA/GREAT BARRIER (CENSUS 2018)



Managers were the most popular occupational categories for Aotea/Great Barrier residents in 2018 (25 per cent) compared to the wider Auckland region (18 per cent). There was a significantly lower proportion of professional's resident in the area (16 per cent) compared to the region (26 per cent). There was a higher proportion of labourer's resident in the area (15 per cent) compared to the region (eight per cent).

OCCUPATIONS IN AOTEA/GREAT BARRIER BASED BUSINESSES (INFOMETRICS 2021)



Of the jobs located in the Aotea/Great Barrier Local Board area, managers were the largest occupational group (22 per cent), higher than the region average (17 per cent). Professionals were the second largest group (19 per cent), lower than the regional average (26 per cent). Community, personal services workers, and labourers' jobs were proportionally higher than the region. Technicians and trades workers, sales workers and machinery operators and drivers' jobs were proportionally lower than the region.

Specialist managers³ were the largest occupational group in Aotea/Great Barrier, followed by sports and personal service workers.

TOP 10 OCCUPATIONS LOCATED IN AOTEA/GREAT BARRIER (INFOMETRICS 2021)

Rank	Occupation	Jobs (2021)	% of Aotea/Great Barrier Total
1	Specialist Managers	21	8.0%
2	Sports & Personal Service Workers	17	6.5%
3	Hospitality, Retail & Service Managers	16	6.1%
4	Farm, Forestry & Garden Workers	16	6.0%
5	Skilled Animal & Horticultural Workers	14	5.2%
6	Business, HR & Marketing Professionals	13	4.8%
7	Chief Execs, General Managers, Legislators	11	4.2%
8	Education Professionals	11	4.2%
9	Legal, Social & Welfare Professionals	10	3.9%
10	Cleaners & Laundry Workers	10	3.7%
	Sub-total of top 10 occupations	139	52.6%
	Total jobs	266	100.0%

³ Specialist managers include managers in advertising, construction, ICT, business administration and education.

Several occupational groups added new jobs and lost jobs between 2016-2021. In all cases the changes are small and likely the product of the small nature of the island economy rather than any particular trend.

FASTEST GROWING OCCUPATIONS (INFOMETRICS 2016-2021)

Sector	New Jobs
Farm, Forestry & Garden Workers	8
Skilled Animal & Horticultural Workers	7
Farmers & Farm Managers	6
Cleaners & Laundry Workers	4
Sports & Personal Service Workers	3

OCCUPATIONS WITH DECLINING JOBS (INFOMETRICS 2016-2021)

Sector	Jobs Lost
Road & Rail Drivers	-6
Education Professionals	-5
Health Professionals	-4
Hospitality Workers	-3

4: Local Economy

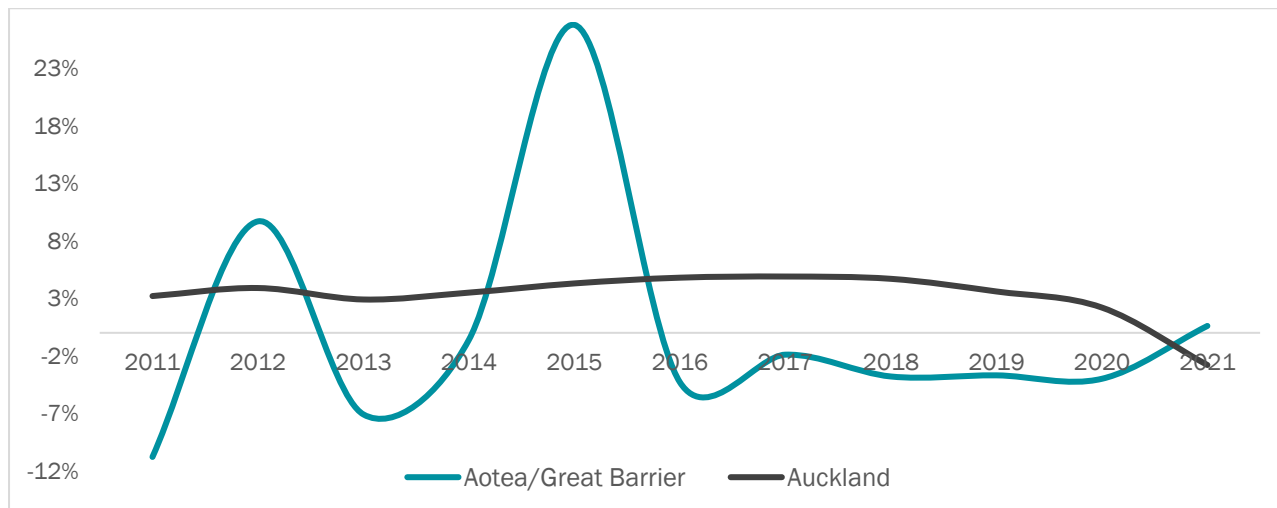
Aotea/Great Barrier local economy is driven by the GDP contribution of the rental, hiring and real estate industry. Administrative and support services is the major employer and provided the most new jobs in the previous five years (+23). It is also the fastest growing contributor to the GDP but still a quarter of the GDP contribution of the rental, hiring and real estate industry.

Growth and employment trends

Between 2020-2021, Aotea/Great Barrier experienced GDP growth of 0.6 per cent, higher than the negative growth rate in Auckland region of -2.8 per cent. In the five years to 2021 the Aotea/Great Barrier economy declined at an average annual rate of -2.6 per cent, in contrast to the growth rate of 2.5 per cent in the Auckland region.

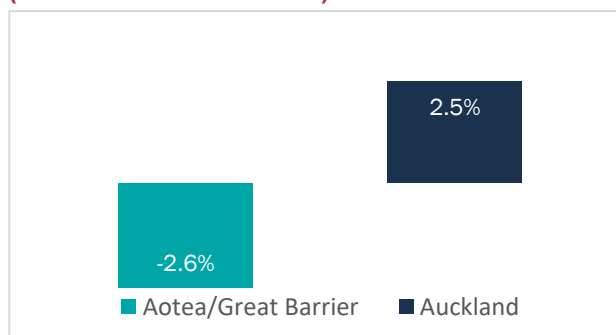
COVID-19 impacted significantly on GDP growth across the Auckland region. The first Level 4 lockdown was 25 March 2020 until 27 April 2020. For the remainder of the year lower-level restrictions were in place until Auckland went back to Level 4 lockdown again on 17 August 2021. The graph below covers 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. Aotea/Great Barrier's GDP growth increased during the lock down period unlike the Auckland regional average which declined.

GDP ANNUAL PERCENTAGE CHANGE (INFOMETRICS 2011-2021)

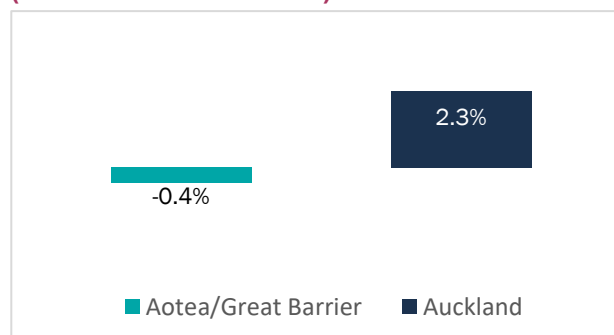


Employment in Aotea/Great Barrier declined by an average of -0.4 per cent per annum in the five years from 2016-2021, below the Auckland rate which increased by 2.3 per cent. Over the last five years Aotea/Great Barrier job numbers increased the most in the sectors administration and support services (+23 new jobs), arts and recreation services (+13), and other services (+10).

AVERAGE ANNUAL GDP GROWTH (INFOMETRICS 2016-2021)



AVERAGE ANNUAL EMPLOYMENT GROWTH (INFOMETRICS 2016-2021)



The fastest growing sector by GDP percentage change between 2016-2021 was administration and support services. This data relates to GDP growth rates, not the overall size of the sector.

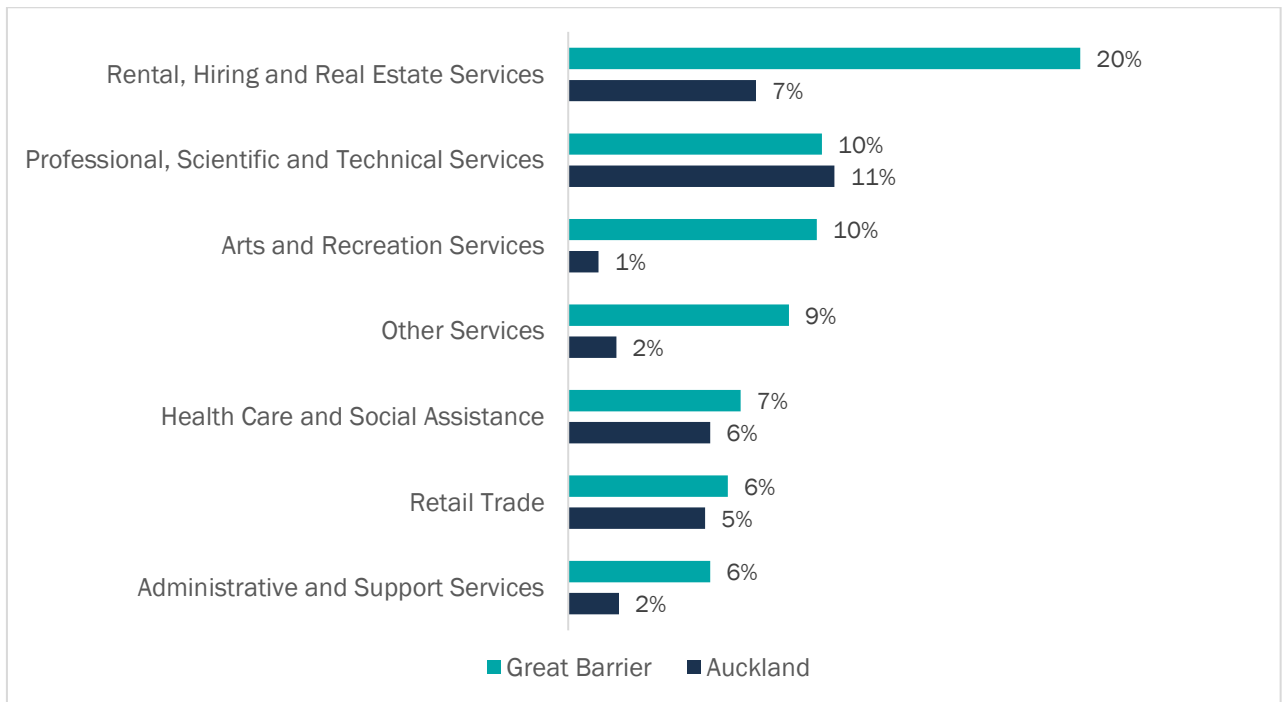
FASTEST GROWING INDUSTRIES BY GDP - ANZSIC LEVEL 1 (INFOMETRICS 2021)

Industry	Average p.a. change (2016-2021)
Administrative & Support Services	18.0%
Arts & Recreation Services	10.5%
Other Services	6.8%
Retail Trade	5.2%

Industry mix

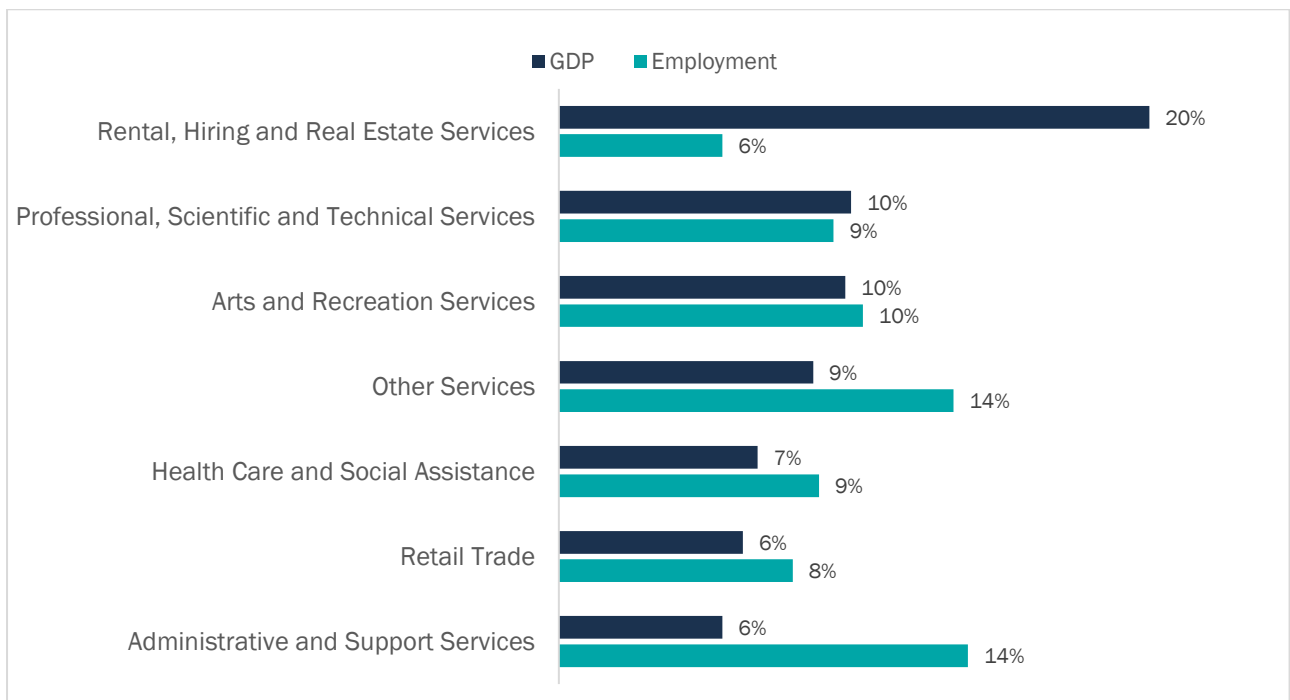
Aotea/Great Barrier's future economic performance depends on being able to retain a sufficiently diversified economic base that has the potential to achieve high rates of productivity and export growth to enable businesses and people to prosper on the island. The main sectors with a strong presence in the Aotea/Great Barrier economy are rental, hiring and real estate services and professional, scientific and technical services.

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



- **Rental, hiring and real estate services** contributed 20 per cent of Aotea/Great Barrier’s GDP but provided only six per cent of the area’s employment.
- **Professional, scientific and technical services** contributed 10 per cent of Aotea/Great Barrier’s GDP and provided nine per cent of the area’s employment.
- **Other services** contributed nine per cent of Aotea/Great Barrier’s GDP and provided 14 per cent of the area’s employment.
- **Administrative and support services** are notable, providing six per cent of the area’s GDP but provided 14 per cent of the area’s employment.

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



Administration and support services, other services and arts and recreation services were the key employment sectors in Aotea/Great Barrier.

Looking at more detailed sub-sectors, we see that accommodation and food services and professional, scientific & technical services sectors also provided a number of local jobs although actual numbers are relatively small.

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

Rank	Industry	Jobs (2021)	% Aotea/Great Barrier total
1	Administrative & Support Services	37	14.0%
2	Other Services	36	13.5%
3	Arts & Recreation Services	28	10.4%
4	Accommodation & Food Services	25	9.5%
5	Professional, Scientific & Tech Services	25	9.4%
6	Healthcare & Social Assistance	24	8.9%
7	Education & Training	15	5.5%
8	Fruit, Cereal & Other Food Product Manu	14	5.4%
9	Other Store & Non-Store Retailing	14	5.4%
10	Property Operators & Real Estate Services	13	4.7%
	Total top 10 industries	231	86.7%
	All other industries	35	13.3%
	Total employment	266	100.0%

The administration and support services sector, the largest employer, created the greatest number of new jobs between 2016-2021.

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

Sector	New Jobs
Administrative & Support Services	23
Arts & Recreation Services	13
Other Services	10
Poultry, Deer & Other Livestock Farming	9
Motor Vehicle, Parts & Fuel Retailing	4

A number of sectors lost jobs between 2016-2021. In all cases the changes are small and likely the product of the small nature of the island economy rather than any particular trend.

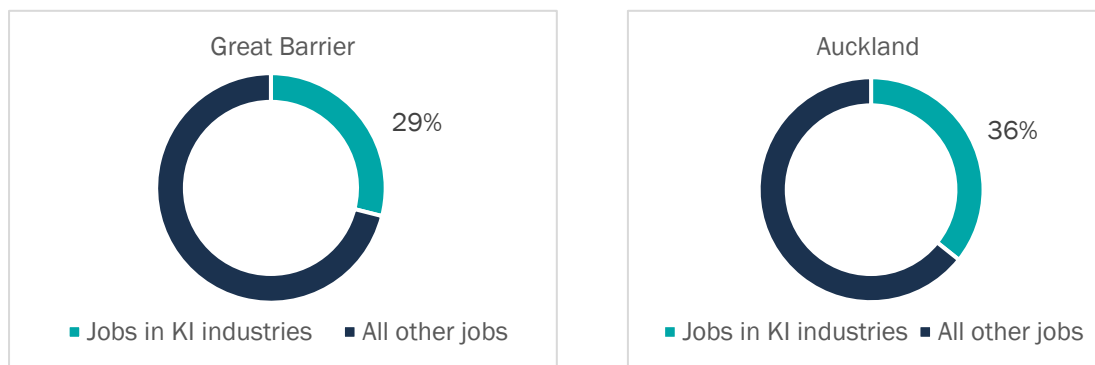
SECTORS WITH DECLINING JOBS – 54 SECTOR CLASSIFICATION (INFOMETRICS 2016-2021)

Sector	Jobs Lost
Heavy & Civil Engineering Construction	-25
Education & Training	-11
Healthcare & Social Assistance	-10

Knowledge intensive employment

Knowledge intensive industries⁴ represent an increasing share of the New Zealand economy's output and employment and may be a source of future productivity growth. Twenty-nine per cent of jobs in Aotea/Great Barrier were in knowledge intensive industries which was lower than the regional average of 36 per cent.

JOBS IN KNOWLEDGE INTENSIVE INDUSTRIES (INFOMETRICS 2021)



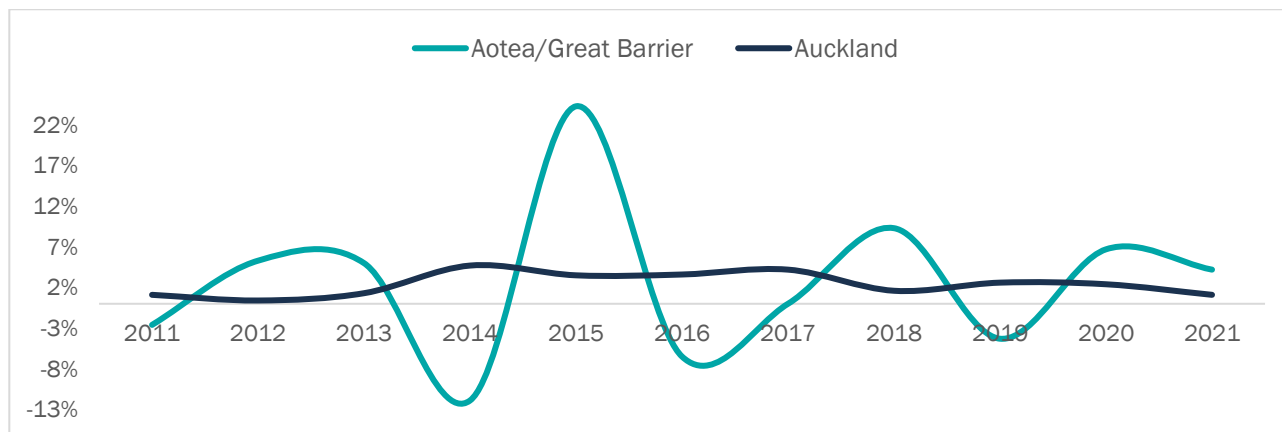
Businesses

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.

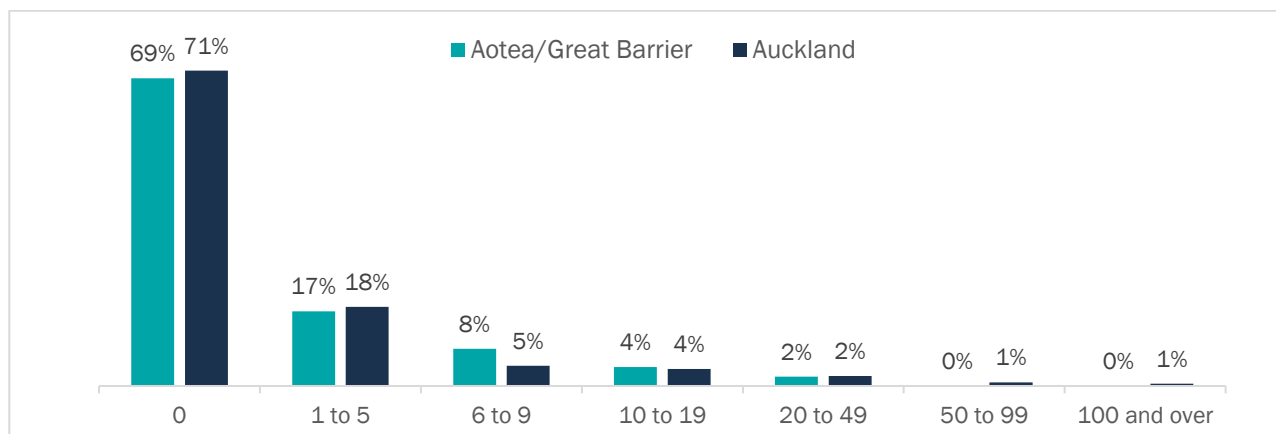
Auckland, as New Zealand's gateway, has been most affected and within the region there will be differing levels of impact, depending on the sectoral make up of an area. The first Level 4 lockdown in Auckland was 25 March 2020. From this date for the remainder of the year and until the end of the financial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

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.

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

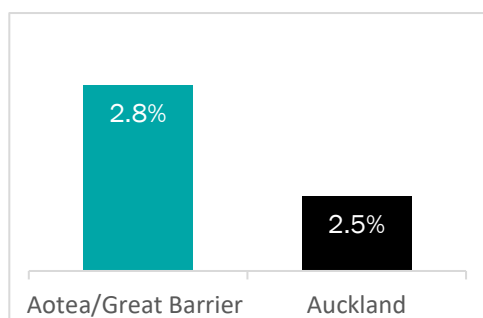


BUSINESS SIZE - NUMBER OF EMPLOYEES (INFOMETRICS 2021)



In 2021 there were 144 businesses in Aotea/Great Barrier, employing an average of 1.8 employees each, less than the Auckland regional average of 4.4 employees. The vast majority (86 per cent) of businesses in Aotea/Great Barrier have five employees or less, highlighting the importance of small enterprises in the local economy. The size of business units is considered to be an indicator of innovation with larger firms having the capacity and structures to support innovation.

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



The number of businesses units in Aotea/Great Barrier grew 2.8 per cent, a year on average over the last decade, higher 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.

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 ' <i>the efficiency with which resources – such as labour and capital – are converted into outputs of goods and services</i> '.
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

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