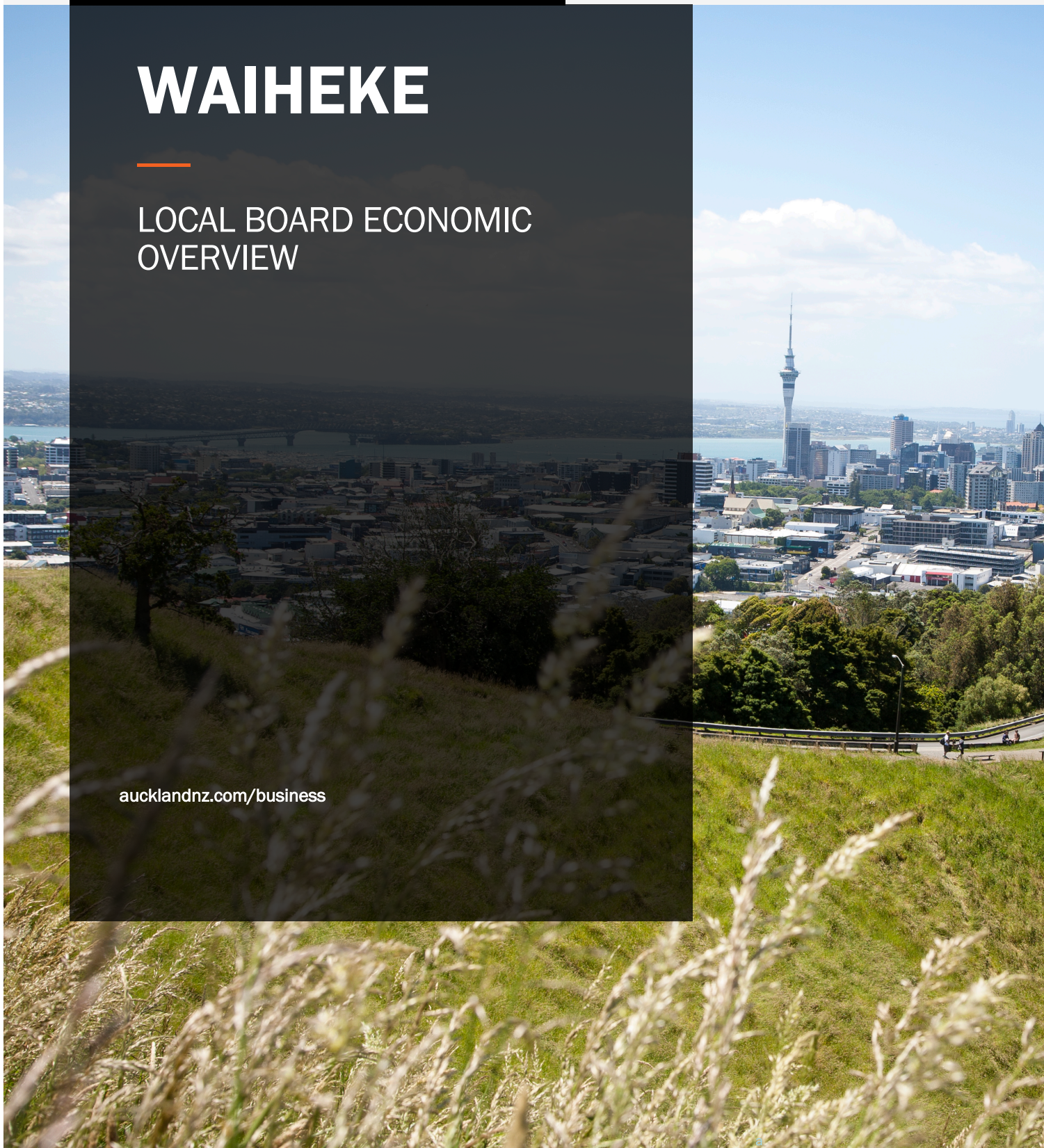


AUCKLAND ECONOMIC OVERVIEWS

WAIHEKE

LOCAL BOARD ECONOMIC
OVERVIEW

aucklandnz.com/business



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Introduction

What is local economic development

ATEED's goal is to support the creation of **quality jobs for all Aucklanders** and while Auckland's economy has grown in recent years, the benefits of that growth are not distributed evenly.

Local economic development brings together a range of players to build up the economic capacity of a local area and improve its economic future and quality of life for individuals, families and communities.

Auckland's economic development

Auckland has a diverse economy. While central Auckland is dominated by financial, insurance and other professional services, parts of south and west Auckland have strengths in a range of manufacturing industries.

In other areas, tourism is a key driver and provides a lot of local employment while there are also areas that are primarily residential where residents commute to the city centre or one of the industrial precincts for employment. The Auckland region also has a significant primary sector in the large rural areas to the north and south of the region.

The Auckland Growth Monitor¹ and Auckland Index² tell the story behind Auckland's recent economic growth.

While annual GDP growth of 4.3 per cent per year over the last five years is encouraging, we want our economy to be more heavily **weighted towards industries that create better quality jobs** and generate export earnings. To support this goal ATEED has a role in promoting the adoption of new technologies and innovation across the economy and at the same time attracting investment and supporting sectors such as screen, the visitor economy and international education that bring in revenues from overseas.

Although there is still a need to attract and retain larger employers to the city, helping local economies to grow requires an enhanced focus on existing small businesses which make up 97 per cent of all Auckland businesses. Businesses can be supported by raising their capability, encouraging business networking, connecting them to talent and facilitating access to export markets. ATEED help provide access to a range of business support programmes for established businesses that are looking for help in order to grow. There is also a need to continue to support entrepreneurship and business start-ups, particularly in less prosperous parts of the region.

In 2018 ATEED produced the Auckland Prosperity Index³, which highlighted how different parts of the region have felt the benefits of Auckland's continued economic growth. This has shaped the approach we have been asked to take in the region, focusing on those activities and industry sectors that will have the greatest impact on increasing investment in quality jobs – particularly where Auckland's **south and west** can benefit.

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

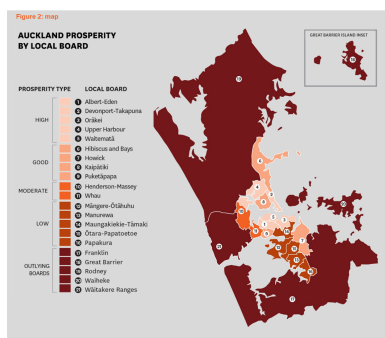
² The Auckland Index can be found at [aucklandnz.com/auckland-index](https://www.aucklandnz.com/auckland-index)

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

The role of local boards

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

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



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

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

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

What is the Waiheke local economic development overview?

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

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

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.

There is a high level of business growth on **Waiheke** and many residents are self employed. However, the number of jobs on the island remains low and are more likely to be lower skilled and this is a constraint on income levels. Waiheke has a booming tourism industry attracting 40,000 visitors a day during the summer season. This along with horticulture and wine manufacture underpin employment on Waiheke.



Population growth

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



Unemployment rate

Educational attainment is average, a much lower proportion of school leavers enter degree level study upon leaving school.



Local employment opportunities

Over the five years 2013 to 2018, the fastest growing industries by GDP in the local board area were transport, postal & warehousing, construction and accommodation & food services.



Education attainment

Educational attainment is high, a higher proportion of school leavers enter degree level study upon leaving school.



Residential developments

Waiheke has seen a steady level of development as more people are attracted to live on the island.

Unemployment rate (Census 2018)

2.2%

Waiheke

4.1%

Auckland

Jobs in Knowledge Intensive Industries

17.0%

Waiheke

39.0%

Auckland

School leavers moving on to degree level study (2018)

30.9%

Waiheke

42.0%

Auckland

LOCAL BOARD ASPIRATIONS



The current Waiheke Local Board Plan strives for Waiheke to have a sustainable economy and positive visitor experience. This means any economic activity must balance development with impacts on the environment and infrastructure, to ensure the community's lifestyle is not adversely affected. The local board wishes to support small business and high value industries, and foster collaboration and local skill development and opportunities for young people.



KEY OPPORTUNITIES

With a low number of jobs on Waiheke, supporting the development of businesses in more knowledge intensive industries will be important to increase the number of highly skilled jobs available. This could also attract younger residents and help reduce the island's high dependency ratio.



KEY CHALLENGES

Waiheke has an economy dominated by its attractiveness as a tourism destination which is seasonal in nature can create pressures on the island's infrastructure at peak times. While a number of residents are affluent, not all sectors of the community are able to share in prosperity which is often generated off the island.

People and Households

Waiheke is one of Auckland's least populous local board areas with a population of 9,063 that is forecast to increase to 11,400 by 2038.

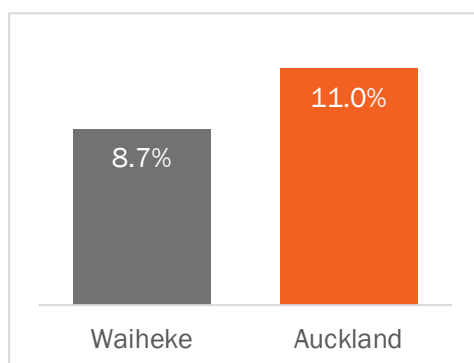
Waiheke is one of Auckland's less prosperous areas. The Auckland Prosperity Index report showed there is high level of business growth on Waiheke and many residents are self-employed. However, the number of jobs on the island remains low and are more likely to be lower skilled. This is a constraint on income levels.

	Waiheke	Auckland / Share of Auckland
Population (2018)	9,063	0.6%
Population growth (2013-2018)	8.7%	11.0%
Median Age (2018)	46.7	34.8
Labour force (2018)	5,100	876,100
Labour force participation (2018)	74%	71%
Home ownership (2018)	59%	45%

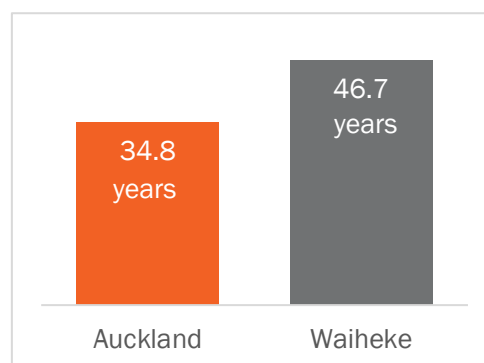
Population

The Waiheke Local Board area has experienced slower population growth than the region in recent years.

POPULATION GROWTH (2013-2018)



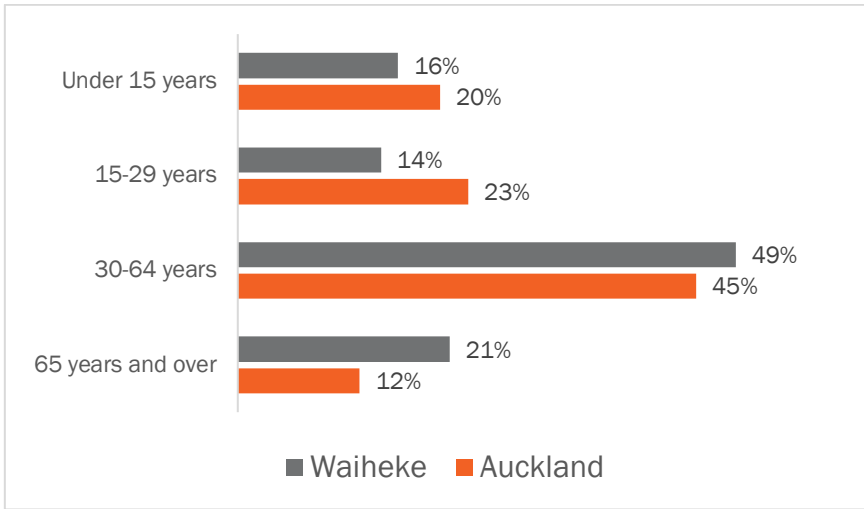
MEDIAN AGE (CENSUS 2018)



Between the 2013 and 2018 censuses population growth was 8.7 per cent compared to 11.0 per cent regionally. Medium population projections⁴ suggest that Waiheke could be home to 11,400 residents by 2038 an increase of 2,000. This is equivalent to a 1.2 per cent p.a. increase or an additional 120 people per year between 2018 and 2038.

⁴ Source: Statistics New Zealand

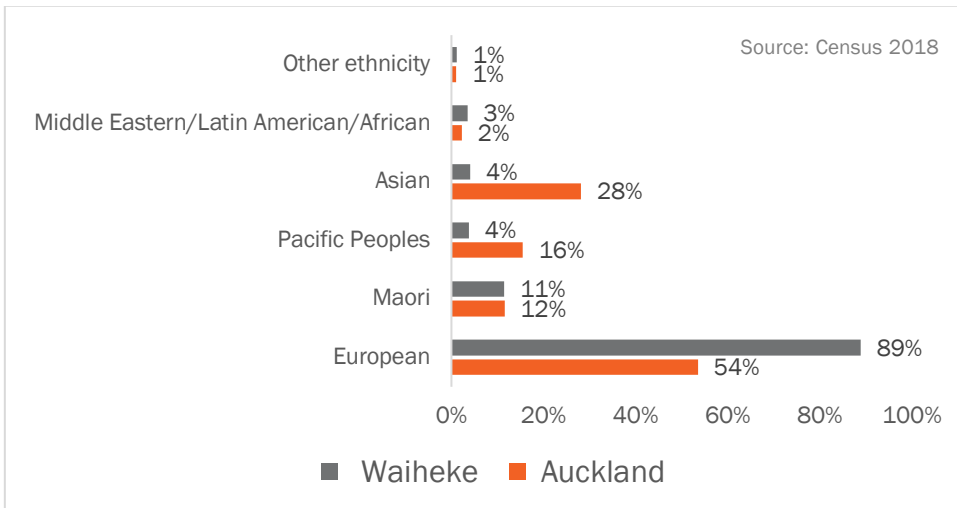
AGE STRUCTURE (CENSUS 2018)



Ethnicity

Waiheke's population is predominantly of European ethnicity (89 per cent), more so than the regional profile where Europeans make up 54 per cent of the population. Waiheke has fewer Māori and Pacific residents than the region there are also fewer people of Asian ethnic origin.

ETHNIC MAKE-UP (CENSUS 2018)



Waiheke has a large proportion of residents born overseas (33 per cent) and 25 per cent of people born overseas had been in New Zealand less than five years.

Languages

With a less diverse population than elsewhere in the region 98 per cent of Waiheke residents are able to speak English compared to 93 per cent for the region.

Labour Force

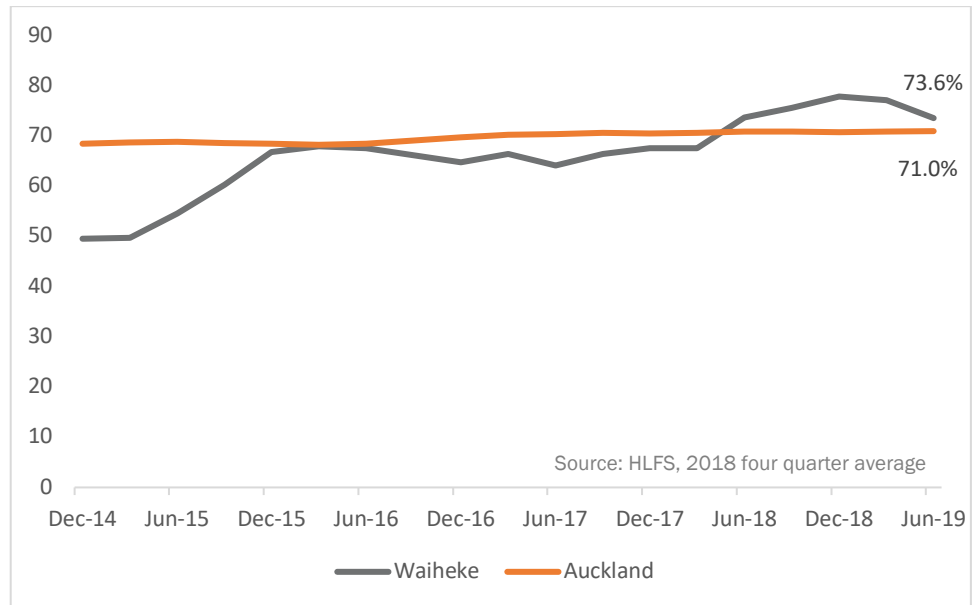
The labour force participation rate is a measure of an economy's active workforce. A high participation rate indicates more people in the area are actively engaged in the economy. The size of the labour force is critical to an area's ability to produce goods and services.

The labour force participation rate in Waiheke is 74 per cent, which is lower than the Auckland rate (71 per cent).

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

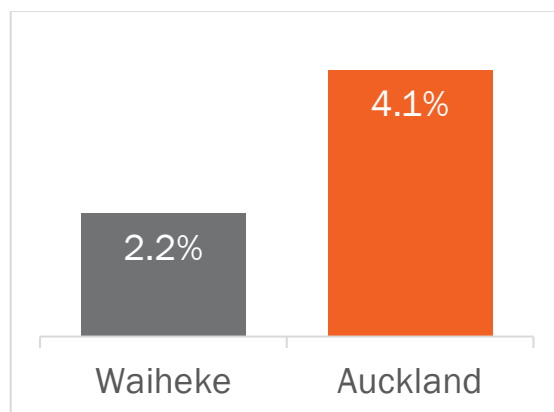
74%

The labour force participation rate in Waiheke was 74 per cent in June 2019, higher than the Auckland rate (71 per cent)



The unemployment rate in the 2018 Census⁵ was 2.2 per cent in the Waiheke Local Board area, lower than the Auckland region unemployment rate of 4.1 per cent.

UNEMPLOYMENT RATE (CENSUS 2018)



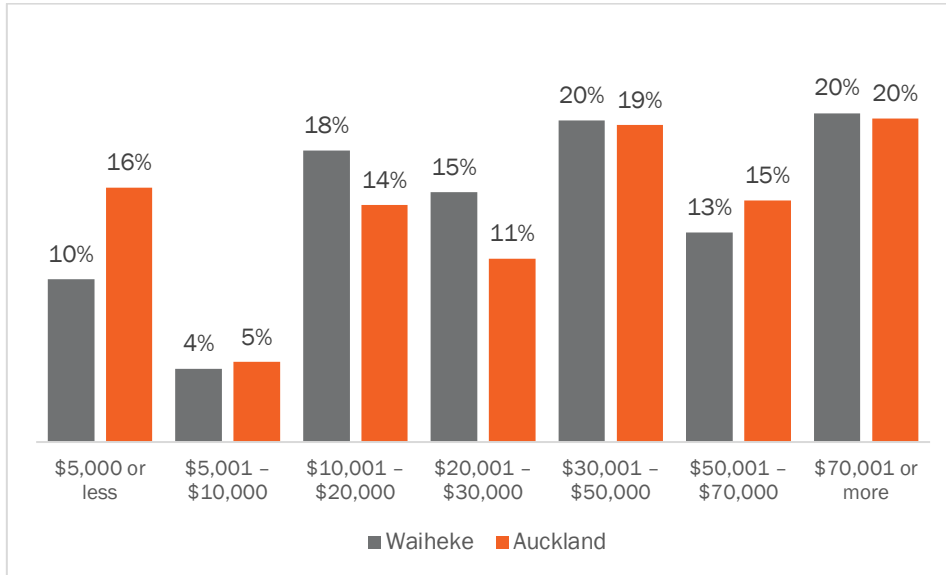
Unemployment data measured by the Household Labour Force Survey in Waiheke is suppressed due to the small population size.

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

Incomes

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

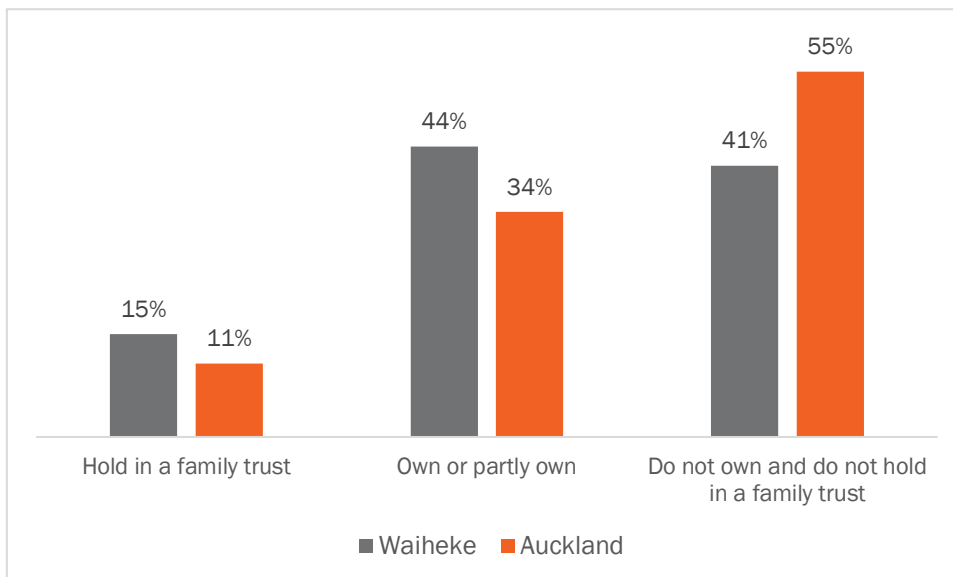
INDIVIDUAL INCOMES (CENSUS 2018)



In 2018, 29 per cent of individuals in Waiheke derived self-employment or business income, well above the rate across Auckland (14 per cent).

Home ownership in Waiheke is higher than the regional average; in 2018, 59 per cent of households owned the dwelling they lived in, compared to 45 per cent across Auckland.

HOME OWNERSHIP (CENSUS 2018)



Skills

Waiheke has a well qualified labour force with a high proportion of residents educated to degree level or higher. While school leavers from Waiheke leave with NCEA Level 1 or NCEA Level 2 in similar proportions as regionally fewer are leaving with NCEA level 3 and fewer are progressing in to tertiary education.

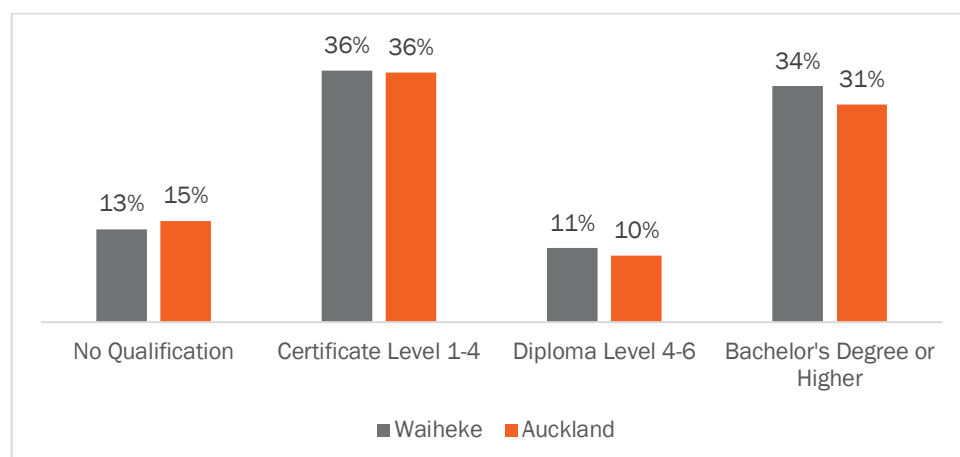
Qualifications

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

The New Zealand Qualifications Framework (NZQF) has ten levels which are based on complexity, with Level 1 the least complex and Level 10 the most complex. All qualifications on the NZQF are assigned one of the ten levels and fit into a qualification type: a certificate (Levels 1-4), diploma (Levels 5-6) or degree (Levels 7-10). Secondary school qualifications of National Certificates of Educational Achievement (NCEA) are gained at Levels 1-3.

Achieving a school level qualification significantly improves a school leaver's employment prospects and people with higher level qualifications are less likely to experience unemployment. The unemployment rate fell substantially in 2017 for people with higher-level qualifications. The rate was 2.4 per cent in 2017 for those with a bachelor's degree or postgraduate qualification, down from 2.9 per cent in 2016. For people with no qualification, the unemployment rate was more than three times larger, at 8.4 per cent. The unemployment rate for people with a Level 4 to 6 diploma or certificate did not alter greatly from 2016 to 2017. It was 3.5 per cent in 2017.⁶

RESIDENTS' HIGHEST QUALIFICATIONS (CENSUS 2018)



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

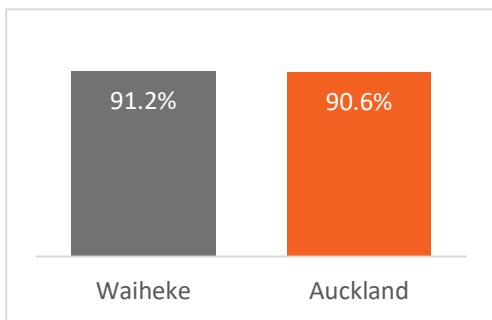
In 2018, 34 per cent of adult residents in Waiheke had gained a bachelor's degree or higher, a higher proportion than the Auckland region 31 per cent). Thirteen per cent of residents had no educational qualifications compared with 15 per cent across the region⁷.

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

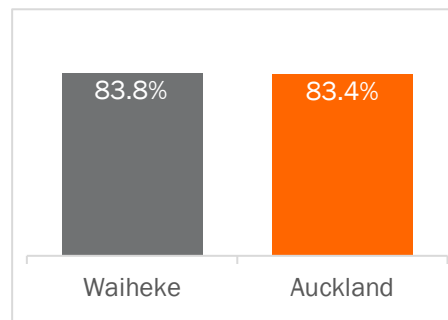
In 2018, 16 per cent of school leavers in Waiheke did not achieve NCEA Level 2, which provides the foundation skills required for employment. This is also very similar to the Auckland average.

NCEA – STUDENTS ATTAINING NCEA (2018)

LEVEL 1



LEVEL 2



NCEA 1 ATTAINMENT BY ETHNICITY

Percentage achieving NCEA	Level 1	Level 2
European / Pakeha	92.6%	85.2%
Māori	73.3%	53.3%
Pacific	-	-
Asian	80.0%	80.0%
Middle East, Latin American, African	-	-
Other	-	-
Total Waiheke	91.2%	83.8%
Total Auckland	90.6%	83.4%

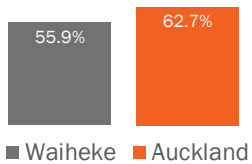
NCEA Level 3 is regarded as the minimum level required for university entry. Fifty-six per cent of Waiheke school leavers achieved this, lower than the Auckland average of 63 per cent. Māori (27 per cent) school leavers in Waiheke however performed noticeably less well.

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

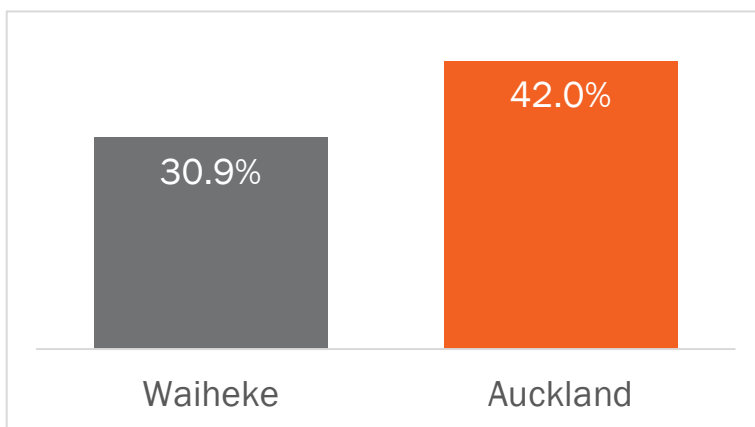
DESTINATION OF SCHOOL LEAVERS IN THEIR FIRST YEAR AFTER LEAVING

	Bachelor's and above	Certificates & diplomas levels 3-7	Certificates Levels 1-2	Not enrolled in tertiary education	Total Leavers
Waiheke	30.9%	14.7%	2.9%	51.5%	68
Auckland	42.0%	20.9%	3.1%	34.1%	20,421

School leavers attaining NCEA level 3 (2018)



SCHOOL LEAVERS MOVING ON TO DEGREE LEVEL STUDY (2018)



Fewer Waiheke school leavers went on to enter degree level study on completion of their schooling and fewer also entered into any form of tertiary education. Thirty-one per cent of Waiheke school leavers did this, much lower than the Auckland average of 42 per cent. A lower proportion also moved into certificate and diploma level study, meaning overall far fewer (48 per cent) enrolled in any form of tertiary education than the regional average (66 per cent).

Local Economy

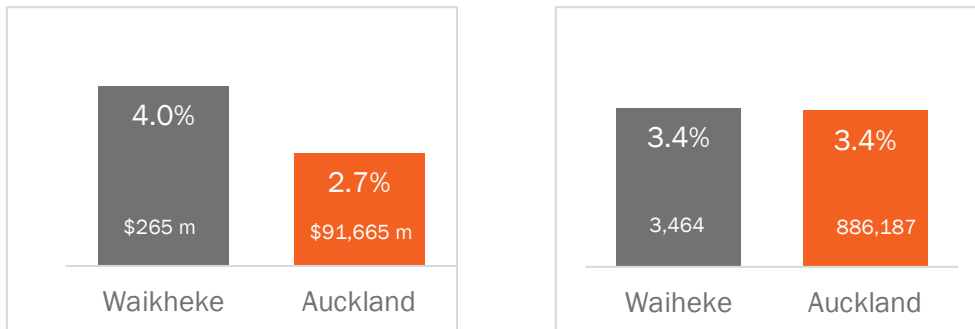
Waiheke has a moderately strong local economy with many residents accessing skilled jobs on the mainland in Central Auckland. Much of the employment on the island is related to the island's visitor economy which attracts upto 40,00 visitors a day in the summer peak. Waiheke however has few high skilled jobs available locally. Rental, hiring and real estate services, retail trade and accommodation and food services create a large number of local jobs.

Growth and employment trends

In 2018, GDP in Waiheke contracted 1.8 per cent from 2017, lower than the growth rate in Auckland of 3.9 per cent. In the five years to 2018 the Waiheke economy grew at an average annual rate of 3.8 per cent, lower than the 4.2 per cent in the Auckland region.

Employment in Waiheke increased by an average 4.8 per cent per annum in the five years from 2013 to 2018, above the Auckland rate of 3.4 per cent. Over the last five years Waiheke job numbers increased the most in accommodation and food services (+174 jobs), agriculture, forestry and fishing (+118 jobs) and retail trade (+106 jobs) sectors.

AVERAGE ANNUAL GDP AND EMPLOYMENT GROWTH 2008-2018



Over the five years 2013 to 2018, the fastest growing industries by GDP in Waiheke were transport, postal and warehousing, construction and accommodation and food services.

FASTEST GROWING INDUSTRIES BY GDP (ANZSIC LEVEL 1)

(source Infometrics)

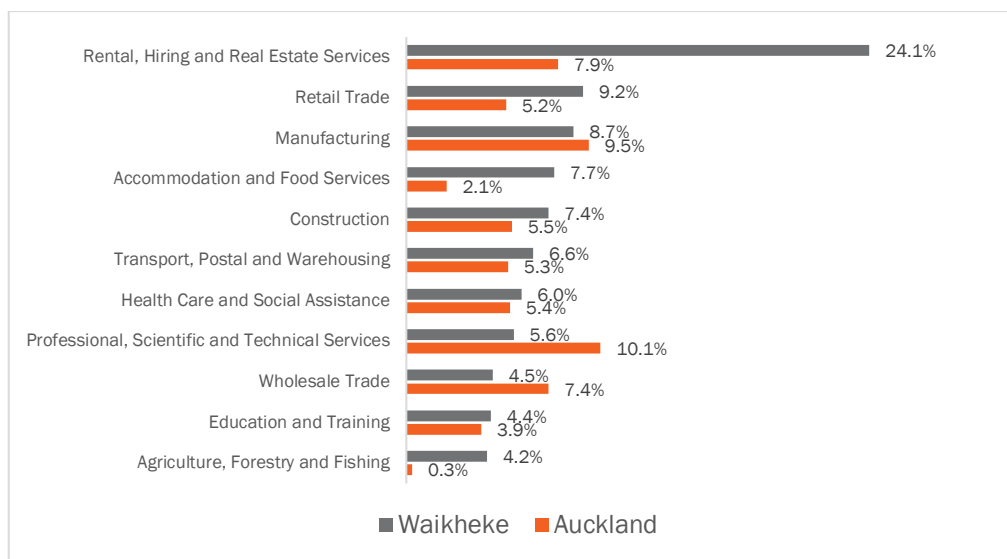
Industry	Average pa change
Transport, Postal & Warehousing	16.2%
Construction	10.1%
Accommodation & Food Services	8.5%
Professional, Scientific & Technical Services	8.1%
Retail Trade	6.8%
Agriculture, Forestry and Fishing	5.86%

Industry mix

Waiheke’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 Waiheke economy are rental, hiring and real estate services, retail trade and manufacturing.

BROAD INDUSTRY MIX BY GDP (ANZSIC LEVEL 1)

(source Infometrics)



- **Rental, hiring & real estate services** contributed 24 per cent of Waiheke’s GDP and only six per cent of the area’s employment.
- **Retail trade** contributed nine per cent of Waiheke’s GDP and 12 per cent of the area’s employment.
- **Manufacturing** contributed nine per cent of Waiheke’s GDP and provided three per cent of the area’s employment
- **Accommodation & food services** contributed eight per cent of Waiheke’s GDP and provided 18 per cent of the area’s employment.

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



Accommodation and food and horticulture and fruit growing are the main employment sectors on Waiheke.

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

Rank	Industry	Jobs	% of Waiheke Total
1	Accommodation & Food Services	629	18.2%
2	Horticulture & Fruit Growing	353	10.2%
3	Health Care & Social Assistance	244	7.0%
4	Education & Training	215	6.2%
5	Supermarket & Specialised Food Retailing	200	5.8%
6	Other Store & Non-Store Retailing	192	5.5%
7	Building Construction	179	5.2%
8	Professional, Scientific & Tech Services	174	5.0%
9	Road Transport	170	4.9%
10	Property Operators & Real Estate Services	150	4.3%
Total top 10 industries		2,506	72.3%
All other industries		957	27.7%
Total employment		3,464	

Professional, scientific and technical services have seen the greatest employment growth over the last five years with construction and accommodation and food services also seeing large increases.

Management consulting and Computer Systems Design and Related Services are important professional service employment sectors. Within education, 30 per cent of jobs are in higher education. Cafés and restaurants make up two thirds of employment in the accommodation and food services sector. Twenty-seven per cent of employment in construction services is in the electrical services sub-sector.

Accommodation and food services have seen the greatest employment growth over the last five years with road transport and horticulture also seeing large increases.

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

Sector	New Jobs
Accommodation & Food Services	174
Road Transport	115
Horticulture & Fruit Growing	113
Administrative & Support Services	85
Other Store & Non-Store Retailing	71

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

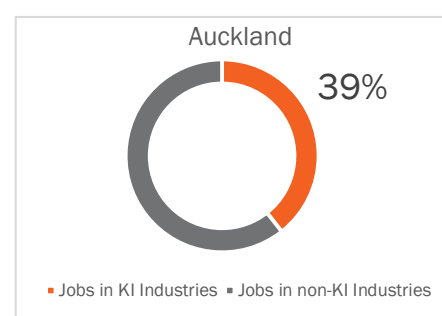
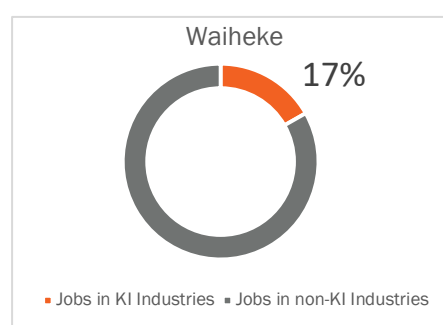
Occupation	Jobs Lost
Education & Training	-70
Local Government Administration	-22

Knowledge-Intensive Industries

Knowledge intensive industries⁸ represent an increasing share of the New Zealand economy's output and employment and may be a source of future productivity growth. 17 per cent of jobs in Waiheke are in knowledge intensive industries, which is lower than the regional average of 39 per cent.

JOBS IN KNOWLEDGE INTENSIVE INDUSTRIES

(source Infometrics)



Comparative Advantage

A number of sectors are more strongly represented in Waiheke than they are in the region as a whole. The wine industry (fruit growing and beverage manufacture) and tourism (accommodation and food and property operators) are significant contributors to the Waiheke economy.

⁸ Knowledge-intensive industries are industries that satisfy two basic criteria: At least 25 per cent of the workforce must be qualified to degree level and at least 30 per cent of the workforce must be employed in professional, managerial, as well as scientific and technical occupations.

INDUSTRIES CONCENTRATED IN LOCAL BOARD AREA

(source Infometrics)

Rank	Industry	Location Quotient	GDP \$M	Employees
1	Horticulture & Fruit Growing	30.0	7.8	353
2	Beverage & Tobacco Product Manufacturing	7.9	18.9	57
3	Road Transport	3.9	14.5	170
4	Accommodation & Food Services	3.7	20.4	629
5	Rental & Hiring Services	3.6	13.3	69
6	Supermarket & Specialised Food Retailing	3.0	11.1	200
7	Property Operators & Real Estate Services	2.9	50.6	150

ATEED Sectors of Focus

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

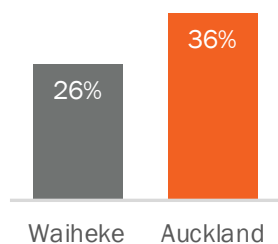
These industries and sectors are grouped into advanced industries, tradeable industries and enabling industries. Together they drive growth and create employment in Auckland and are of particular interest to ATEED with regards support that can be provided to help their growth.

Tourism is one of the sectors of focus for ATEED that is well represented in Waiheke.

EMPLOYMENT IN ATEED FOCUS SECTOR (2018)

Share of Sector to Total	Auckland	Waiheke	+/- on A-E sector
Advanced Materials Related	1.7%	0.1%	-93%
Commercial services	21.2%	8.0%	-62%
Construction and engineering	11.2%	10.4%	-7%
Education	7.6%	6.2%	-18%
Food and Beverage	3.5%	4.3%	23%
Screen and creative	6.0%	3.9%	-35%
Technology	7.6%	2.1%	-72%
Tourism	6.2%	11.1%	80%
Transport and Logistics	2.9%	2.1%	-28%

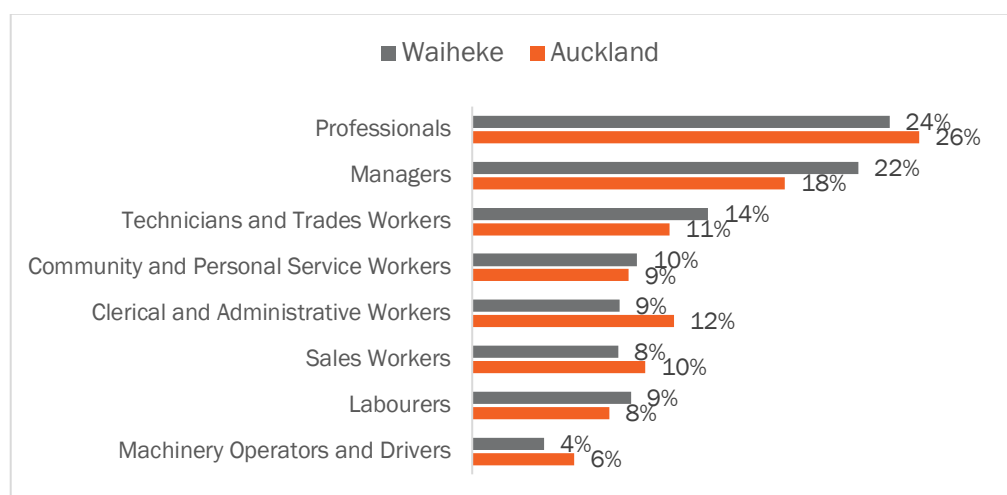
Highly Skilled Jobs (2018)



Occupations ⁹

Higher skilled jobs offer people an improved standard of living and are a critical component in attracting workers to an area. Statistics NZ allocates occupations to skill levels based on the range and complexity of tasks performed in a particular job. The skill level does not relate to the qualifications obtained by an individual, but to the range and complexity of the tasks they do at work. Waiheke has a higher proportion of low-skilled jobs (43 per cent) and lower proportion of high-skilled jobs (26 per cent), compared to the Auckland average.

OCCUPATIONS OF RESIDENTS (CENSUS 2018)

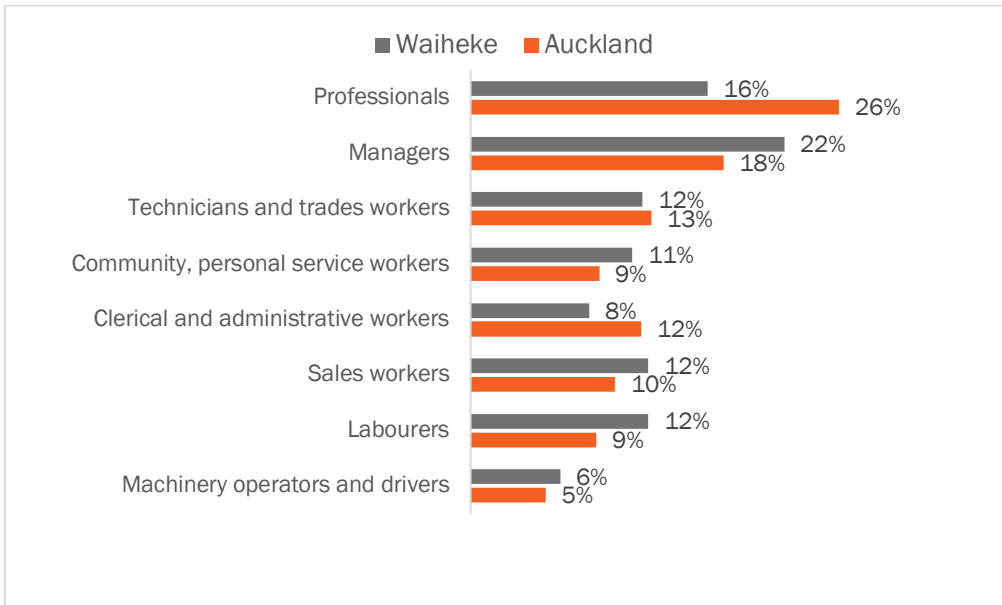


Managers and professional occupations were the most popular occupational categories for Waiheke residents in 2018. Compared to the region, there are a higher proportion of managers and a lower proportion of workers in professional occupations in Waiheke. The profile of jobs on Waiheke is very different to that which residents have given the numbers that commute to the mainland for jobs in Auckland’s CBD. **Of the jobs located in Waiheke, managers are the largest occupational group (22 per cent), a higher proportion than the Auckland average (18 per cent).** Waiheke is under-represented in the professional occupations, with this occupation making up 16 per cent of jobs compared with 26 per cent for the wider region. Waiheke also has more lower skilled sales, labouring and operator jobs.

OCCUPATIONS IN LOCAL BUSINESSES (2018)

(source Infometrics)

⁹ The 2018 Census provides details of the occupations of residents of the local board area whereas Infometrics data provides details of occupations within businesses located in the local board area.



Specialist managers¹⁰ are the largest occupational group in Waiheke, followed by sales assistants & salespersons and hospitality workers.

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

Rank	Occupations	Jobs	% of total jobs in Waiheke
1	Specialist Managers	263	7.6%
2	Sales Assistants & Salespersons	225	6.5%
3	Hospitality Workers	217	6.3%
4	Hospitality, Retail & Service Managers	209	6.0%
5	Education Professionals	185	5.3%
6	Farm, Forestry & Garden Workers	168	4.9%
7	Farmers & Farm Managers	163	4.7%
8	Sales Representatives & Agents	146	4.2%
9	Road & Rail Drivers	143	4.1%
10	Food Trades Workers	138	4.0%
Sub-total Top 10 occupations		1857	53.6%
Total jobs		3,464	Note, includes self-employed

Many occupations saw significant growth from 2013-2018, particularly for road & rail drivers, specialist managers and hospitality workers. The occupations where there was a decline in the number of people employed in Waiheke were education professionals, sports & personal service workers and clerical & office support workers.

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

FASTEST GROWING OCCUPATIONS 2013-2018

(source Infometrics)

Occupation	New Jobs
Road & Rail Drivers	80
Specialist Managers	60
Hospitality Workers	57
Sales Assistants & Salespersons	45
Hospitality, Retail & Service Managers	44

OCCUPATIONS WITH DECLINING JOBS 2013-2018

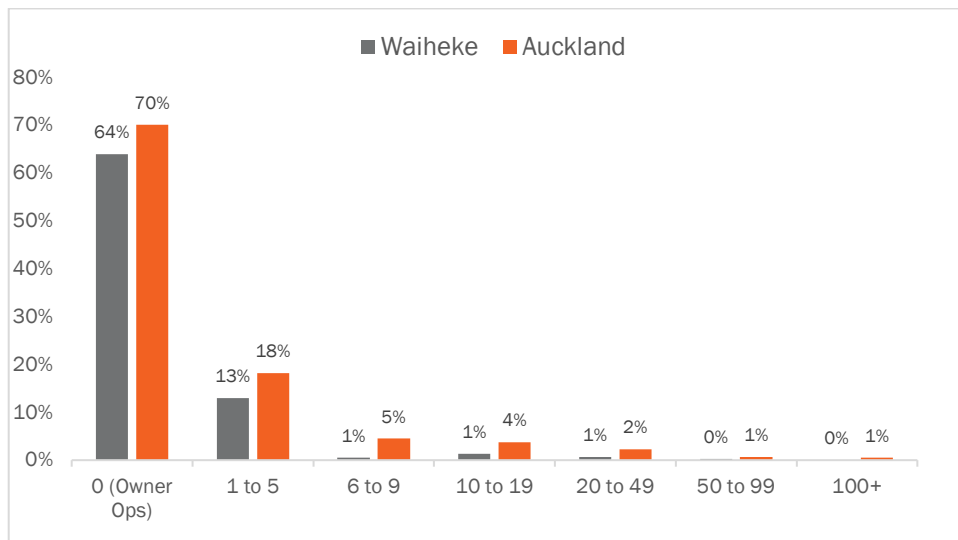
Occupation	New Jobs
Education Professionals	-54
Sports & Personal Service Workers	-3
Clerical & Office Support Workers	-3

Business size¹¹

In 2018 there were 1422 businesses in Waiheke employing an average of 2.4 employees each, smaller than the Auckland average 4.5 employees. The number of businesses grew 1.6 per cent a year on average over the last decade, a slower average growth rate than the Auckland average of 1.9 per cent.

BUSINESS SIZE – NUMBER OF JOBS (2018)

(source Infometrics)



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

Future of Work in Waiheke

In 2019 ATEED commissioned work¹² to examine the likely future skills needs of the Auckland economy as changing population demographics, emerging technologies and the growth of new industries changes the nature of employment and the skills needed.

Waiheke Local Board is located in the Hauraki Gulf separate from mainland Auckland and distant from important employment precincts in central / south Auckland. A ferry service connects many residents to employment opportunities in the central city area.

Population growth and changing consumer demand will influence growth in particular sectors. The Auckland Future Skills report indicates that Auckland can expect to see growth across most industries with notable growth in **construction, professional services, health care, food service and education**. Construction in particular is expected to grow by approximately 56,000 jobs over the next 10 years.

Health care and social assistance is an important employment sector in Waiheke with seven per cent of jobs in the area. Education is also important and provides six per cent of the area's jobs. Construction is a key employer in almost all local board areas and represents 10 per cent of employment in Waiheke Local Board.

Professional services jobs include accounting, legal, architectural, engineering and management consulting services are forecast to grow 28 per cent (31,000 jobs) over the next ten years and **much of this growth is likely to be in the central city where these jobs are strongly concentrated**. Almost 60 per cent of current jobs in central Auckland are in these growth sectors which accounts for 31 per cent of jobs these sectors provide in the Auckland region.

As an island local board area, Waiheke also has a limited number of jobs in these sectors which account for around five per cent of local employment. Forecast growth in these sectors is likely to include limited growth in Waiheke. Waiheke residents are likely however to continue to commute to the central city to access the growing number of professional service jobs there.

In order to access most of these growing occupations Waiheke residents are likely to have to commute into the central city. Flexible working and fast internet connections could facilitate resident's ability to access quality employment on Waiheke.

¹² Auckland Future Skills, Martin Jenkins (May 2019)

Employment Zones

Employment in Waiheke is concentrated in a number of town centres. Horticulture and fruit growing provides employment across the island.

As an island, Waiheke has a high proportion of residents that both live and work on the island while a good number commute to the mainland for work. A smaller number commute into Waiheke from the mainland. There are 9,063 residents of Waiheke which has a labour force of 5,100. The local board area has a total of 3,464 jobs located within it. As a result, the area is a net exporter labour to other parts of the city.

Employment Zones

Employment in Waiheke is concentrated the three main centres of Oneroa, Onetangi and Ostend. Accommodation and food, food and other retail, construction and horticulture are the main employment sectors in these areas.

EMPLOYMENT IN ONEROA*

(source Infometrics)

Industry	Jobs
Horticulture and Fruit Growing	267
Accommodation and Food Services	260
Supermarket, Grocery Stores and Specialised Food Retailing	78
Property Operators and Real Estate Services	64
Health Care and Social Assistance	57
Other Store-Based Retailing and Non-Store Retailing	46
Road Transport	42
Information Media Services	39
Total employment (all sectors)	1114
* Based on business demographics for the SA2 area	

The supermarket in Ostend is a significant employer in the central part of Waiheke Island. There are some other construction related suppliers and businesses in that area.

EMPLOYMENT IN OSTEND*

(source Infometrics)

Industry	Jobs
Supermarket, Grocery Stores and Specialised Food Retailing	124
Other Store-Based Retailing and Non-Store Retailing	103
Health Care and Social Assistance	92
Accommodation and Food Services	77
Construction Services	61
Education and Training	50
Heavy and Civil Engineering Construction	35
Local Government Administration	30
Total employment (all sectors)	801
* Based on business demographics for the SA2 area	

EMPLOYMENT IN ONETANGI AREA*

(source Infometrics)

Industry	Jobs
Accommodation and Food Services	164
Horticulture and Fruit Growing	87
Building Construction	54
Construction Services	32
Total employment (all sectors)	418
* Based on business demographics for the SA2 area	

Development Trends

Auckland has been undergoing a period of rapid growth facilitated by the development of the Auckland Unitary Plan. As Auckland grows so does the demand for accommodation and infrastructure on Waiheke. Residential development in Waiheke has seen a steady level of development as more people are attracted to live on the island.

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.

303

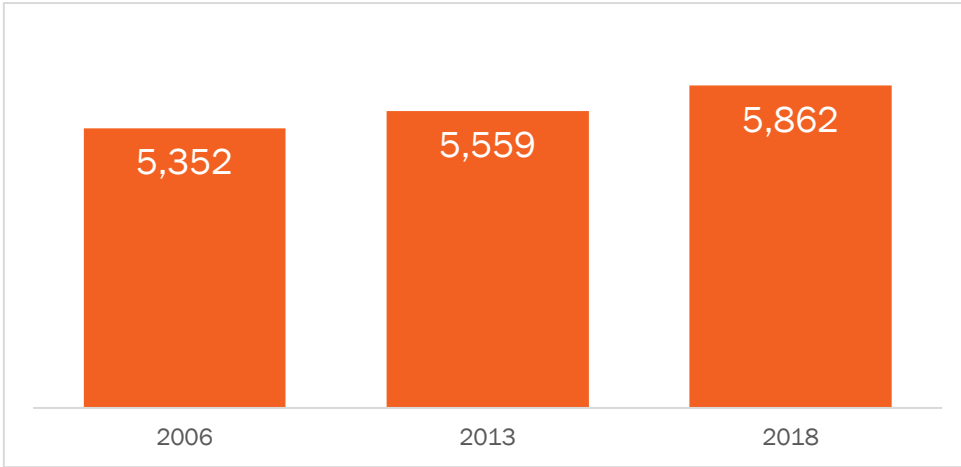
Additional dwellings

There were 303 additional dwellings in Waiheke in the 2018 Census compared to 2013.

New dwellings

There were 115 new dwellings consented in 2018, which was 1.5 per cent of the 7,824 issued in the Auckland region. The number of new dwellings consented has been at increasing steadily since 2011.

NUMBER OF PRIVATE DWELLINGS (OCCUPIED & UNOCCUPIED)



At the 2018 Census there were 2,157 unoccupied dwellings and 51 under construction. Between 2013 and 2018 censuses there were just 303 additional dwellings in Waiheke an increase of 5.5 per cent compared to a 6.5 per cent increase across the region.

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 Waiheke Local Board seeks to ensure that Waiheke develops thriving town centres and a growing local economy. The local board's vision is for a sustainable economy that supports positive visitor experiences and is able to support a range of job opportunities in high value industries.

ATEED are able to provide support to local boards or groups of local boards in a number of ways, including:

Business environmental sustainability

- Promote sustainable business practices in key areas such as waste minimisation. Identifying the needs of local business through needs assessments and providing implementation options.
- Provide businesses access to sustainable business coaching and sustainability seminars.

Places

- Work alongside Panuku Development Auckland in its Transform and Unlock areas to help identify and realise economic development opportunities in those areas.
- Support local boards with specific place-based initiatives to help revitalise areas and build on their unique characteristics in order to promote enhanced economic outcomes.

Enterprise

- Manage delivery of local business programmes that provide access to business skills where mainstream services don't meet community need (e.g. PopUp Business School).
- Support youth enterprise initiatives (e.g. Young Enterprise Scheme).

Economic analysis and research

- Support local boards to understand strengths, opportunities and challenges in their areas by providing analysis of available data.
- Commissioning work to understand particular issues or opportunity a local area may have and how and identify appropriate actions.

Leveraging local opportunities

- Support local boards to consider how they may best support local businesses to capitalise on opportunities that may arise as a result of major events or development projects in the region.

The table below provides our advice as to where ATEEDs local delivery can help the local board deliver against its objectives. Where related initiatives that are delivered by other parts of the Auckland Council family these are noted.

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

ISSUES

Waiheke has an economy driven by its attractiveness as a tourism destination which is seasonal in nature and can create pressures on the island's infrastructure at peak times. Developing this in a sustainable way to provide jobs in high value sectors is key. While a number of residents are affluent not all sectors of the community are able to share in prosperity which is often generated off the island.

ECONOMIC DEVELOPMENT OPPORTUNITIES

LED work stream	Potential area of focus in Waiheke Local Board area
Sustainable businesses	Work with the business community to encourage and support local sustainable business practices and initiatives.
Places	Work with Auckland council group and other agencies to ensure that the benefits of tourism are maximised while any negative impacts are minimised.
Enterprise	<p>Consider enterprise support programmes that meet the needs of the community and support high value businesses that are currently not met by mainstream regional programmes.</p> <p>Consider ways to attract a wider range of high value job opportunities.</p> <p>Foster opportunities for young people in a range of job opportunities.</p>
Economic intelligence	Update of Prosperity Index to keep local board informed of socio-economic picture in their area.

Glossary

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

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