Māngere-Ōtāhuhu Local Economic Overview 2022

Tātaki Auckland Unlimited Report

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

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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

Māngere-Ōtāhuhu is one of Auckland's most populous local board areas with a population of 86,700 that is forecast to increase to 105,900 by 2048. The area has an ethnically diverse population with many residents from the Pacific islands.

Māngere-Ōtāhuhu is one of Auckland's less prosperous areas. The Auckland Prosperity Index report showed that while there has been strong growth in the number of businesses in Māngere-Ōtāhuhu, the area's low skill base is reflected in the lack of highly skilled jobs in the area.

POPULATION SUMMARY

|	Māngere-Ōtāhuhu	Auckland/Share
Population (2021)	86,700	5.1%
Population growth (2016-2021)	8.6%	7.9%
Median Age (2021)	30.3	35.6
Labour force (2022)	31,400	983,800
Labour force participation (2022)	64%	72%
Home ownership (2018)	29%	45%

Population

The Māngere-Ōtāhuhu Local Board area has experienced a higher population growth in recent years than the region. Between 2016 and 2021, population growth was 8.6 per cent compared to 7.9 per cent regionally (Infometrics 2021)[1]

POPULATION GROWTH (INFOMETRICS 2016-2021)
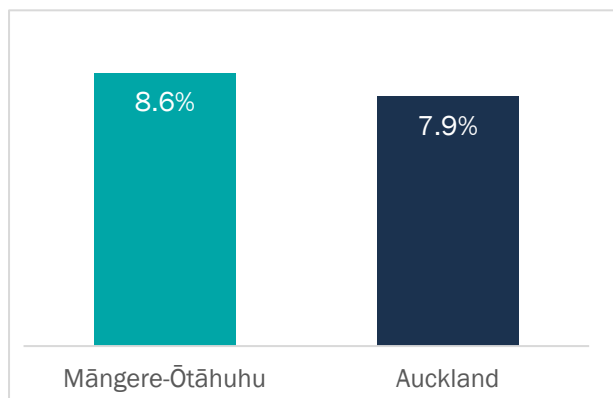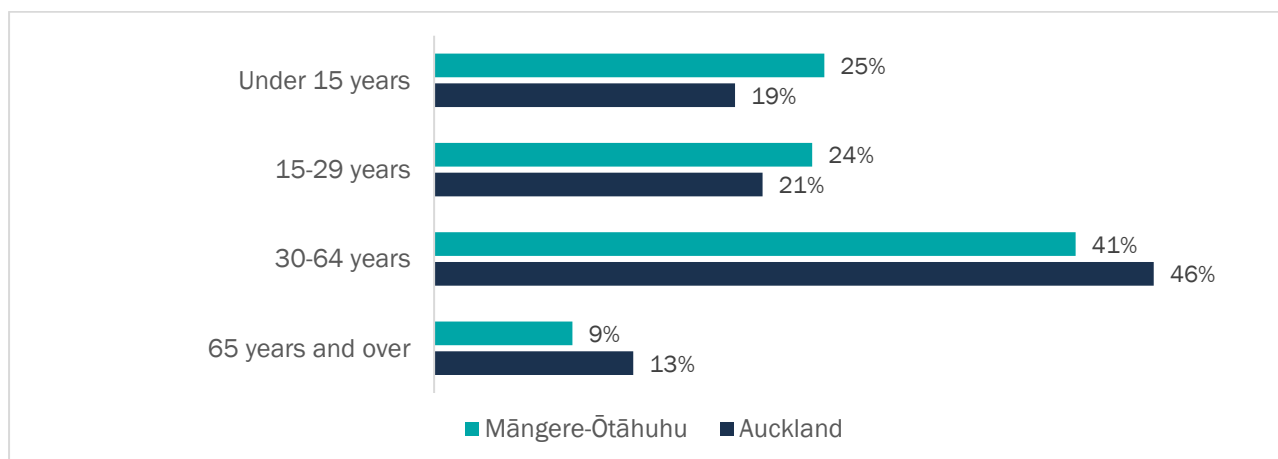

MEDIAN AGE (INFOMETRICS 2021)

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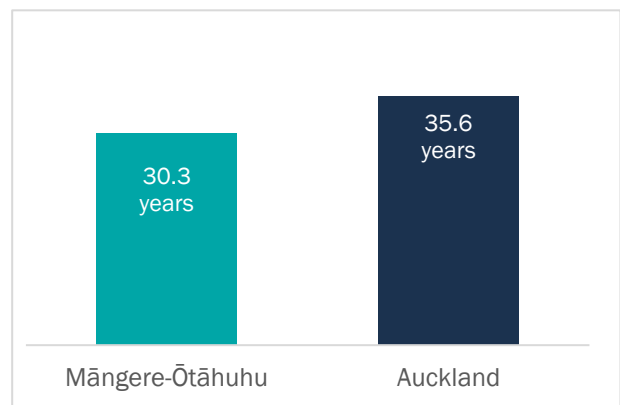
[1] Infometrics population estimates

Medium population projections suggest that Māngere-Ōtāhuhu could be home to 105,900 residents by 2048, an increase of 19,200. This equates to a 0.8 per cent per annum increase or 711 additional residents per year between 2021 and 2048 (NZ Statistics).

Māngere-Ōtāhuhu has a young population with a lower median age compared to the region and its working age population is slightly smaller than the regional average and there are proportionately more young people and also fewer people of retirement age.

AGE STRUCTURE (INFOMETRICS 2021)

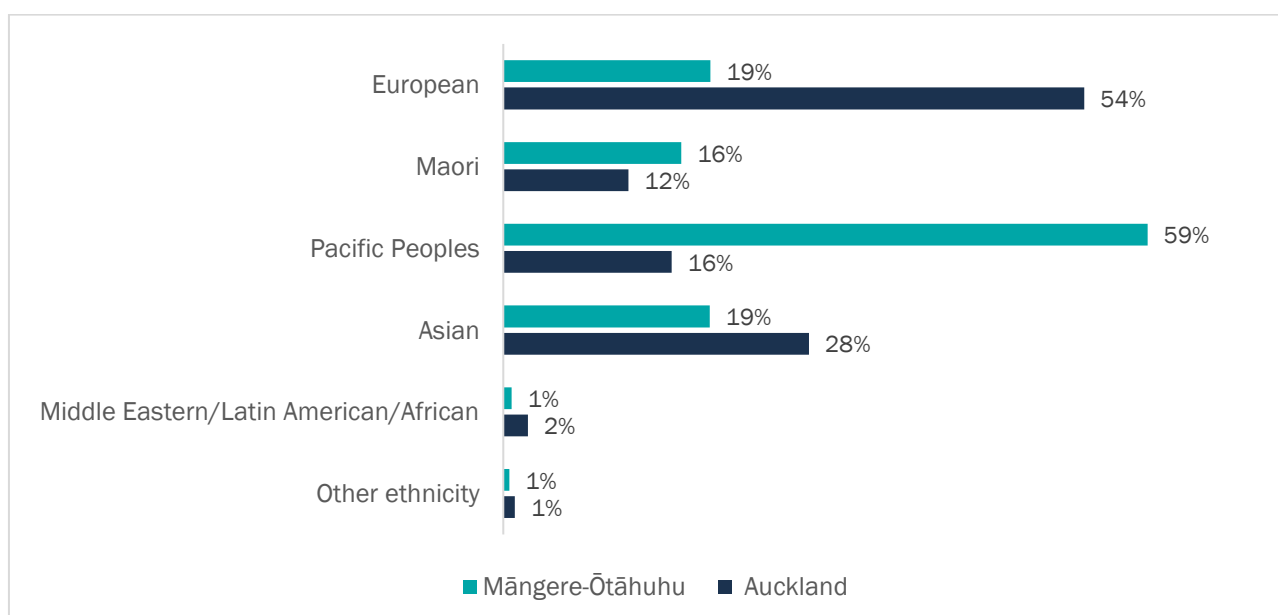| Age group	Māngere-Ōtāhuhu	Auckland
Under 15 years	25%	19%
15-29 years	24%	21%
30-64 years	41%	46%
65 years and over	9%	13%

Ethnicity

Māngere-Ōtāhuhu has a similar proportion of residents born overseas (41 per cent) compared to the region (42 per cent). Of people born overseas 15 per cent had been in New Zealand for less than five years, below the regional average of 24 per cent, indicating a more established population.

Fifty-nine per cent of the population are Pacific Peoples, a much higher proportion than the regional average, with significant Samoan, Tongan and Cook Island populations. Māori are also strongly represented, while the European population is just 19 per cent compared to 54 per cent regionally. The area also has a significant Indian population.

ETHNIC MAKE-UP (CENSUS 2018)

| Ethnicity	Māngere-Ōtāhuhu	Auckland
European	19%	54%
Maori	16%	12%
Pacific Peoples	59%	16%
Asian	19%	28%
Middle Eastern/Latin American/African	1%	2%
Other ethnicity	1%	1%

Languages

With a diverse population, there are a wide range of languages in use in Māngere-Ōtāhuhu. Ninety-one 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 Māngere-Ōtāhuhu is 64 per cent, significantly lower than the Auckland rate (72 per cent).

LABOUR FORCE PARTICIPATION RATE OVER TIME (HOUSEHOLD LABOUR FORCE SURVEY 2022)
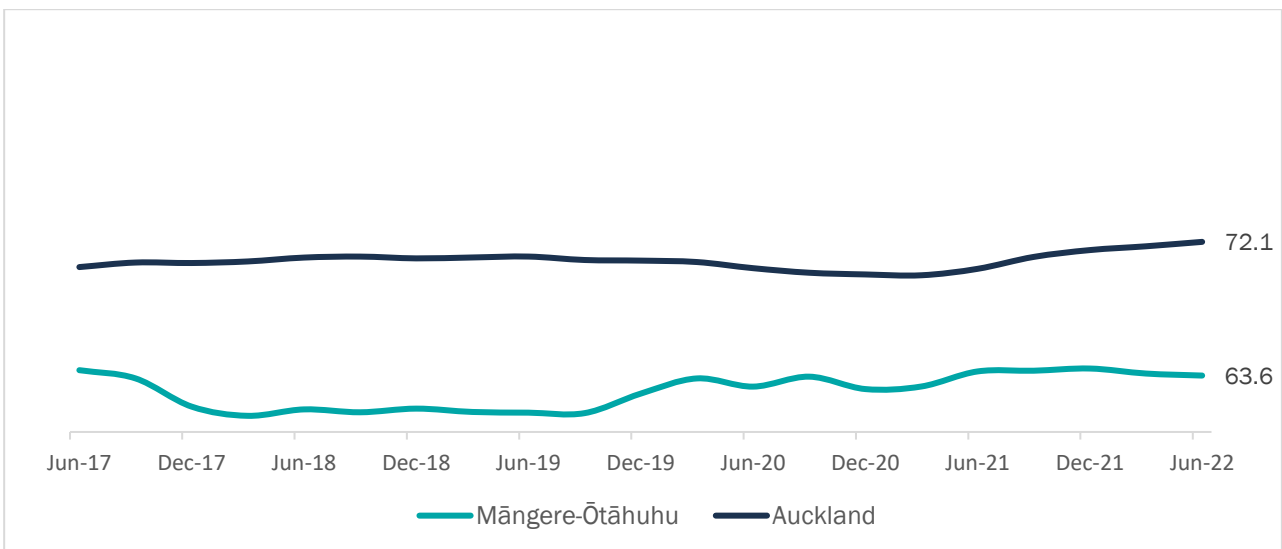
Unemployment, measured by the Household Labour Force Survey in Māngere-Ōtāhuhu, has remained significantly above the Auckland average over the last five years. In June 2022 it was 3.0 per cent higher than the Auckland average.
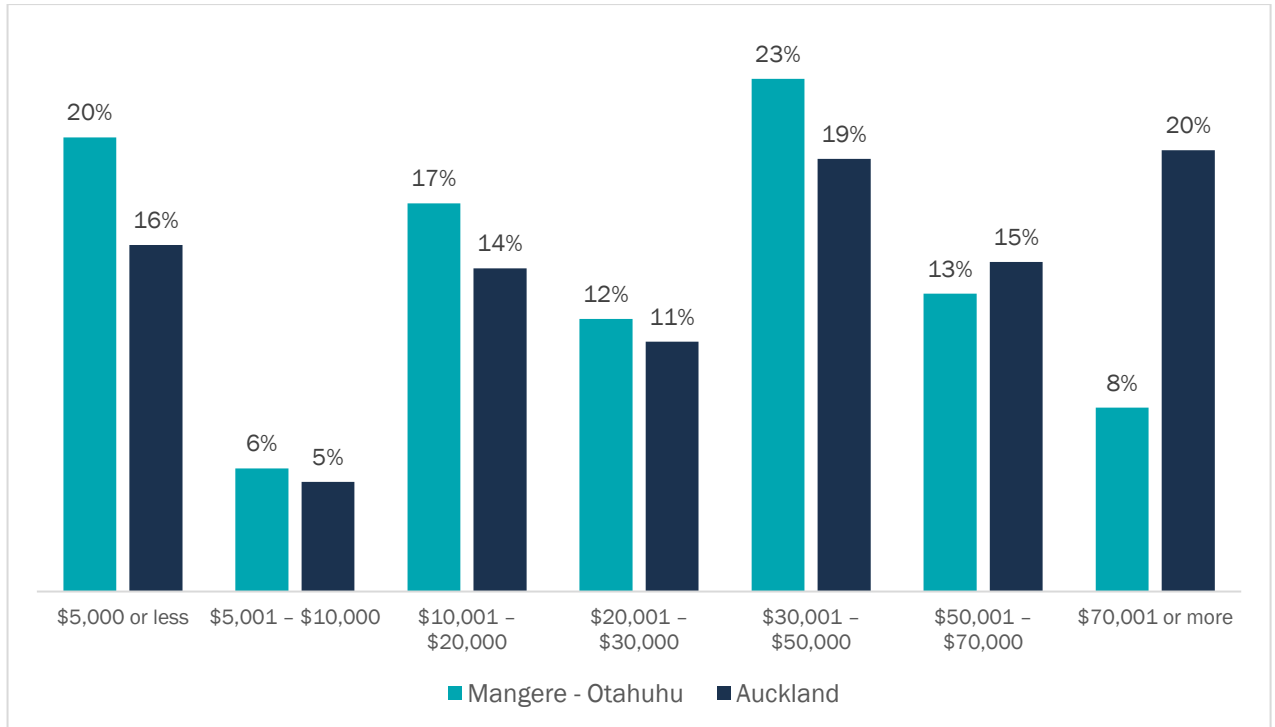
UNEMPLOYMENT RATE OVER TIME (HOUSEHOLD LABOUR FORCE SURVEY 2022)


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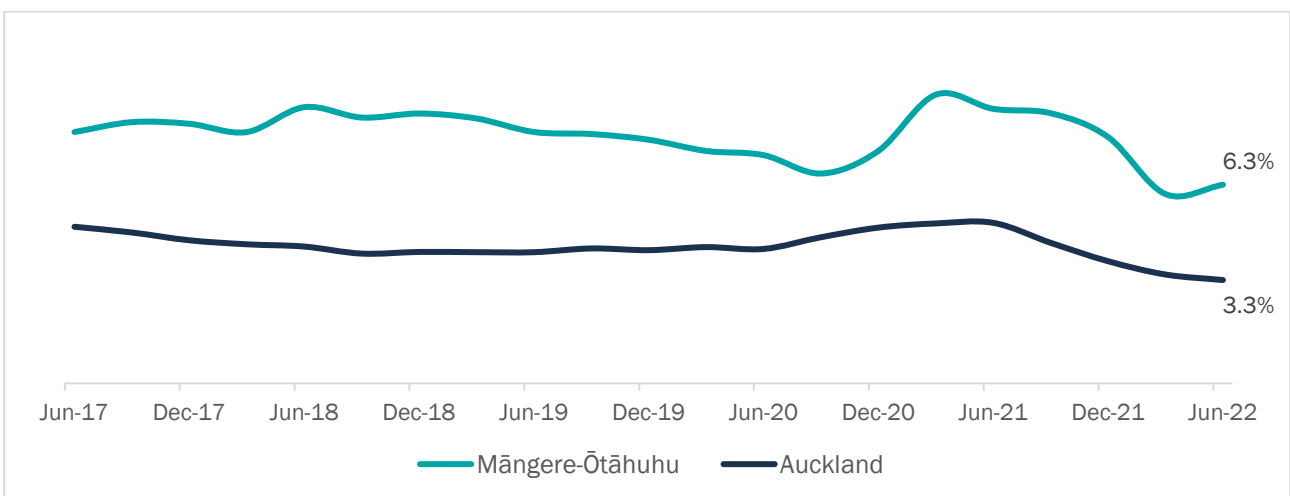
Income

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

INDIVIDUAL INCOMES (CENSUS 2018)

At the 2018 census, the median household income in Māngere-Ōtāhuhu was $77,900, significantly lower than the Auckland median of $93,900. Excluding the Gulf Islands, only the Otara-Papatoetoe Local Board had a lower level.

MEDIAN HOUSEHOLD INCOMES (CENSUS 2018)
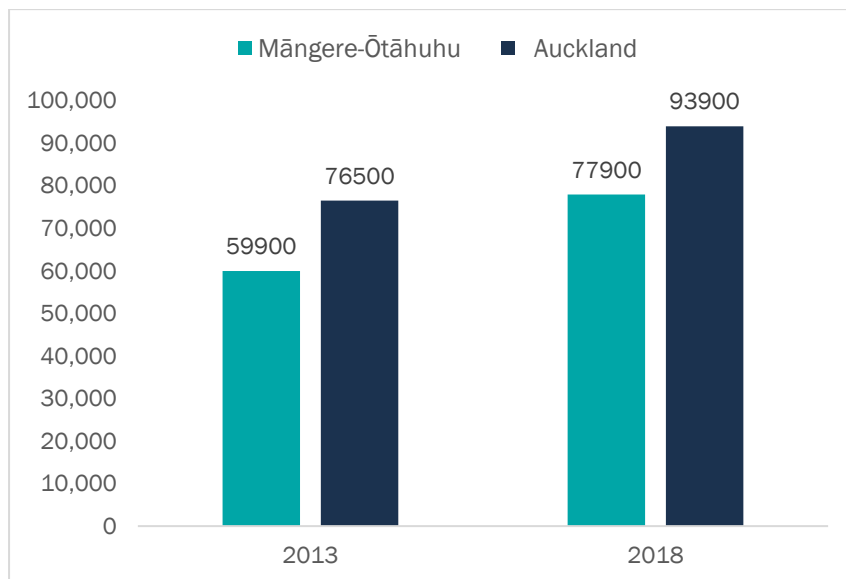
In 2018, six per cent of households in Māngere-Ōtāhuhu derived self-employment or business income, below the rate across all Auckland households (15 per cent).

Household ownership in Māngere-Ōtāhuhu is lower than the regional average; in 2018, 41 per cent of households owned the dwelling they lived in, compared to 59 per cent across Auckland.

HOME OWNERSHIP (CENSUS 2018)
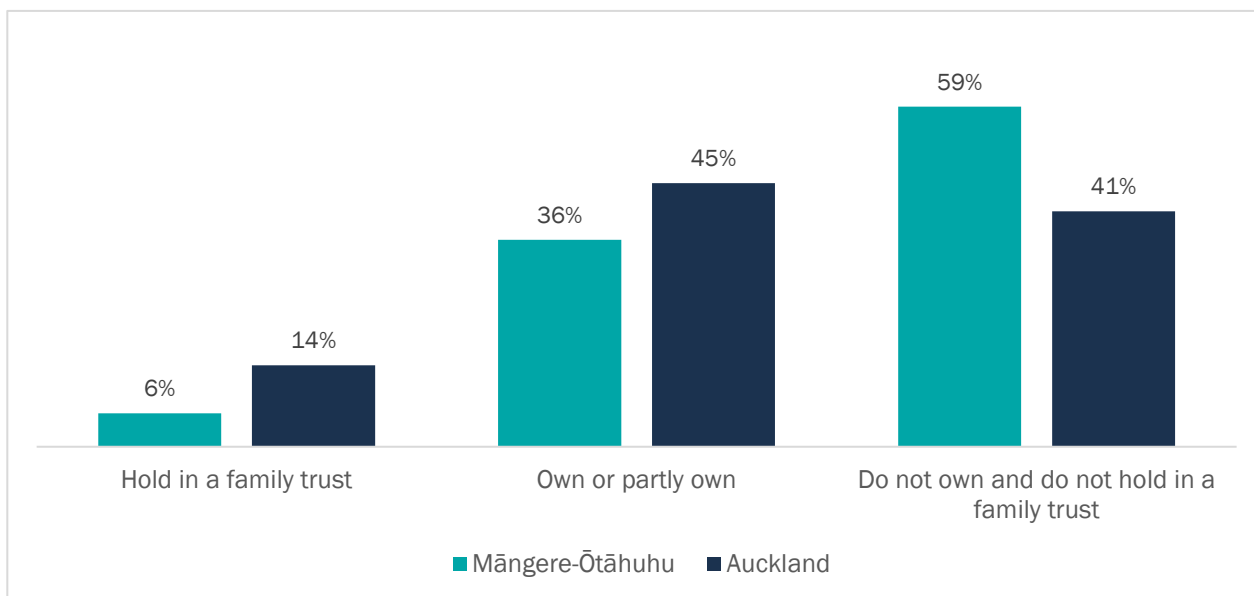
Household Prosperity

Māngere-Ōtāhuhu 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.

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

3: Skills

Māngere-Ōtāhuhu has a less well qualified labour force with a low proportion of residents educated to degree level or higher. Fewer school leavers from Māngere-Ōtāhuhu leave with NCEA Level 2 but NCEA Level 3. Results for 2021 were above the regional average. A couple of high performing schools lift the average attainment levels across the local board area. Fewer students progress from school in to tertiary education.

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)
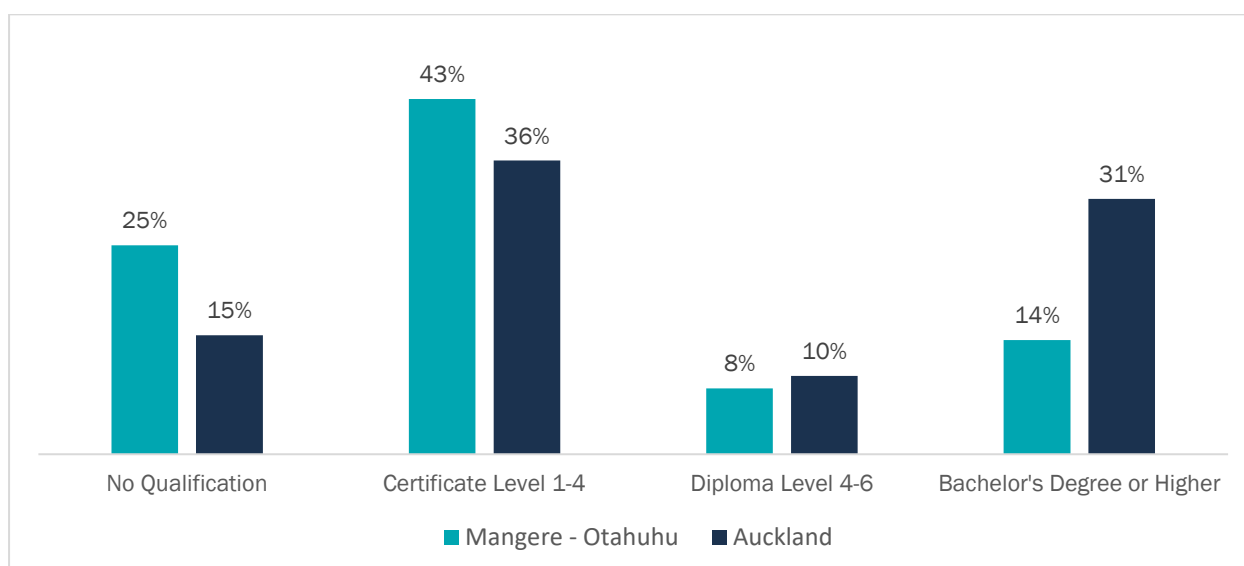
In 2018, 14 per cent of adult residents in Māngere-Ōtāhuhu had gained a bachelor's degree or higher, a lower proportion than the Auckland region (31 per cent). Twenty-five per cent of residents had no educational qualifications compared with 15 per cent across the region[3].
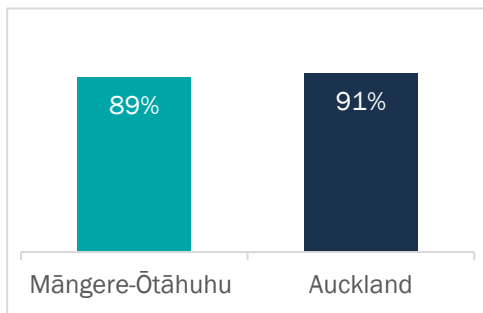
Education Attainment

NCEA is the national school leavers qualification and is used as the benchmark for entrance selection by universities and polytechnics. In 2021, 11 per cent of school leavers in Māngere-Ōtāhuhu did not achieve the standard for NCEA Level 1 compared to nine per cent regionally.
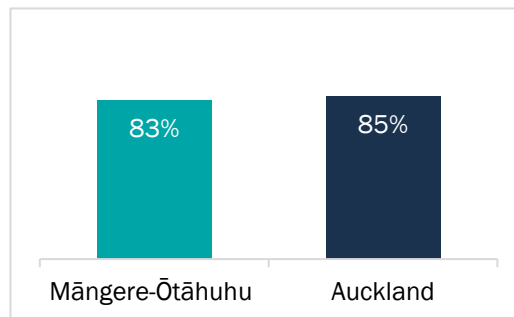
In 2021, 17 per cent of school leavers in Māngere-Ōtāhuhu did not achieve NCEA Level 2, which provides the foundation skills required for employment. This is higher than the Auckland average where 15 per cent of school leavers did not achieve NCEA Level 2 or higher.

NCEA – STUDENTS ATTAINING NCEA (MINISTRY OF EDUCATION 2021)

LEVEL 1

LEVEL 2

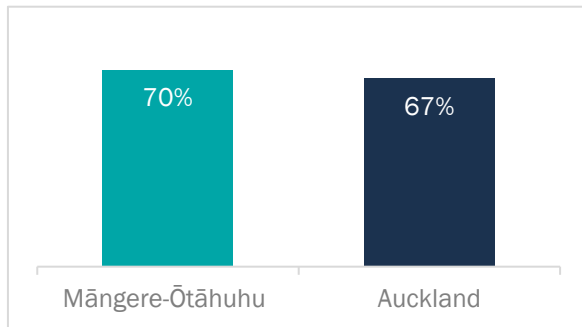**NCEA 1 & 2 ATTAINMENT BY ETHNICITY (MINISTRY OF EDUCATION 2021)**

Percentage achieving NCEA	Level 1	Level 2
European	97.9%	96.9%
Māori	78.4%	672.0%
Pacific	85.8%	78.4%
Asian	95.3%	91.8%
Middle East, Latin American, African	100.0%	91.7%
Other	100.0%	100.0%
Total Local Board	89.2%	83.1%
Total Auckland	91.2%	84.9%

NCEA Level 3 is regarded as the minimum level required for university entry. Seventy per cent of Māngere-Ōtāhuhu school leavers achieved this, above the Auckland average of 67 per cent.

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

SCHOOL LEAVERS ATTAINING NCEA LEVEL 3 (MINISTRY OF EDUCATION 2021)

LEVEL 3


NCEA 3 ATTAINMENT BY ETHNICITY (MINISTRY OF EDUCATION 2021)

Percentage achieving NCEA 3	Māngere-Ōtāhuhu	AKL region
Māori	46.4	43.5
Pacific	64.1	54.2
Asian	88.2	83.3
Middle East, Latin American, African	91.7	68.8
Other	100.0	73.7
European	92.7	69.8
Total	**69.7**	**67.2**

Fewer school leavers moved on to degree level study within a year of leaving school. Thirty-five per cent of Māngere-Ōtāhuhu school leavers did this, fewer than the Auckland average of 47 per cent. Similar proportions moved into certificate and diploma level study, but overall fewer (56 per cent) enrolled in some form of tertiary education, compared to the regional average (69 per cent)

DESTINATION OF SCHOOL LEAVERS IN THEIR FIRST YEAR AFTER LEAVING (MOE 2021)

Local board	Bachelor's and above	Certificates & diplomas levels 3-7	Certificates Levels 1-2	Not enrolled in tertiary education	Total Leavers
Māngere-Ōtāhuhu	35.3%	18.6%	1.7%	44.4%	1,074
Auckland	47.4%	19.6%	2.0%	31.0%	19,033

SCHOOL LEAVERS MOVING ON TO DEGREE LEVEL STUDY (MINISTRY OF EDUCATION 2021)
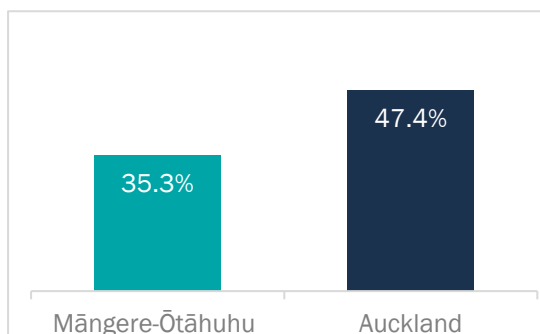
DESTINATION OF SCHOOL LEAVERS IN THEIR FIRST YEAR ETHNICITY (MINISTRY OF EDUCATION 2021)

| Ethnicity	Bachelor's and above	Certificates & diplomas levels 3-7	Certificates Levels 1-2	Not enrolled in tertiary education	Total Leavers
Māori	15.0%	18.0%	4.5%	62.4%	133
Pacific	24.3%	22.0%	2.3%	51.4%	663
Asian	49.3%	15.3%	0.7%	34.7%	144
MELAA	57.9%	15.8%	0.0%	26.3%	19
Other	14.3%	42.9%	0.0%	42.9%	7
NZ European	67.6%	9.2%	0.0%	23.2%	207

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 MĀNGERE-ŌTĀHUHU (INFOMETRICS 2021)
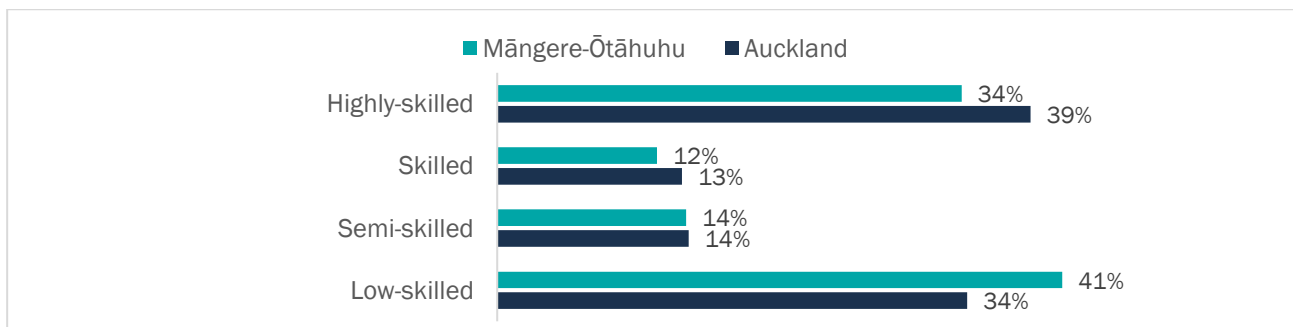
The Māngere-Ōtāhuhu Local Board area had a lower proportion of employment in the skilled and higher-skilled levels (46 per cent) compared to the wider Auckland region (52 per cent). Conversely it had a higher proportion of employment in the semi-skilled and low-skilled levels (55 per cent) compared to the wider Auckland region (48 per cent).

OCCUPATIONS OF RESIDENTS LIVING IN MĀNGERE-ŌTĀHUHU (CENSUS 2018)

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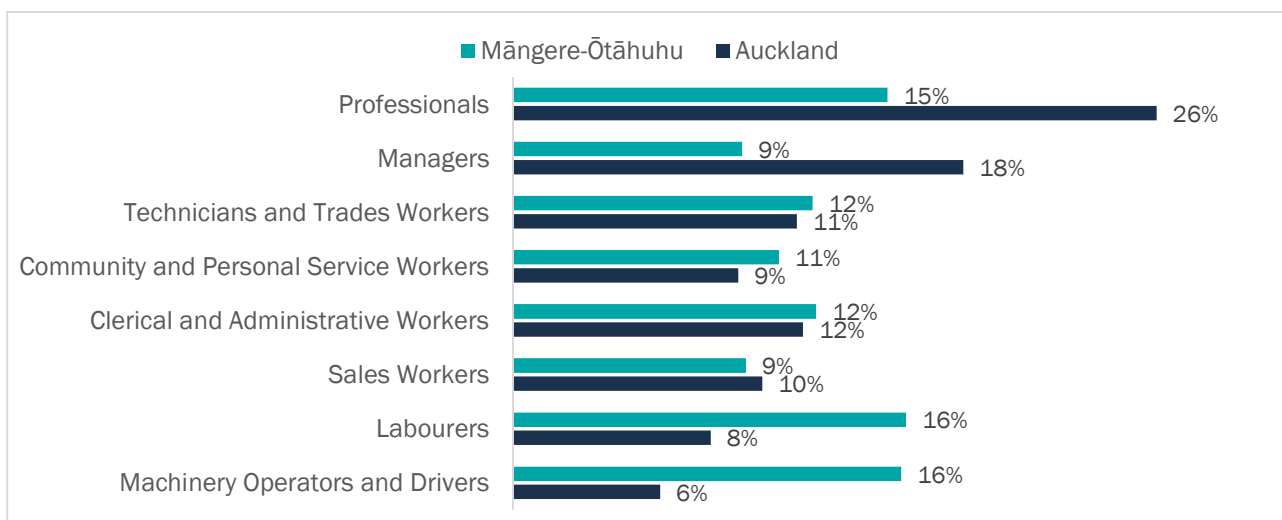
Labourers and machinery operators and drivers were the most popular occupational categories for Māngere-Ōtāhuhu residents in 2018 (32 per cent). This was significantly higher than the wider Auckland regional average (14 per cent). The number of professional and managers were significantly lower than the regional average.

OCCUPATIONS IN MĀNGERE-ŌTĀHUHU BASED BUSINESSES (INFOMETRICRIS 2021)
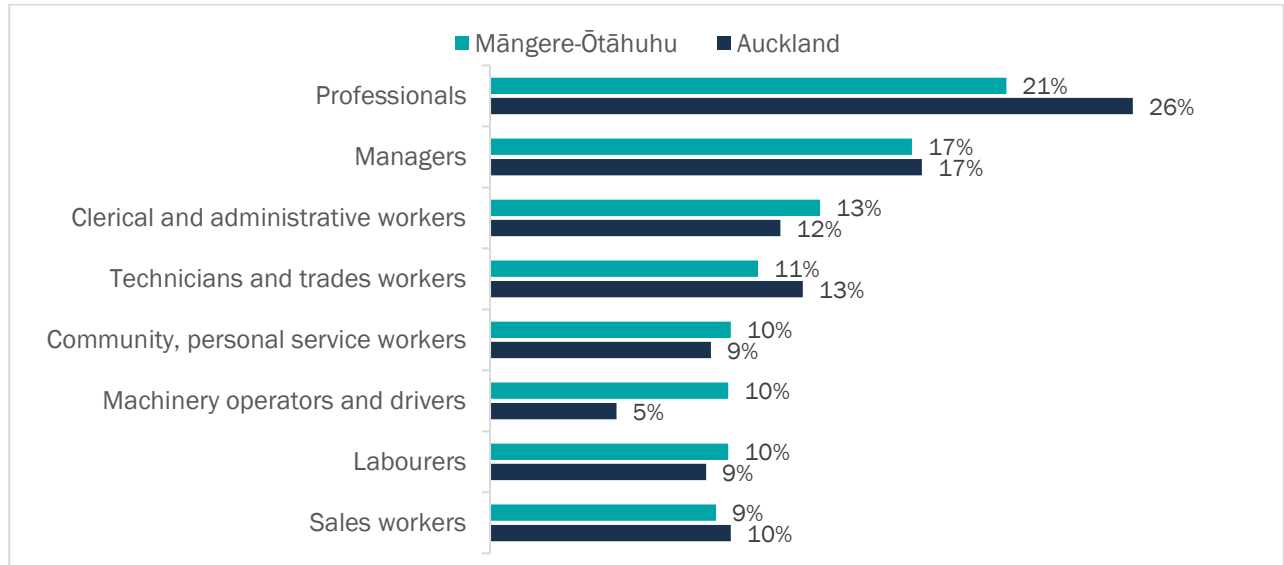
Of the jobs located in the Māngere-Ōtāhuhu local board area, professionals were the largest occupational group (21 per cent), which was below the Auckland average (26 per cent). Machinery operators and drivers made up 10 per cent of jobs, five per cent more than the Auckland average. The other occupations in the local board area were broadly in line with that of the wider region.

With 4,627 jobs, specialist managers[4] were the largest occupational group in Māngere-Ōtāhuhu, which was significantly more than the second ranked group, business professionals (2,679).

TOP 10 OCCUPATIONS LOCATED IN MĀNGERE-ŌTĀHUHU (INFOMETRICS 2021)

Rank	Occupation	Jobs (2021)	Share Māngere-Ōtāhuhu Total
1	Specialist Managers	4,627	9.3%
2	Business, HR & Marketing Professionals	2,679	5.4%
3	Design, Engineering, Science Professionals	2,590	5.2%
4	Education Professionals	2,277	4.6%
5	Road & Rail Drivers	2,048	4.1%
6	Sales Representatives & Agents	1,996	4.0%
7	Sales Assistants & Salespersons	1,980	4.0%
8	Automotive & Engineering Trades Workers	1,947	3.9%
9	Chief Execs, General Managers, Legislators	1,857	3.7%

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

10	Hospitality, Retail & Service Managers	1,741	3.5%
	Sub-total of top 10 occupations	23,742	47.7%
	Total jobs	49,938	100%

Specialist managers, the largest occupational group in Māngere-Ōtāhuhu, was also the fastest growing, adding 502 new jobs between 2016-2021.

FASTEST GROWING OCCUPATIONS (INFOMETRICS 2016-2021)

Sector	New Jobs
Specialist Managers	502
Business, HR & Marketing Professionals	478
Cleaners & Laundry Workers	287
Store persons	286
Carers & Aides	246
Legal, social & welfare professionals	215

The automotive and engineering trades workers occupational group lost a significant number of jobs between 2016-2021.

OCCUPATIONS WITH DECLINING JOBS (INFOMETRICS 2016-2021)

| Sector	Jobs Lost
Automotive & Engineering Trades Workers	-280
Sports & Personal Service Workers	-121
Hospitality Workers	-45
Road & Rail Drivers	-41

4: Local Economy

Māngere-Ōtāhuhu has a strong local economy driven by a large proportion of its GDP and employment in the transport, postal and warehousing sector. This industry dominates the local economy, contributing more than three times the GDP and employment of the second largest sector, wholesale trade. The manufacturing sector also makes a sizable contribution to the GDP and employment opportunties of the area. There has been recent growth in the number of jobs in the administration and support services and central government administration, defence and safety sectors.

Growth and employment trends

Between 2020-2021, Māngere-Ōtāhuhu experienced a significant negative GDP growth of -12.4 per cent, compared with the negative growth rate in the Auckland region of -2.8 per cent. This was a result of the borders closing in response to the COVID-19 pandemic. In the five years to 2021, the Māngere-Ōtāhuhu economy grew at an average annual rate of 0.9 per cent, less than 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. Māngere-Ōtāhuhu GDP growth declined significantly more than the regional average during the lockdown period international travel through Auckland Airport severely impacted.

**GDP ANNUAL PERCENTAGE CHANGE (INFOMETRICS 2011-2021)**
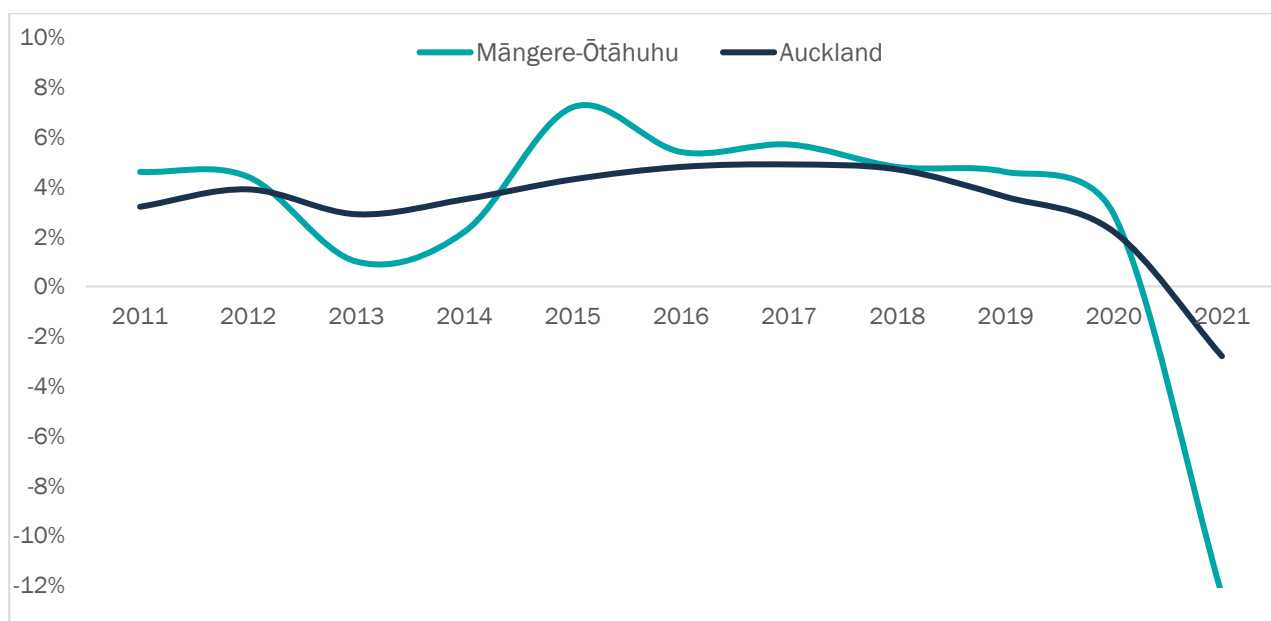
Employment in Māngere-Ōtāhuhu increased by an average of 1.7 per cent per annum in the five years from 2016-2021, below the Auckland rate of 2.3 per cent. Over the last five years, Māngere-Ōtāhuhu job numbers increased the most in administrative and support service (+937 jobs), public administration and safety (+932), wholesale trade (+604) and postal courier and warehousing services (+595).

AVERAGE ANNUAL GDP GROWTH (INFOMETRICS 2016-2021)
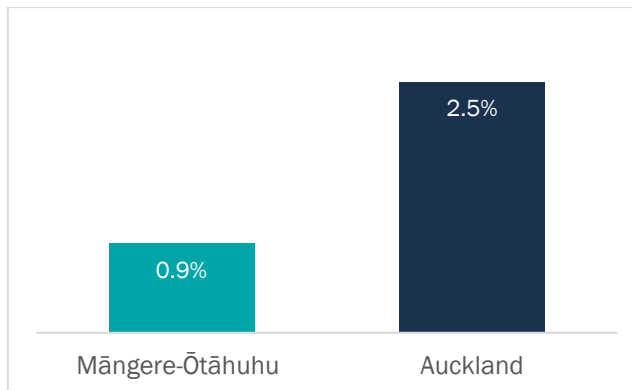
AVERAGE ANNUAL EMPLOYMENT GROWTH (INFOMETRIC 2016-2021)

	Māngere-Ōtāhuhu	Auckland
GDP growth	0.9%	2.5%
Employment growth	1.7%	2.3%
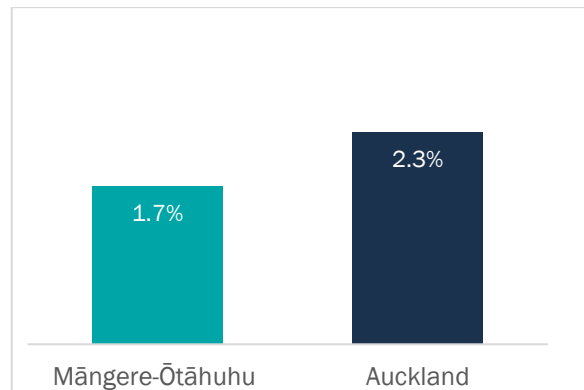
The fastest growing sector by GDP percentage change between 2016-2021 was administrative and support services. This data relates to GDP growth rates, not the overall size of the sector.

FASTEST GROWING INDUSTRIES BY GDP - ANZSIC LEVEL 1 (INFOMETRICS 2016-2021)

| Industry	Ave per annum change (2016-21)
Administrative & Support Services	7.7%
Public Administration & Safety	6.0%
Agriculture, Forestry & Fishing	5.7%
Professional, Scientific & Technical Services	5.3%
Healthcare & Social Assistance	4.9%

Industry mix

Māngere-Ōtāhuhu'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 Māngere-Ōtāhuhu economy were transport, postal and warehousing, wholesale trade and manufacturing.

BROAD INDUSTRY MIX BY GDP - ANZSIC LEVEL 1 (INFOMETRICS 2021)
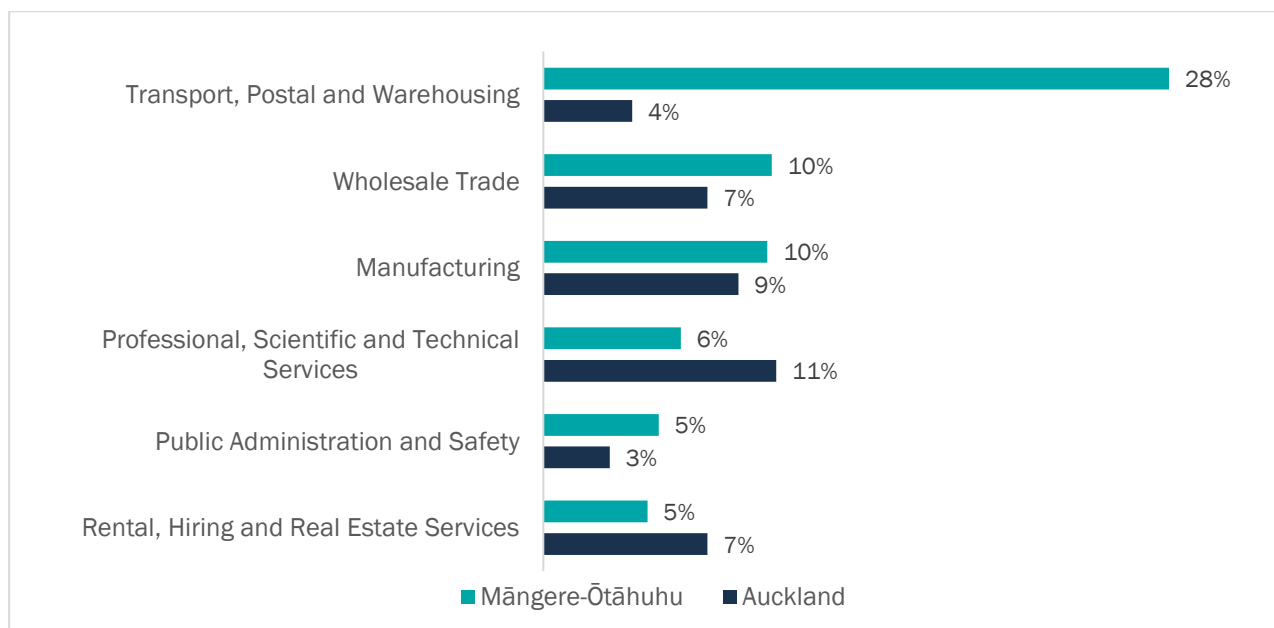
- **Transport, postal and warehousing** contributed the highest GDP (28 per cent) and employment (28 per cent) in Māngere-Ōtāhuhu by a substantial amount. This is a key industry for the area
- **Wholesale trade** contributed 10 per cent of both GDP, and employment in the area
- **Manufacturing** contributed 10 per cent of GDP and provided 11 per cent of the area's employment
- **Professional, scientific and technical services** contributed six per cent of the area's GDP and provided seven per cent of the area's employment

TOP INDUSTRIES BY EMPLOYMENT AND GDP - ANZSIC LEVEL 1 (INFOMETRICS 2021)
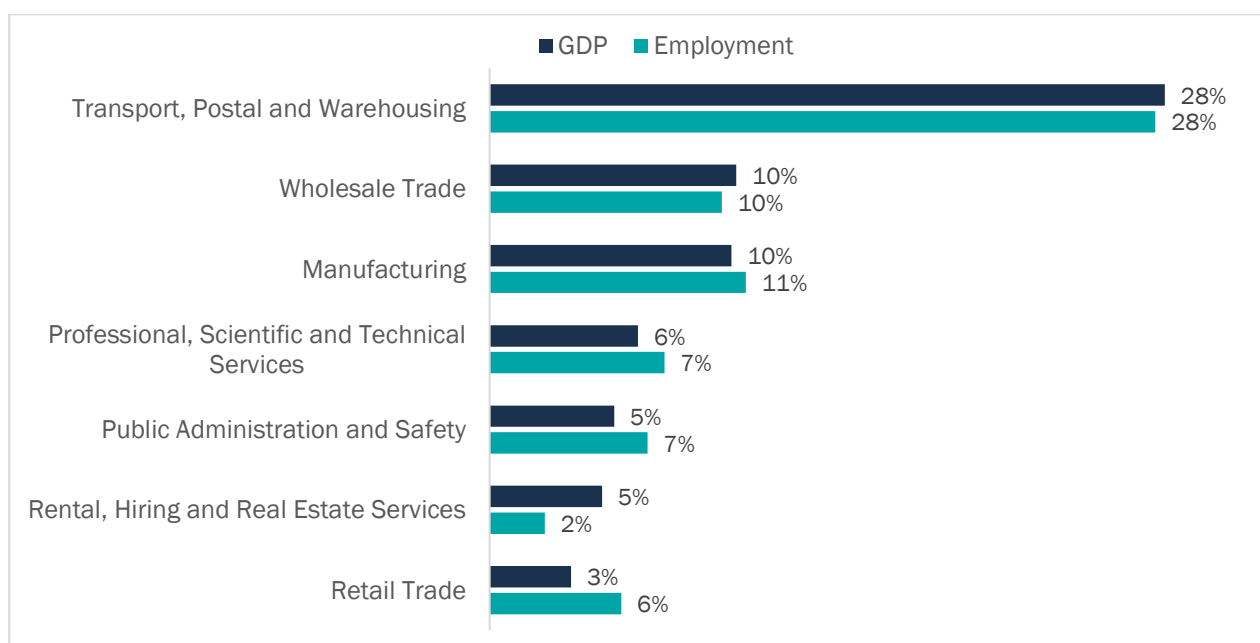
The key employment sector in Māngere-Ōtāhuhu was transport, postal and warehousing.

Looking at more detailed sub-sectors, we see the importance of the Auckland airport for the local economy. The postal courier and warehousing services sector was the largest employer. Air transport and wholesale trade were also key sectors.

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

Rank	Industry	Jobs (2021)	Share of M-O % total
1	Postal, Courier & Warehousing Services	7,102	14.2%
2	Rail, Water, Air & Other Transport	5,146	10.3%
3	Wholesale Trade	4,833	9.7%
4	Professional, Scientific & Tech Services	3,640	7.3%
5	Central Gov Admin, Defence & Safety	3,275	6.6%
6	Education & Training	2,751	5.5%
7	Accommodation & Food Services	2,489	5.0%
8	Administrative & Support Services	2,331	4.7%
9	Healthcare & Social Assistance	2,183	4.4%
10	Other Services	1,741	3.5%
	Total top 10 industries	35,491	71.2%
	All other industries	14,447	28.8%
	Total employment	49,938	100.0%

The administrative and support services and central government administration, defence and safety sectors grew the most between 2016-2021.

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

Sector	New Jobs
Administrative & Support Services	937
Central Government Administration, Defence & Safety	932
Wholesale Trade	604
Postal, Courier & Warehousing Services	595
Professional, Scientific & Tech Services	562
Healthcare & Social Assistance	363
Construction Services	345

The transport equipment manufacturing sector lost the largest number of jobs between 2016-2021.

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

Sector	Jobs Lost
Transport Equipment Manufacturing	-513
Accommodation & Food Services	-356
Rail, Water, Air & Other Transport	-204
Fabricated Metal Product Manufacturing	-152

Knowledge intensive employment

Knowledge intensive industries[5] represent an increasing share of the New Zealand economy's output and employment and may be a source of future productivity growth. Twenty-two per cent of jobs in Māngere-Ōtāhuhu were in knowledge intensive industries, which was lower than the regional average of 36 per cent.

JOBS IN KNOWLEDGE INTENSIVE INDUSTRIES (INFOMETRICS 2021)

Māngere-Otahuhu — 22%
Jobs in KI industries | All other jobs

Auckland — 36%
Jobs in KI industries | All other jobs
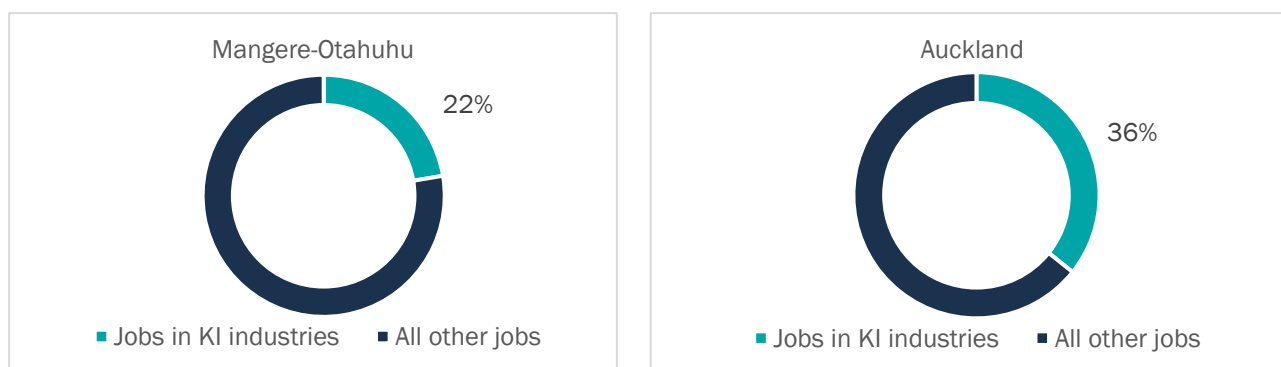
Sector strengths

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.

Several sectors are more strongly represented in Māngere-Ōtāhuhu than they are in the region as a whole, particularly sectors related to the airport operation.

INDUSTRIES CONCENTRATED IN LOCAL BOARD AREA (INFOMETRICS 2021)

Rank	Industry	LQ	GDP ($M)	Jobs
1	Rail, Water, Air & Other Transport	38.3	798 (11.8%)	5,146
2	Postal, Courier & Warehousing Services	7.9	960 (14.2%)	7,102
3	Transport Equipment Manufacturing	4.8	156 (2.3%)	1,157
4	Rental & Hiring Services	3.1	221.6 (3.3%)	924
5	Furniture & Other Manufacturing	2.1	41.6 (0.6%)	440
6	Wholesale Trade	2	698 (10.3%)	4,833

At the detailed sector level, it is not surprising to see air transport and airport operations as the most strongly represented in the area.

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[5] 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.

| Rank	Industry	LQ	GDP ($M)	Share
1	Air & Space Transport	82.7	743.7	11.0%
2	Airport Operations & Other Air Transport Support Services	37.3	148.7	2.2%
3	Mattress Manufacturing	26.1	20.3	0.3%
4	Rail Freight Transport	19.6	40.6	0.6%
5	Parking Services	17.4	13.5	0.2%
6	Fixed Space Heating, Cooling & Ventilation Manufacturing	16.7	40.6	0.6%
7	Freight Forwarding Services	16.6	338.1	5.0%

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 Māngere-Ōtāhuhu fell at a similar rate as the Auckland regional average.

BUSINESS UNITS' GROWTH PERCENTAGE YEARLY CHANGE (INFOMETRICS 2011-2021)
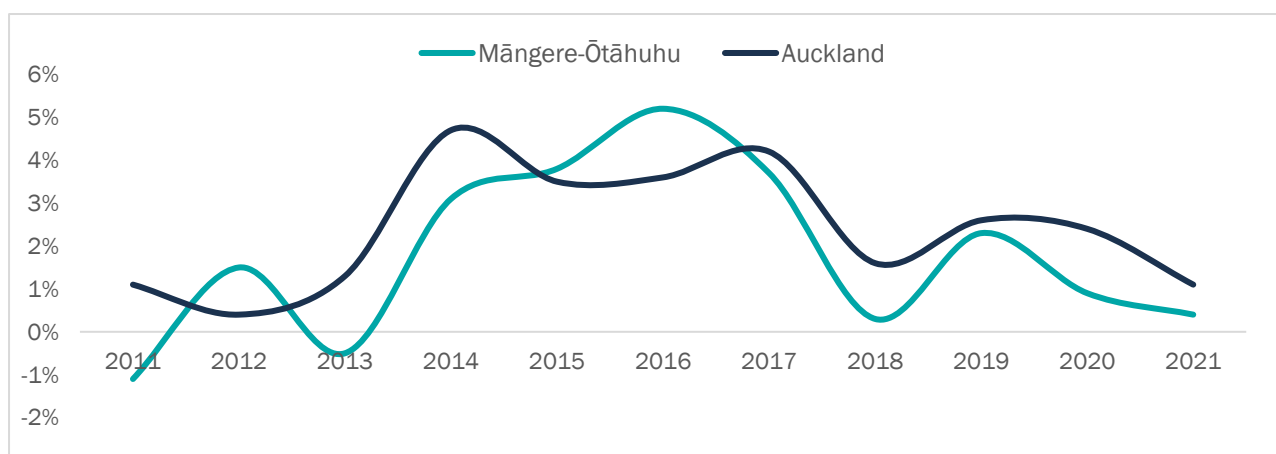
BUSINESS SIZE - NUMBER OF EMPLOYEES (INFOMETRICS 2021)
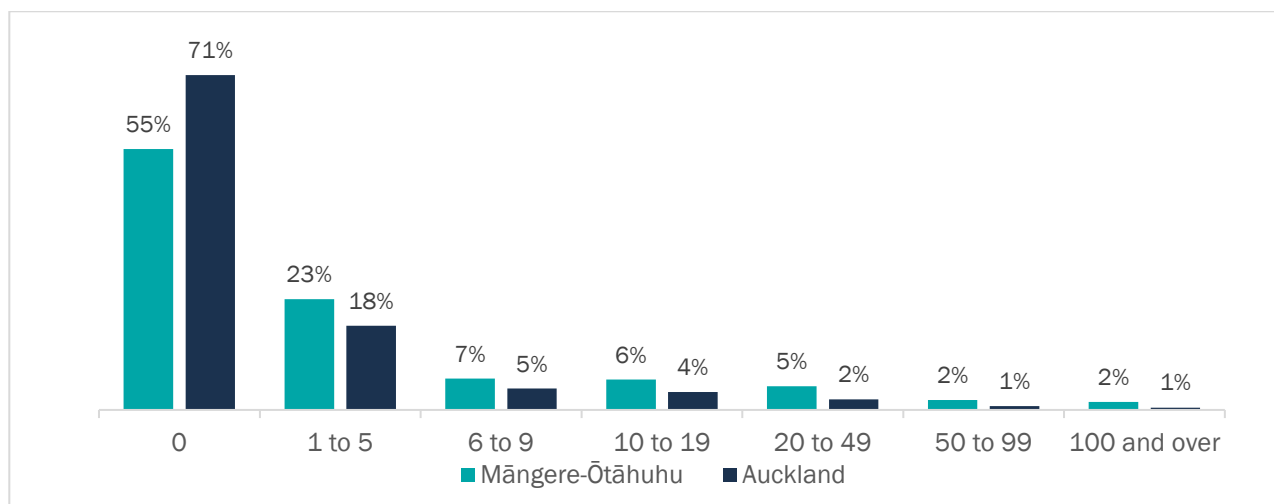
In 2021, there were 4,767 businesses in Māngere-Ōtāhuhu, employing an average of 10.5 employees each, more than the Auckland average of 4.4 employees. The majority (78 per cent) of businesses in Māngere-Ōtāhuhu have five employees or less, highlighting the importance of small enterprises in the local economy. Although this percentage is less than the Auckland regional average of 89 per cent.

BUSINESS UNITS - 10 YEAR AVERAGE ANNUAL GROWTH (INFOMETRICS 2021)
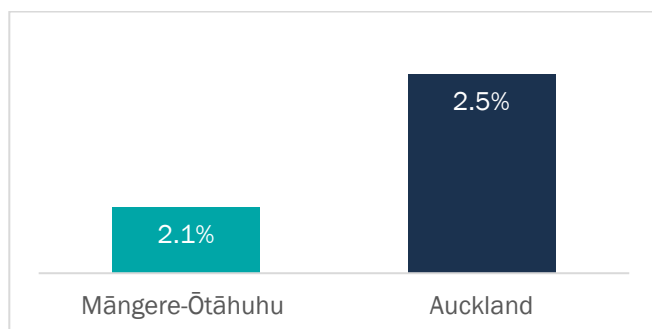
The number of businesses in Māngere-Ōtāhuhu grew by 2.1 per cent a year on average over the last decade, a lower rate than the Auckland regional average of 2.5 per cent. Growth in the number of businesses in an area reflects increased entrepreneurial activity and economic activity as entrepreneurs are prepared to take risks and start new ventures.

5: Economic Places

Employment in Māngere-Ōtāhuhu is concentrated in a number of town centres as well as significantly at the airport precinct.

Māngere-Ōtāhuhu is a mix of labour importing commercial and industrial areas and labour exporting suburban areas. There are 86,700 residents of Māngere-Ōtāhuhu, which has a labour force 31,400. The local board area has a total of 49,938 jobs located within it. As a result, the area is a net source of employment for other parts of the city.

Employment Zones

The main employment zone in Māngere-Ōtāhuhu is in the Auckland Airport precinct and around Favona and Ōtāhuhu industrial. There are a high number of jobs in transport, postal and warehousing, wholesale trade and manufacturing. Recent extensive development at Auckland Airport has seen a significant growth in employment in the precinct.

EMPLOYMENT IN AUCKLAND AIRPORT AREA* (NZ STATISTICS 2021)

Sector	Jobs
Transport, Postal & Warehousing	9,800
Manufacturing	3,950
Wholesale Trade	3,750
Public Administration & Safety	1,950
Accommodation & Food Services	1,250
Retail Trade	1,050
Administrative & Support Services	920
Rental, Hiring & Real Estate Services	590
Professional, Scientific & Technical Services	330
Construction	240
Total employment all sectors	**24,600**
* Based on business demographics for the SA2 area	

EMPLOYMENT IN FAVONA* (NZ STATISTICS 2021)

Sector	Jobs
Professional, Scientific & Technical Services	1,500
Wholesale Trade	380
Administrative & Support Services	150
Transport, Postal & Warehousing	110
Total employment all sectors	**2,400**
*Based on business demographics for the SA2 area	

EMPLOYMENT IN ŌTĀHUHU INDUSTRIAL* (NZ STATISTICS 2021)

Sector	Jobs
Manufacturing	710
Transport, Postal & Warehousing	670
Wholesale Trade	260
Other Services	160
Construction	150
Total employment all sectors	**2,250**
*Based on business demographics for the SA2 area	

Commuting

In 2018, 29 per cent of Mangere-Ōtāhuhu worked within the local board area. The most popular destinations for work outside of the area were Maungakiekie-Tamaki (19 per cent) and Waitemata/City Centre (12 per cent).

TRAVEL TO WORK PATTERNS – PERCENTAGE OF TOTAL TRIPS FROM MĀNGERE-ŌTĀHUHU (CENSUS 2018)[6]

Mangere-Ōtāhuhu

|	
Mangere-Ōtāhuhu	29%
Maungakiekie-Tāmaki	19%
Waitematā	12%
Otara-Papatoetoe	11%
Howick	7%
Manurewa	5%
Albert-Eden	4%
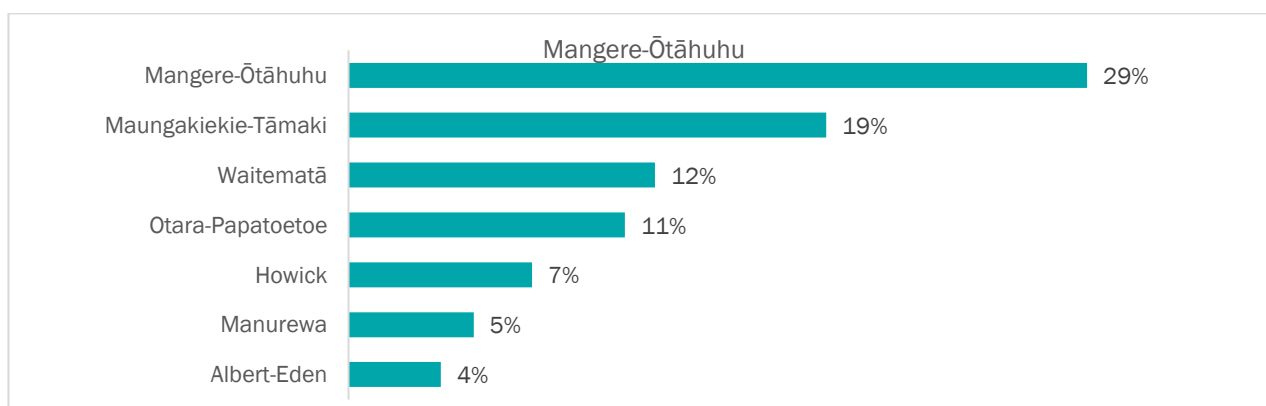
Town Centres

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 Māngere-Ōtāhuhu local board are Mangere and Ōtāhuhu.

Spending in Māngere between 2017-2022 grew by 46 per cent, compared to growth of 13.6 per cent regionally. The average transaction value in Māngere was $39.80, above the Auckland average of $49.74. (Marketview 2022)
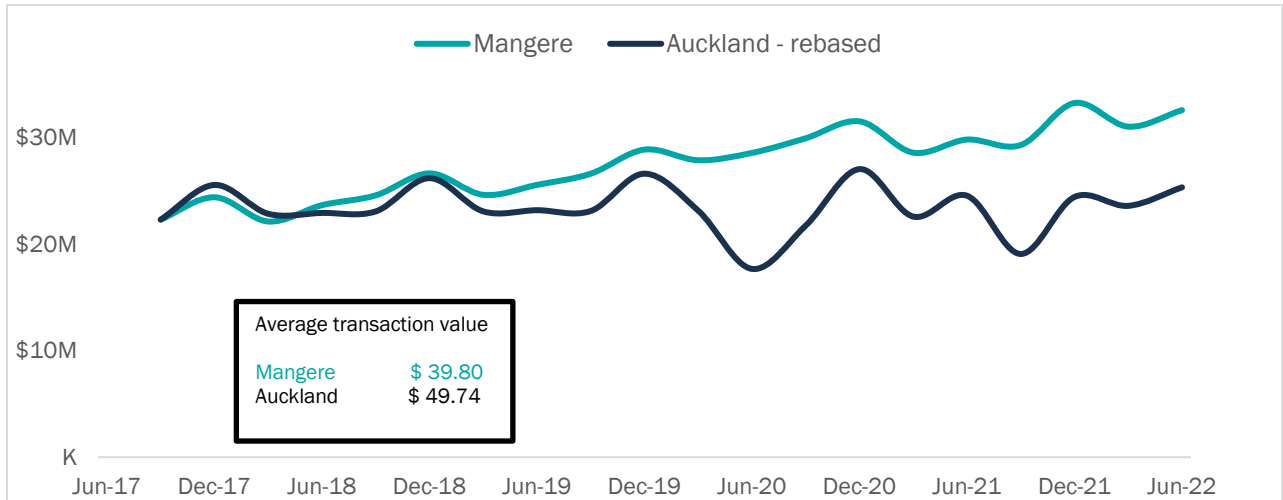
MĀNGERE BID SPENDING GROWTH (2017-2022)

|	
Mangere	46.0%
Auckland	13.6%

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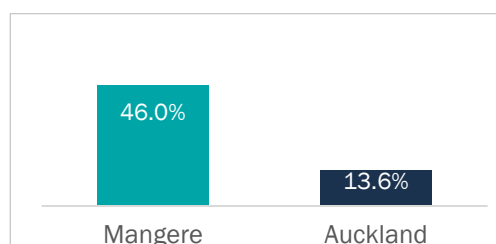
[6] Richard Paling Consulting 2018

Spending in Māngere has been at a higher rate and did not decline as significantly during the COVID-19 lockdown periods of Mar 2020 – May 2020 and Aug 2021 – Oct 2021 as the region.

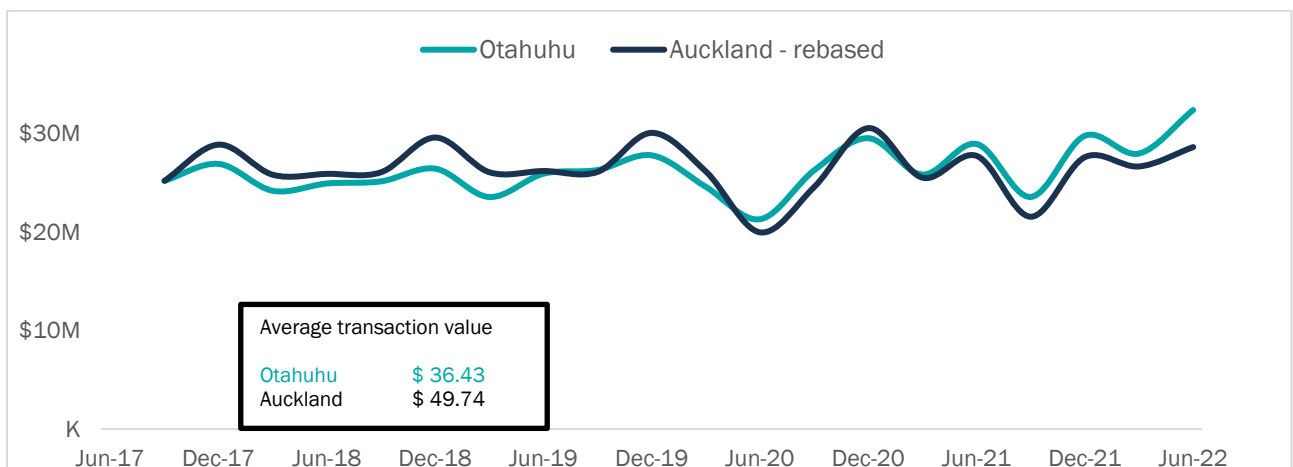## MĀNGERE BID SPEND AND AVERAGE TRANSACTION VALUE (2017-2022)

Spending in Ōtāhuhu between 2017-2022 grew by 28.5 per cent, compared to growth of 13.6 per cent regionally. The average transaction value in Ōtāhuhu was $36.43, above the Auckland average of $49.74. (Marketview 2022)

ŌTĀHUHU BID SPENDING GROWTH (2017-2022)
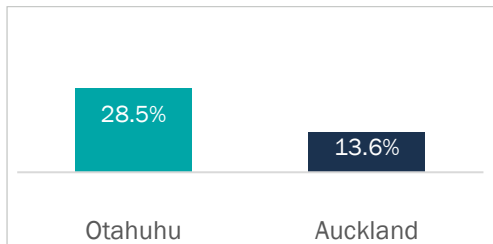
Spending in Ōtāhuhu has been at a similar rate as the region and has followed a similar pattern with declines during the COVID-19 lockdown periods of Mar 2020 - May 2020 and Aug 2021 - Oct 2021.

ŌTĀHUHU BID SPEND AND AVERAGE TRANSACTION VALUE (2017-2022)

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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.

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COMMENT AND FEEDBACK

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