



Auckland City Centre (3 CAUs)



Economics put simply

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ECONOMY

The New Zealand economy in 2016

The New Zealand economy grew by 2.5% over the year to March 2016, following rapid growth of 3.4% the previous year.

Rental, hiring and Real Estate Services was the biggest contributor to growth, with value-added lifting 4.4%. The sector has benefited not only from higher levels of property sales, but population growth and better conditions for businesses have also pushed up property and machinery rentals. In a similar vein, GDP for the construction sector rose 3.6% lift over the March 2016 year.

A range of service-based industries experienced strong growth over the past year. An expanding population, coupled with better job prospects, pushed up value-added by retail trade by 5.6%. Professional, scientific and technical services (3.0%) and finance and insurance series (3.1%) also experienced rapid growth.

Another record-breaking year for domestic and international visitor spending saw GDP for accommodation and food services increase 5.2%.

Valued-added from agriculture, forestry and fishing climbed 2.8%, despite challenging conditions for dairy farmers. The standout performer in the primary sector was agriculture and fruit growing (6.8%), while sheep, beef cattle and grain farming (3.6%) also grew strongly. Some of this additional activity flowed through to rural contractors, with value-added from agricultural support services and hunting climbing 7.5%.

How fast has Auckland City Centre (3 CAUs)'s economy grown?

This section measures economic performance in Auckland City Centre (3 CAUs) during the year to March 2016 and previous years. All GDP estimates are measured in constant 2010 prices.

- GDP in Auckland City Centre (3 CAUs) measured \$14,332m in the year to March 2016, up 3.1% from a year earlier. New Zealand's GDP increased by 2.5% over the same period.
- Economic growth in Auckland City Centre (3 CAUs) averaged 3.5%pa over the last 10 years compared with an average of 1.8%pa in the national economy.
- Growth in Auckland City Centre (3 CAUs) reached a high of 8.6% in 2012 and a low of -0.5% in 2009.
- Auckland City Centre (3 CAUs) accounted for 6.4% of national GDP in 2016.

Figure 1: GDP growth (year to Mar 2016)

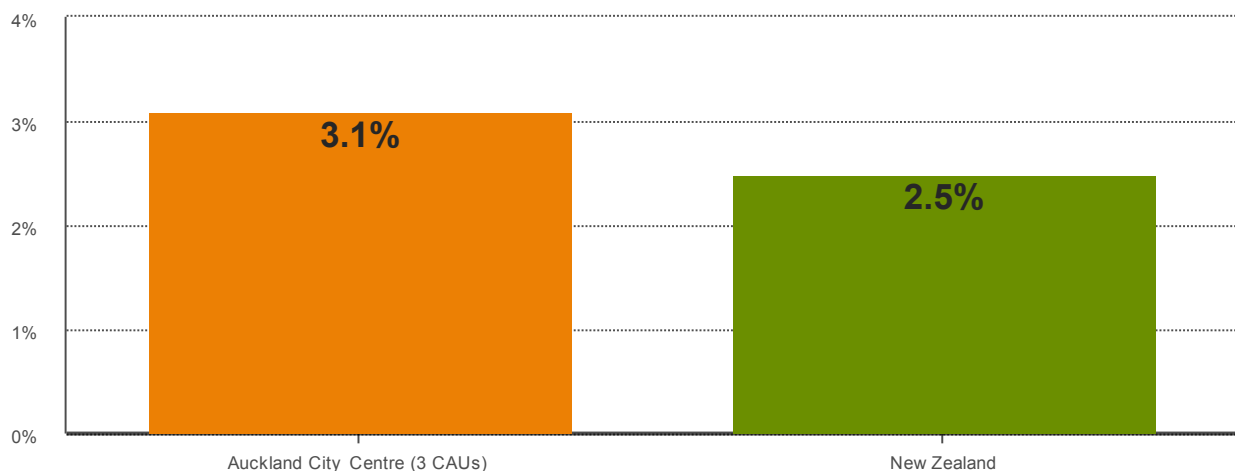
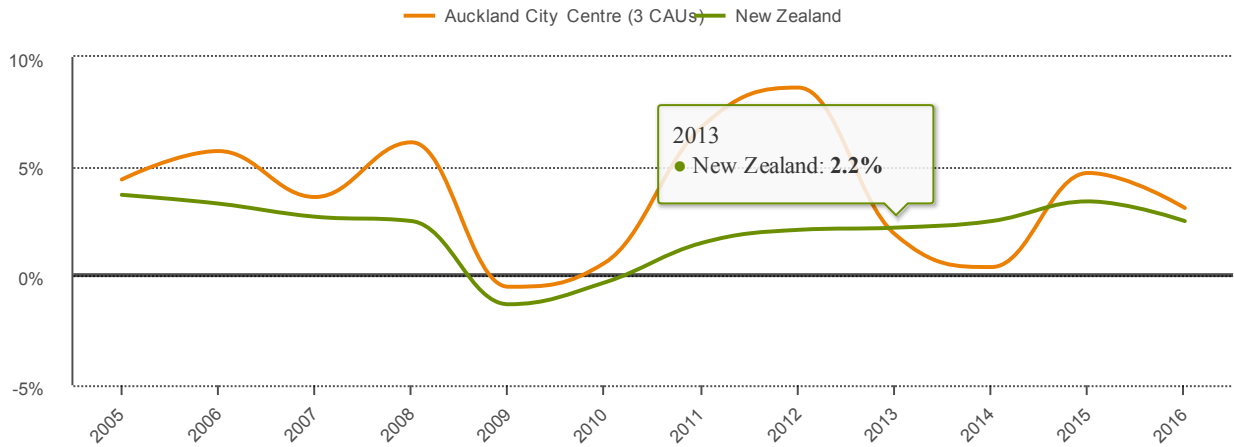
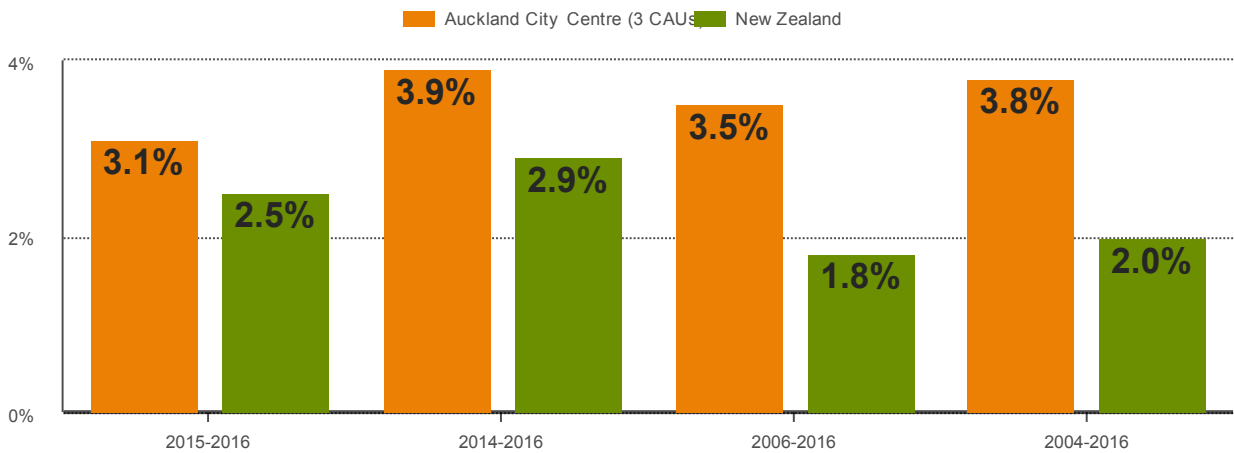


Figure 2: Annual average GDP growth (2000-2016)



Change	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Auckland City Centre (3 CAUs)	4.4%	5.7%	3.6%	6.1%	-0.5%	0.6%	6.8%	8.6%	1.9%	0.4%	4.7%	3.1%
New Zealand	3.7%	3.3%	2.7%	2.5%	-1.3%	-0.3%	1.5%	2.1%	2.2%	2.5%	3.4%	2.5%

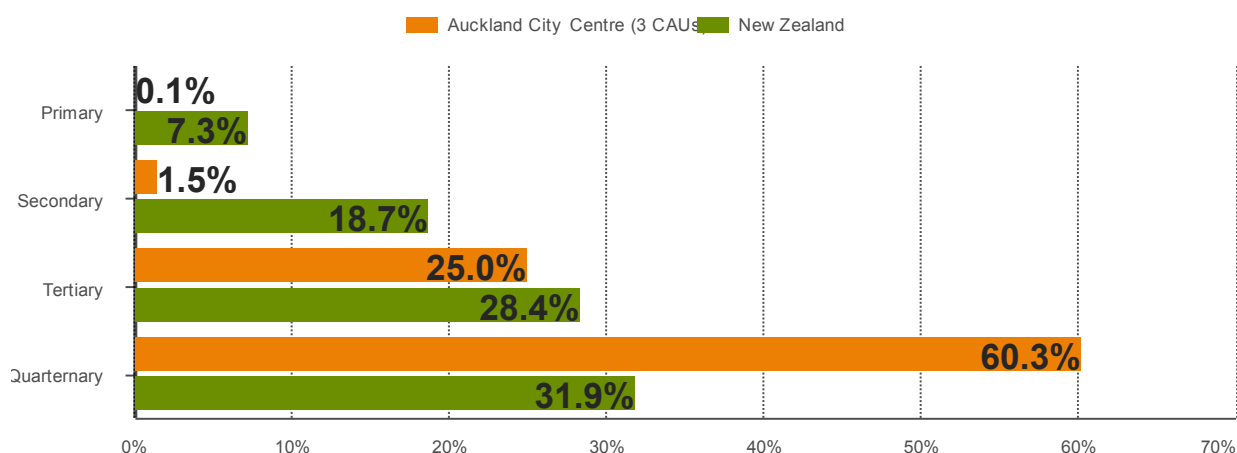
Figure 3: GDP growth over various time periods



What is the industrial structure of Auckland City Centre (3 CAUs)'s economy?

This section describes the structure of the economy in terms of the broad sectors: primary, secondary, tertiary and quaternary. The primary sector makes direct use of natural resources. It extracts or harvests products from the earth. The secondary sector produces manufactured and other processed goods. The tertiary sector includes the lower value-adding service industries while the quaternary sector includes the higher value-adding, knowledge-based service industries. A full definition of the sectors is given in the technical appendix.

Figure 4: Share of total GDP (2016)



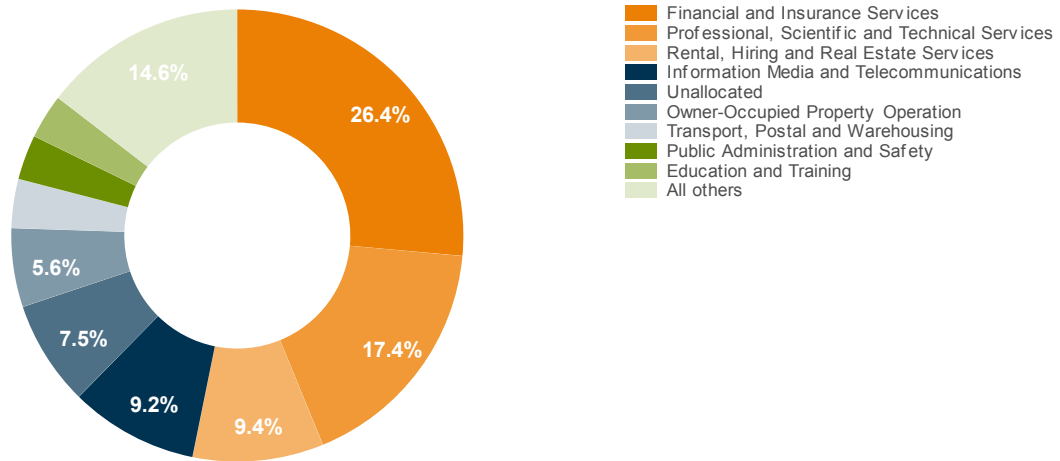
- Primary industries accounted for the smallest proportion in Auckland City Centre (3 CAUs): 0.1% compared with 7.3% in the national economy.
- Secondary industries accounted for 1.5% compared with 18.7% in the national economy.
- Tertiary industries accounted for 25.0% compared with 28.4% in the national economy.
- Quarternary industries accounted for the largest proportion of GDP (60.3%) in Auckland City Centre (3 CAUs), which is higher than in the national economy (31.9%).

Table 1: GDP by 1-digit industry (2016)

Industry	Auckland City Centre (3 CAUs)		New Zealand	
	Level	Share of total	Level	Share of total
Agriculture, Forestry and Fishing	\$5.57m	0.0%	\$12,811m	5.7%
Mining	\$5.61m	0.0%	\$3,522m	1.6%
Manufacturing	\$133m	0.9%	\$22,521m	10.1%
Electricity, Gas, Water and Waste Services	\$30.9m	0.2%	\$6,471m	2.9%
Construction	\$50.0m	0.3%	\$12,808m	5.7%
Wholesale Trade	\$320m	2.2%	\$11,488m	5.1%
Retail Trade	\$235m	1.6%	\$10,630m	4.8%
Accommodation and Food Services	\$356m	2.5%	\$4,736m	2.1%
Transport, Postal and Warehousing	\$501m	3.5%	\$9,397m	4.2%
Information Media and Telecommunications	\$1,316m	9.2%	\$7,904m	3.5%
Financial and Insurance Services	\$3,790m	26.4%	\$13,220m	5.9%
Rental, Hiring and Real Estate Services	\$1,341m	9.4%	\$15,991m	7.2%
Professional, Scientific and Technical Services	\$2,492m	17.4%	\$18,018m	8.1%
Administrative and Support Services	\$430m	3.0%	\$4,564m	2.0%
Public Administration and Safety	\$461m	3.2%	\$9,612m	4.3%
Education and Training	\$456m	3.2%	\$9,365m	4.2%
Health Care and Social Assistance	\$125m	0.9%	\$13,259m	5.9%
Arts and Recreation Services	\$263m	1.8%	\$2,918m	1.3%
Other Services	\$135m	0.9%	\$3,794m	1.7%
Owner-Occupied Property Operation	\$808m	5.6%	\$13,628m	6.1%
Unallocated	\$1,079m	7.5%	\$16,826m	7.5%
Total	\$14,332m	100%	\$223,483m	100%

- Among broad industries Financial and Insurance Services was the largest in Auckland City Centre (3 CAUs) in 2016 accounting for 26.4% of total.
- The second largest was Professional, Scientific and Technical Services (17.4%) followed by Rental, Hiring and Real Estate Services (9.4%)

Figure 5: Share of total GDP (2016)



The table on the following page shows 54 industries ranked according to their contribution to GDP. These industry categories are used by Statistics New Zealand in the national accounts. They are a mix of various levels of industries on the ANZSIC-06 classification. Further information about the industrial classification is given in the Technical Notes at the end of the document.

- Among detailed industries Professional, Scientific & Tech Services was the largest in Auckland City Centre (3 CAUs) in 2016 accounting for 17.4% of total.
- The second largest was Finance (14.5%) followed by Property Operators & Real Estate Services (8.6%)

Table 2: GDP by 54 industries (2016)

Industry	Auckland City Centre (3 CAUs)		New Zealand	
	Level	Share of total	Level	Share of total
Horticulture & Fruit Growing	\$0.04m	0.0%	\$1,141m	0.5%
Sheep, Beef Cattle & Grain Farming	\$0.25m	0.0%	\$2,709m	1.2%
Dairy Cattle Farming	\$0.17m	0.0%	\$5,230m	2.3%
Poultry, Deer & Other Livestock Farming	\$0.00m	0.0%	\$316m	0.1%
Forestry & Logging	\$0.00m	0.0%	\$1,391m	0.6%
Fishing & Aquaculture	\$4.95m	0.0%	\$345m	0.2%
Agric Support Services & Hunting	\$0.15m	0.0%	\$1,679m	0.8%
Mining	\$5.61m	0.0%	\$3,522m	1.6%
Meat & Meat Product Manufacturing	\$0.00m	0.0%	\$1,786m	0.8%
Seafood Processing	\$10.9m	0.1%	\$408m	0.2%
Dairy Product Manufacturing	\$1.21m	0.0%	\$1,304m	0.6%
Fruit, Cereal & Other Food Product Manu	\$19.3m	0.1%	\$1,994m	0.9%
Beverage & Tobacco Product Manu	\$40.2m	0.3%	\$1,904m	0.9%
Textile, Leather, Clothing, Footwear Manu	\$11.9m	0.1%	\$672m	0.3%
Wood Product Manufacturing	\$0.05m	0.0%	\$1,321m	0.6%
Pulp & Paper Product Manufacturing	\$0.00m	0.0%	\$689m	0.3%
Printing	\$3.88m	0.0%	\$565m	0.3%
Petroleum & Coal Product Manufacturing	\$4.70m	0.0%	\$1,067m	0.5%
Basic Chemical & Chemical Product Manu	\$2.77m	0.0%	\$1,387m	0.6%
Polymer Product & Rubber Product Manu	\$3.41m	0.0%	\$1,346m	0.6%
Non-Metallic Mineral Product Manu	\$4.19m	0.0%	\$1,142m	0.5%
Primary Metal & Metal Product Manu	\$0.54m	0.0%	\$586m	0.3%
Fabricated Metal Product Manufacturing	\$1.08m	0.0%	\$1,861m	0.8%
Transport Equipment Manufacturing	\$15.0m	0.1%	\$1,067m	0.5%
Machinery & Other Equipment Manu	\$10.2m	0.1%	\$2,805m	1.3%
Furniture & Other Manufacturing	\$3.84m	0.0%	\$617m	0.3%
Electricity & Gas Supply	\$30.6m	0.2%	\$5,373m	2.4%
Water, Sewerage & Waste Services	\$0.30m	0.0%	\$1,098m	0.5%
Building Construction	\$17.0m	0.1%	\$2,636m	1.2%
Heavy & Civil Engineering Construction	\$2.23m	0.0%	\$3,639m	1.6%
Construction Services	\$30.8m	0.2%	\$6,533m	2.9%
Wholesale Trade	\$320m	2.2%	\$11,488m	5.1%
Motor Vehicle, Parts & Fuel Retailing	\$4.61m	0.0%	\$1,526m	0.7%
Supermarket & Specialised Food Retailing	\$40.3m	0.3%	\$3,102m	1.4%
Other Store & Non Store Retailing	\$190m	1.3%	\$6,002m	2.7%
Accommodation & Food Services	\$356m	2.5%	\$4,736m	2.1%
Road Transport	\$57.4m	0.4%	\$3,281m	1.5%
Rail, Water, Air & Other Transport	\$251m	1.7%	\$1,930m	0.9%
Postal, Courier & Warehousing Services	\$193m	1.3%	\$4,186m	1.9%
Information Media Services	\$345m	2.4%	\$2,197m	1.0%
Telecomms, Internet & Library Services	\$971m	6.8%	\$5,707m	2.6%
Finance	\$2,084m	14.5%	\$8,733m	3.9%
Insurance & Superannuation Funds	\$1,194m	8.3%	\$2,466m	1.1%
Auxiliary Finance & Insurance Services	\$512m	3.6%	\$2,020m	0.9%
Rental & Hiring Services	\$105m	0.7%	\$2,533m	1.1%
Property Operators & Real Estate Services	\$1,236m	8.6%	\$13,458m	6.0%
Professional, Scientific & Tech Services	\$2,492m	17.4%	\$18,018m	8.1%
Administrative & Support Services	\$430m	3.0%	\$4,564m	2.0%
Local Government Administration	\$158m	1.1%	\$1,146m	0.5%
Central Gov Admin, Defence & Safety	\$303m	2.1%	\$8,466m	3.8%
Education & Training	\$456m	3.2%	\$9,365m	4.2%
Health Care & Social Assistance	\$125m	0.9%	\$13,259m	5.9%
Arts & Recreation Services	\$263m	1.8%	\$2,918m	1.3%
Other Services	\$135m	0.9%	\$3,794m	1.7%
Owner-Occupied Property Operation	\$808m	5.6%	\$13,628m	6.1%
Unallocated	\$1,079m	7.5%	\$16,826m	7.5%
Total	\$14,332m	100%	\$223,483m	100%

Which broad industries made the largest contribution to economic growth?

Although an industry may be growing rapidly, if it is small relative to a region's total economy its contribution to overall GDP growth may also be small. This section therefore investigates which broad industries made the largest contribution to the overall growth of Auckland City Centre (3 CAUs)'s economy taking into account their relative sizes.

- Financial and Insurance Services made the largest contribution to overall growth in Auckland City Centre (3 CAUs) between 2015 and 2016. The industry grew by 4.3% over the year and contributed 1.12 percentage points to the district's total growth of 3.1%.
- The next largest contributor was rental, hiring and real estate services (0.57 percentage points) followed by professional, scientific and technical services (0.42 percentage points).
- The largest detractor from growth over the year was Health Care and Social Assistance which declined by 33% and contributed -0.45 percentage points to the total growth of 3.1%. Information Media and Telecommunications (-0.45 percentage points) was the next largest detractor.

Table 3: 1-digit industries ranked by % point contribution to GDP growth

Industry	2015	2016	% point contribution to growth	Annual Growth
Financial and Insurance Services	3,634.9	3,790.5	1.1%	4.3%
Rental, Hiring and Real Estate Services	1,261.4	1,341.2	0.6%	6.3%
Professional, Scientific and Technical Services	2,433.3	2,491.7	0.4%	2.4%
Administrative and Support Services	374.7	429.5	0.4%	14.6%
Transport, Postal and Warehousing	451.6	500.7	0.4%	10.9%
Public Administration and Safety	415.2	460.6	0.3%	10.9%
Accommodation and Food Services	325.2	356.0	0.2%	9.5%
Education and Training	437.8	455.5	0.1%	4.0%
Arts and Recreation Services	245.4	263.0	0.1%	7.2%
Retail Trade	219.7	234.9	0.1%	6.9%
Manufacturing	127.7	133.2	0.0%	4.3%
Other Services	132.3	134.5	0.0%	1.7%
Agriculture, Forestry and Fishing	5.3	5.6	0.0%	4.2%
Mining	5.5	5.6	0.0%	1.1%
Construction	56.9	50.0	0.0%	-12.1%
Wholesale Trade	328.5	320.5	-0.1%	-2.4%
Electricity, Gas, Water and Waste Services	45.0	30.9	-0.1%	-31.3%
Information Media and Telecommunications	1,378.2	1,316.0	-0.4%	-4.5%
Health Care and Social Assistance	187.7	125.4	-0.4%	-33.2%
Owner-Occupied Property Operation	807.1	807.8	0.0%	0.1%
Unallocated	1,031.1	1,078.8	0.3%	4.6%
Total	13,905	14,332	3.1%	3.1%

Which detailed industries made the largest contribution to economic growth?

The following table shows a ranking of the detailed industries by their contribution to economic growth over the past year.

- Finance made the largest contribution to overall growth in Auckland City Centre (3 CAUs) between 2015 and 2016. The industry grew by 4.1% over the year and contributed 0.59 percentage points to the district's total growth of 3.1%.
- The next largest contributor was property operators & real estate services (0.56 percentage points) followed by professional, scientific & tech services (0.42 percentage points).
- The largest detractor from growth over the year was Health Care & Social Assistance which declined by 33% and contributed -0.45 percentage points to the total growth of 3.1%. Telecomms, Internet & Library Services (-0.39 percentage points) was the next largest detractor.

Table 4: 54 industries ranked by percentage point contribution to growth

Industry	2015	2016	% point contribution to growth	Annual Growth
Finance	2,001.5	2,084.1	0.6%	4.1%
Property Operators & Real Estate Services	1,158.4	1,236.5	0.6%	6.7%
Professional, Scientific & Tech Services	2,433.3	2,491.7	0.4%	2.4%
Administrative & Support Services	374.7	429.5	0.4%	14.6%
Insurance & Superannuation Funds	1,141.2	1,194.3	0.4%	4.6%
Rail, Water, Air & Other Transport	204.9	250.8	0.3%	22.4%
Accommodation & Food Services	325.2	356.0	0.2%	9.5%
Local Government Administration	131.0	157.9	0.2%	20.5%
Auxiliary Finance & Insurance Services	492.1	512.1	0.1%	4.1%
Central Gov Admin, Defence & Safety	284.2	302.8	0.1%	6.5%
Education & Training	437.8	455.5	0.1%	4.0%
Arts & Recreation Services	245.4	263.0	0.1%	7.2%
Supermarket & Specialised Food Retailing	32.5	40.3	0.1%	23.9%
Other Store & Non Store Retailing	182.7	190.0	0.1%	4.0%
Postal, Courier & Warehousing Services	187.0	192.6	0.0%	3.0%
Petroleum & Coal Product Manufacturing	0.0	4.7	0.0%	-
Seafood Processing	6.5	10.9	0.0%	67.2%
Transport Equipment Manufacturing	12.7	15.0	0.0%	18.1%
Other Services	132.3	134.5	0.0%	1.7%
Rental & Hiring Services	103.0	104.7	0.0%	1.7%
Machinery & Other Equipment Manu	8.5	10.2	0.0%	20.6%
Fabricated Metal Product Manufacturing	0.5	1.1	0.0%	104.3%
Non-Metallic Mineral Product Manu	3.7	4.2	0.0%	12.9%
Fruit, Cereal & Other Food Product Manu	19.0	19.3	0.0%	1.6%
Furniture & Other Manufacturing	3.5	3.8	0.0%	8.5%
Dairy Cattle Farming	0.0	0.2	0.0%	-
Motor Vehicle, Parts & Fuel Retailing	4.5	4.6	0.0%	1.8%
Mining	5.5	5.6	0.0%	1.1%
Sheep, Beef Cattle & Grain Farming	0.2	0.3	0.0%	29.4%
Water, Sewerage & Waste Services	0.2	0.3	0.0%	23.0%
Agric Support Services & Hunting	0.1	0.2	0.0%	43.8%
Horticulture & Fruit Growing	0.0	0.0	0.0%	-
Dairy Product Manufacturing	1.2	1.2	0.0%	0.9%
Poultry, Deer & Other Livestock Farming	0.0	0.0	0.0%	-
Forestry & Logging	0.0	0.0	0.0%	-
Meat & Meat Product Manufacturing	0.0	0.0	0.0%	-
Pulp & Paper Product Manufacturing	0.0	0.0	0.0%	-
Textile, Leather, Clothing, Footwear Manu	12.0	11.9	0.0%	-0.1%
Wood Product Manufacturing	0.1	0.0	0.0%	-49.2%
Basic Chemical & Chemical Product Manu	2.8	2.8	0.0%	-2.1%
Fishing & Aquaculture	5.0	5.0	0.0%	-1.8%
Primary Metal & Metal Product Manu	0.7	0.5	0.0%	-25.5%
Printing	4.5	3.9	0.0%	-14.4%
Heavy & Civil Engineering Construction	3.7	2.2	0.0%	-39.1%
Building Construction	19.3	17.0	0.0%	-11.9%
Road Transport	59.7	57.4	0.0%	-3.9%
Polymer Product & Rubber Product Manu	6.5	3.4	0.0%	-47.6%
Construction Services	33.9	30.8	0.0%	-9.3%
Beverage & Tobacco Product Manu	45.4	40.2	0.0%	-11.4%
Information Media Services	352.5	345.0	-0.1%	-2.1%
Wholesale Trade	328.5	320.5	-0.1%	-2.4%
Electricity & Gas Supply	44.8	30.6	-0.1%	-31.6%
Telecomms, Internet & Library Services	1,025.7	971.0	-0.4%	-5.3%
Health Care & Social Assistance	187.7	125.4	-0.4%	-33.2%
Owner-Occupied Property Operation	807.1	807.8	0.0%	0.1%
Unallocated	1,031.1	1,078.8	0.3%	4.6%
Total	13,905	14,332	3.1%	3.1%

In which industries does Auckland City Centre (3 CAUs) have a comparative advantage?

A high concentration of certain industries in a region may be indicative of that region having a comparative advantage in those industries. This may be due to its natural endowments, location, skills of its labour force or other reasons. The location quotient indicates in which industries a region has comparative advantage. A region has a location quotient larger (smaller) than one when the share of that industry in the regional economy is greater (less) than the share of the same industry in the national economy.

The following table shows a ranking of 54 industries by their location quotients.

- The industries in which Auckland City Centre (3 CAUs) has the largest comparative advantages are Insurance & Superannuation Funds (location quotient = 7.6), Auxiliary Finance & Insurance Services (4.0), and Finance (3.7).

Table 5: Location Quotient 2016

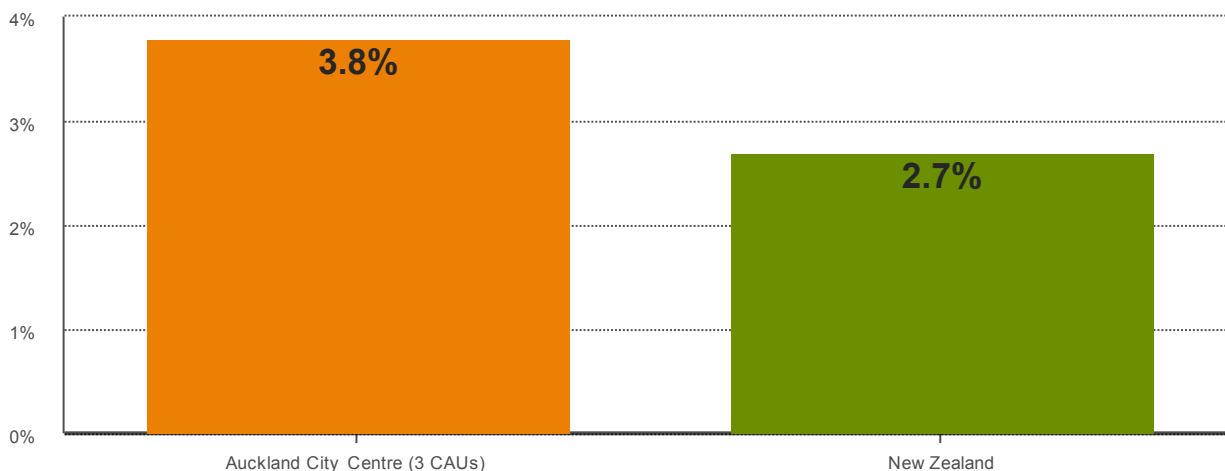
Industry	Auckland City Centre (3 CAUs)		New Zealand
	Location Quotient	Share of total GDP	Share of total GDP
Insurance & Superannuation Funds	7.6	8.3%	1.1%
Auxiliary Finance & Insurance Services	4.0	3.6%	0.9%
Finance	3.7	14.5%	3.9%
Telecomms, Internet & Library Services	2.7	6.8%	2.6%
Information Media Services	2.4	2.4%	1.0%
Professional, Scientific & Tech Services	2.2	17.4%	8.1%
Local Government Administration	2.1	1.1%	0.5%
Rail, Water, Air & Other Transport	2.0	1.7%	0.9%
Administrative & Support Services	1.5	3.0%	2.0%
Property Operators & Real Estate Services	1.4	8.6%	6.0%
Arts & Recreation Services	1.4	1.8%	1.3%
Accommodation & Food Services	1.2	2.5%	2.1%
Education & Training	0.8	3.2%	4.2%
Postal, Courier & Warehousing Services	0.7	1.3%	1.9%
Rental & Hiring Services	0.6	0.7%	1.1%
Central Gov Admin, Defence & Safety	0.6	2.1%	3.8%
Other Services	0.6	0.9%	1.7%
Other Store & Non Store Retailing	0.5	1.3%	2.7%
Wholesale Trade	0.4	2.2%	5.1%
Seafood Processing	0.4	0.1%	0.2%
Beverage & Tobacco Product Manu	0.3	0.3%	0.9%
Textile, Leather, Clothing, Footwear Manu	0.3	0.1%	0.3%
Road Transport	0.3	0.4%	1.5%
Fishing & Aquaculture	0.2	0.0%	0.2%
Transport Equipment Manufacturing	0.2	0.1%	0.5%
Supermarket & Specialised Food Retailing	0.2	0.3%	1.4%
Fruit, Cereal & Other Food Product Manu	0.2	0.1%	0.9%
Health Care & Social Assistance	0.1	0.9%	5.9%
Printing	0.1	0.0%	0.3%
Building Construction	0.1	0.1%	1.2%
Furniture & Other Manufacturing	0.1	0.0%	0.3%
Electricity & Gas Supply	0.1	0.2%	2.4%
Construction Services	0.1	0.2%	2.9%
Petroleum & Coal Product Manufacturing	0.1	0.0%	0.5%
Non-Metallic Mineral Product Manu	0.1	0.0%	0.5%
Machinery & Other Equipment Manu	0.1	0.1%	1.3%
Motor Vehicle, Parts & Fuel Retailing	0.0	0.0%	0.7%
Polymer Product & Rubber Product Manu	0.0	0.0%	0.6%
Basic Chemical & Chemical Product Manu	0.0	0.0%	0.6%
Mining	0.0	0.0%	1.6%
Dairy Product Manufacturing	0.0	0.0%	0.6%
Primary Metal & Metal Product Manu	0.0	0.0%	0.3%
Heavy & Civil Engineering Construction	0.0	0.0%	1.6%
Fabricated Metal Product Manufacturing	0.0	0.0%	0.8%
Water, Sewerage & Waste Services	0.0	0.0%	0.5%
Sheep, Beef Cattle & Grain Farming	0.0	0.0%	1.2%
Agric Support Services & Hunting	0.0	0.0%	0.8%
Wood Product Manufacturing	0.0	0.0%	0.6%
Dairy Cattle Farming	0.0	0.0%	2.3%
Horticulture & Fruit Growing	0.0	0.0%	0.5%
Poultry, Deer & Other Livestock Farming	0.0	0.0%	0.1%
Forestry & Logging	0.0	0.0%	0.6%
Meat & Meat Product Manufacturing	0.0	0.0%	0.8%
Pulp & Paper Product Manufacturing	0.0	0.0%	0.3%

EMPLOYMENT

How fast has employment grown in Auckland City Centre (3 CAUs)?

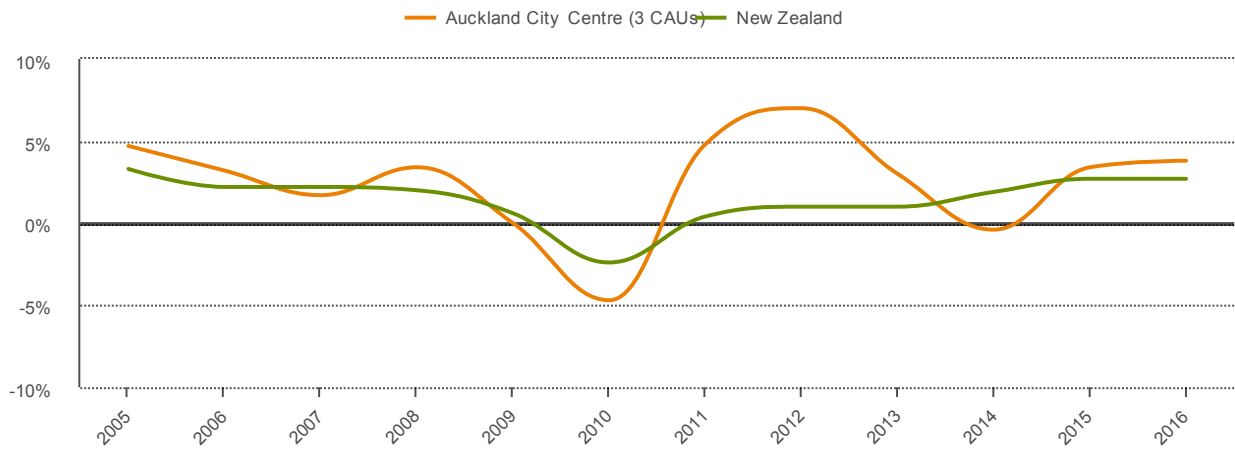
Employment growth provides new opportunities for the region's population to earn income and contribute to the region's economy. This section contrasts Auckland City Centre (3 CAUs)'s recent performance in creating jobs with other regions in the country.

Figure 6: Employment growth (year to Mar 2016)



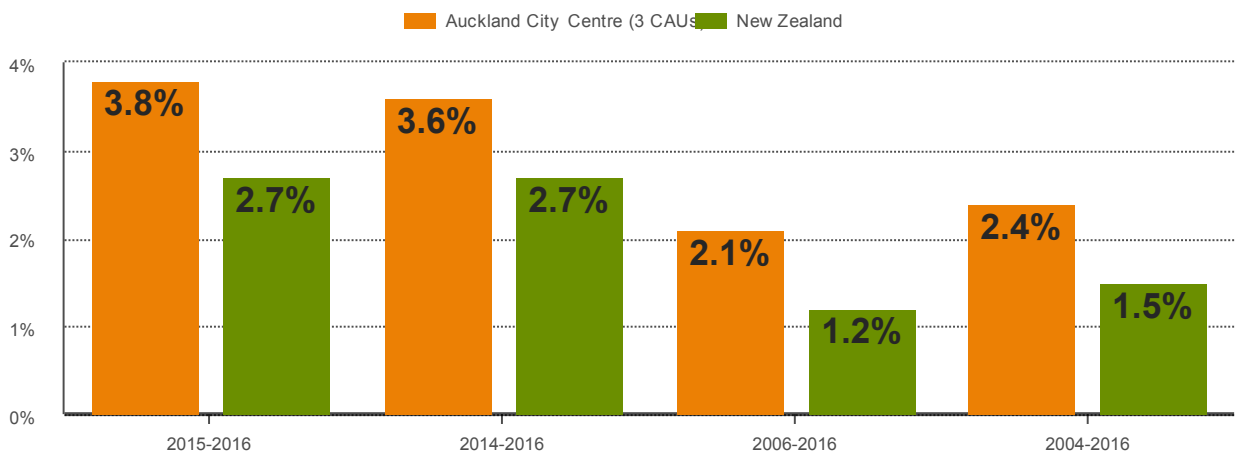
- Total employment in Auckland City Centre (3 CAUs) averaged 114,264 in the year to March 2016, up 3.8% from a year earlier. Employment in New Zealand increased by 2.7% over the same period.
- Employment growth in Auckland City Centre (3 CAUs) averaged 2.1%pa over the last 10 years compared with 1.2%pa in the national economy.
- Employment growth in Auckland City Centre (3 CAUs) reached a high of 7.0% in 2012 and a low of -4.7% in 2010.

Figure 7: Annual average employment growth



Change	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Auckland City Centre (3 CAUs)	4.7%	3.2%	1.7%	3.4%	0.0%	-4.7%	4.8%	7.0%	3.0%	-0.4%	3.4%	3.8%
New Zealand	3.3%	2.2%	2.2%	2.0%	0.6%	-2.4%	0.4%	1.0%	1.0%	1.9%	2.7%	2.7%

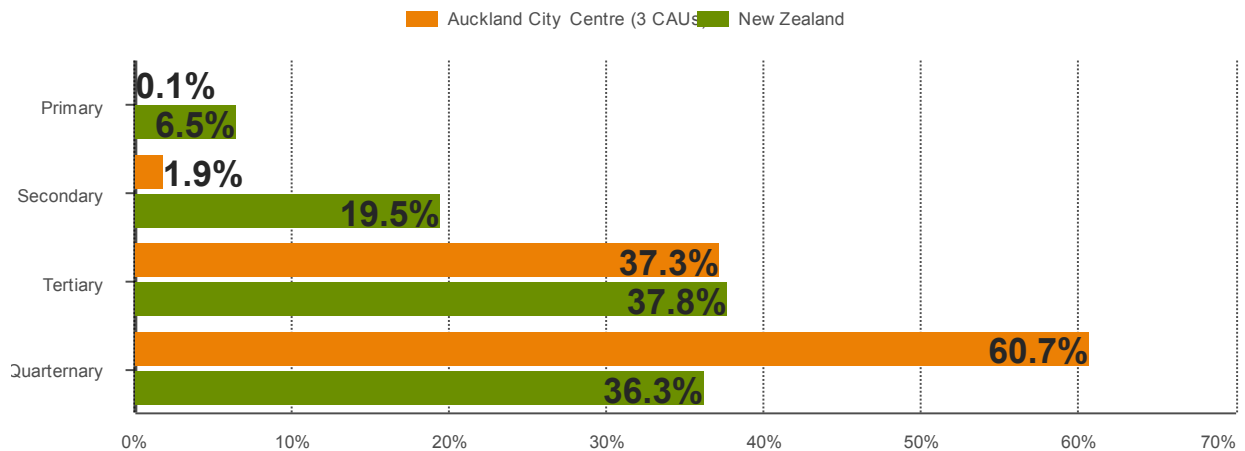
Figure 8: Employment growth over various time periods



What is the industrial structure of employment in Auckland City Centre (3 CAUs)?

This section describes the structure of the labour market in terms of the primary, secondary, tertiary and quaternary categories and the industries that fall within these categories. The primary sector makes direct use of natural resources. It extracts or harvests products from the earth. The secondary sector produces manufactured and other processed goods. The tertiary sector produces manufactured and other processed goods. The tertiary sector includes the lower value-adding service industries while the quaternary sector includes the higher value-adding, knowledge-based service industries. A list of industries making up the quaternary sector is given in the technical appendix.

Figure 9: Employment by broad sector (2016)



- Primary accounted for 0.1% in Auckland City Centre (3 CAUs) compared with 6.5% in New Zealand.
- Secondary accounted for 1.9% in Auckland City Centre (3 CAUs) compared with 19.5% in New Zealand.
- Tertiary accounted for 37.3% in Auckland City Centre (3 CAUs) compared with 37.8% in New Zealand.
- Quaternary industries accounted for the largest proportion of employment (60.7%) in Auckland City Centre (3 CAUs), which is higher than in New Zealand (36.3%).

Which are the largest employing industries in Auckland City Centre (3 CAUs)?

This section identifies the broad industries that make the largest contribution to employment in Auckland City Centre (3 CAUs).

Table 6: 1-digit industries ranked by size of employment (2016)

Industry	Auckland City Centre (3 CAUs)		New Zealand	
	Level	Share of total	Level	Share of total
Agriculture, Forestry and Fishing	94	0.1%	147,492	6.2%
Mining	67	0.1%	5,617	0.2%
Manufacturing	1,164	1.0%	232,854	9.9%
Electricity, Gas, Water and Waste Services	65	0.1%	15,119	0.6%
Construction	940	0.8%	211,736	9.0%
Wholesale Trade	2,960	2.6%	117,974	5.0%
Retail Trade	4,251	3.7%	216,652	9.2%
Accommodation and Food Services	10,737	9.4%	151,807	6.4%
Transport, Postal and Warehousing	4,514	4.0%	98,676	4.2%
Information Media and Telecommunications	6,122	5.4%	40,929	1.7%
Financial and Insurance Services	16,441	14.4%	65,093	2.8%
Rental, Hiring and Real Estate Services	3,947	3.5%	55,532	2.3%
Professional, Scientific and Technical Services	29,870	26.1%	223,950	9.5%
Administrative and Support Services	10,536	9.2%	118,732	5.0%
Public Administration and Safety	6,857	6.0%	111,039	4.7%
Education and Training	8,042	7.0%	184,124	7.8%
Health Care and Social Assistance	1,984	1.7%	233,191	9.9%
Arts and Recreation Services	3,243	2.8%	44,519	1.9%
Other Services	2,432	2.1%	88,390	3.7%
Total	114,264	100%	2,363,428	100%

- Among broad industries Professional, Scientific and Technical Services was the largest in Auckland City Centre (3 CAUs) in 2016 accounting for 26.1% of total.
- The second largest was Financial and Insurance Services (14.4%) followed by Accommodation and Food Services (9.4%)

Which industries have created the most jobs?

The section investigates which industries have created and lost the most number of jobs in Auckland City Centre (3 CAUs). The employment numbers differ from those published in Business Demography by Statistics New Zealand. The reasons for these differences are explained in the technical appendix.

Table 7: 1-digit industries ranked by number of jobs created

Industry	2015	2016	Change	Annual Growth
Administrative and Support Services	9,265	10,536	1,271	13.7%
Accommodation and Food Services	9,853	10,737	884	9.0%
Public Administration and Safety	6,126	6,857	731	11.9%
Financial and Insurance Services	15,735	16,441	706	4.5%
Professional, Scientific and Technical Services	29,228	29,870	641	2.2%
Transport, Postal and Warehousing	4,091	4,514	423	10.3%
Arts and Recreation Services	2,861	3,243	381	13.3%
Education and Training	7,712	8,042	329	4.3%
Rental, Hiring and Real Estate Services	3,749	3,947	198	5.3%
Retail Trade	4,101	4,251	150	3.7%
Other Services	2,372	2,432	61	2.6%
Manufacturing	1,104	1,164	60	5.4%
Agriculture, Forestry and Fishing	88	94	5	6.1%
Mining	71	67	-4	-5.6%
Wholesale Trade	2,970	2,960	-10	-0.3%
Electricity, Gas, Water and Waste Services	92	65	-28	-29.8%
Construction	1,042	940	-102	-9.8%
Information Media and Telecommunications	6,728	6,122	-606	-9.0%
Health Care and Social Assistance	2,939	1,984	-955	-32.5%
Total	110,128	114,264	4,136	3.8%

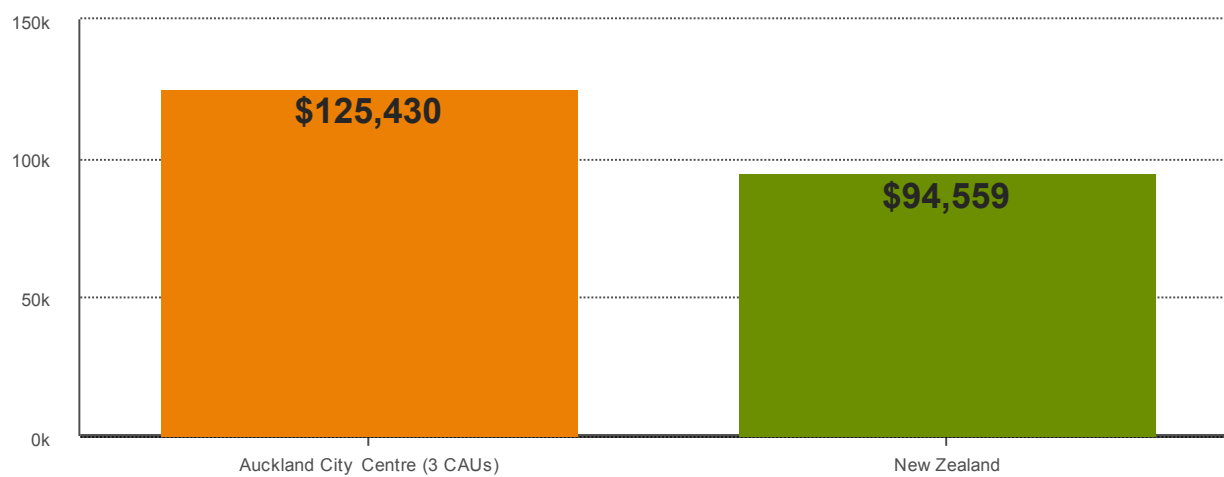
- Administrative and Support Services made the largest contribution to employment growth in Auckland City Centre (3 CAUs) between 2015 and 2016 with the industry adding 1,271 jobs.
- The next largest contributor was Accommodation and Food Services (884 jobs) followed by Public Administration and Safety (731 jobs).
- The largest detractor from growth over the year was Health Care and Social Assistance in which employment declined by 955.

PRODUCTIVITY

Productivity is a way of describing the efficiency of production. In this section, we investigate GDP per employee to determine how much economic activity is generated on average by each employee. When looking at this indicator, one needs to consider that labour is only one input into production. As a result, a comparison of a region's labour productivity growth to its own history or to other districts, implicitly assumes that each worker has the same access to machinery, technology, and land.

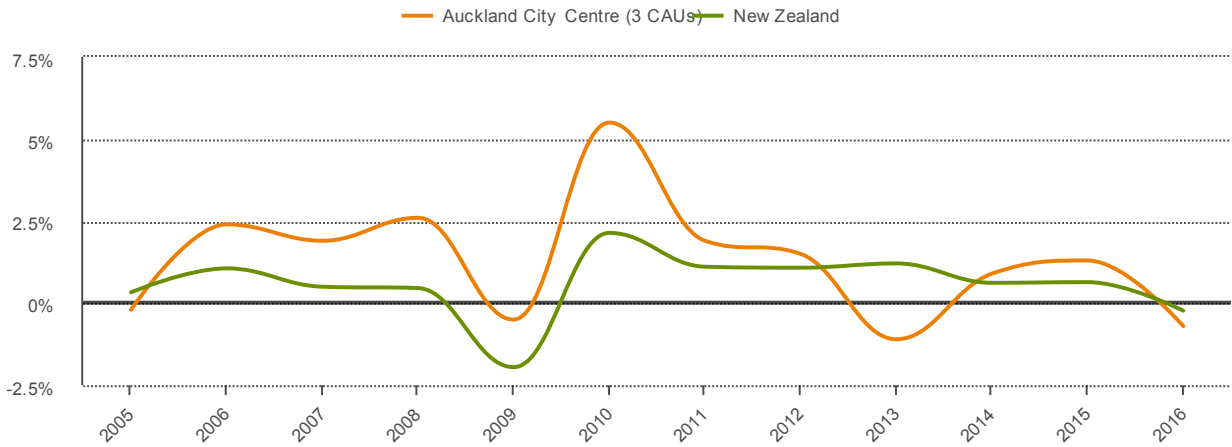
This section describes Auckland City Centre (3 CAUs)'s productivity level during the year to March 2016 and previous years. Productivity is measured by GDP per employee (in constant 2010 prices).

Figure 10: Productivity 2016



- GDP per employee in Auckland City Centre (3 CAUs) measured \$125,430 in the year to March 2016, which was 33% higher than in New Zealand.
- Productivity in Auckland City Centre (3 CAUs) decreased by 0.7% from a year earlier compared with an decrease of 0.2% in New Zealand).
- Productivity growth in Auckland City Centre (3 CAUs) averaged 1.3%pa over the last ten years compared with an average of 0.6%pa in New Zealand.

Figure 11: Productivity growth



Change	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Auckland City Centre (3 CAUs)	-0.2%	2.4%	1.9%	2.6%	-0.5%	5.5%	1.9%	1.5%	-1.1%	0.9%	1.3%	-0.7%
New Zealand	0.3%	1.1%	0.5%	0.5%	-2.0%	2.1%	1.1%	1.1%	1.2%	0.6%	0.6%	-0.2%

What are the most productive industries in Auckland City Centre (3 CAUs)

This section ranks industries according to their level of GDP per employee in Auckland City Centre (3 CAUs). The level of GDP per employee may differ between industries because of the skill levels of workers and their inherent efficiency, as well as due to different amounts of machinery, technology, and land being used as production inputs. Table 17 below ranks broad industries by GDP per employee in Auckland City Centre (3 CAUs) and shows the corresponding GDP per employee in the national economy. Since the capital intensity of industries is often a significant explainer of productivity we also show the capital intensity of each industry in the table. Capital intensity is measured as the share of GDP which is attributable to capital. Industries with a high proportion are thus highly capital intensive.

Table 8: 1-digit industries ranked by productivity (2016)

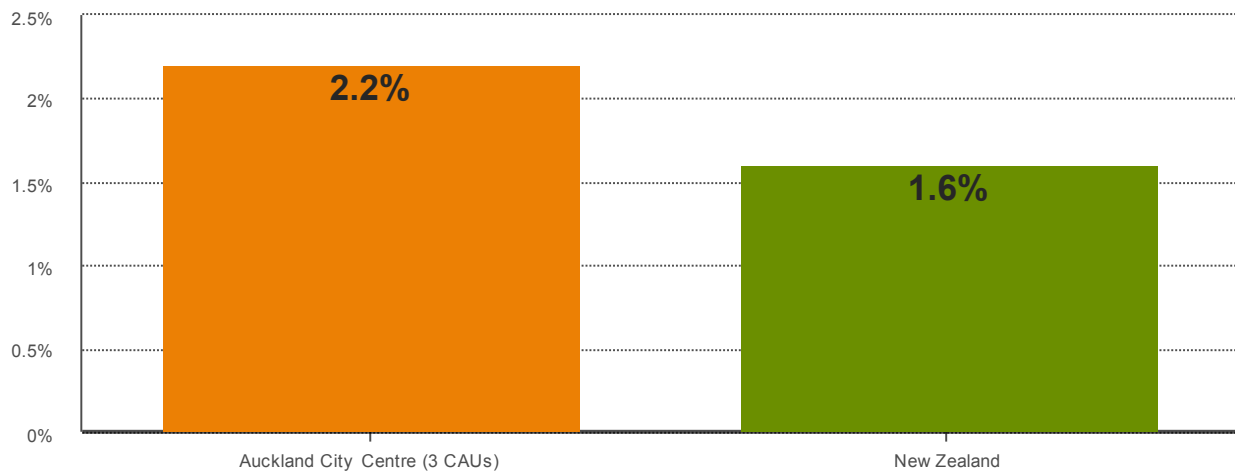
Industry	Productivity		Capital intensity
	Auckland City Centre (3 CAUs)	New Zealand	New Zealand
Electricity, Gas, Water and Waste Services	476,399	427,993	-
Rental, Hiring and Real Estate Services	339,822	287,960	-
Financial and Insurance Services	230,549	203,093	-
Information Media and Telecommunications	214,973	193,114	-
Manufacturing	114,425	96,717	-
Transport, Postal and Warehousing	110,933	95,231	-
Wholesale Trade	108,279	97,377	-
Professional, Scientific and Technical Services	83,419	80,455	-
Mining	83,280	627,003	-
Arts and Recreation Services	81,098	65,545	-
Public Administration and Safety	67,181	86,564	-
Health Care and Social Assistance	63,225	56,859	-
Agriculture, Forestry and Fishing	59,423	86,859	-
Education and Training	56,649	50,863	-
Other Services	55,303	42,923	-
Retail Trade	55,253	49,065	-
Construction	53,254	60,490	-
Administrative and Support Services	40,769	38,440	-
Accommodation and Food Services	33,156	31,198	-
Total	125,430	94,559	

BUSINESS GROWTH

How fast did the number of business units grow in Auckland City Centre (3 CAUs)?

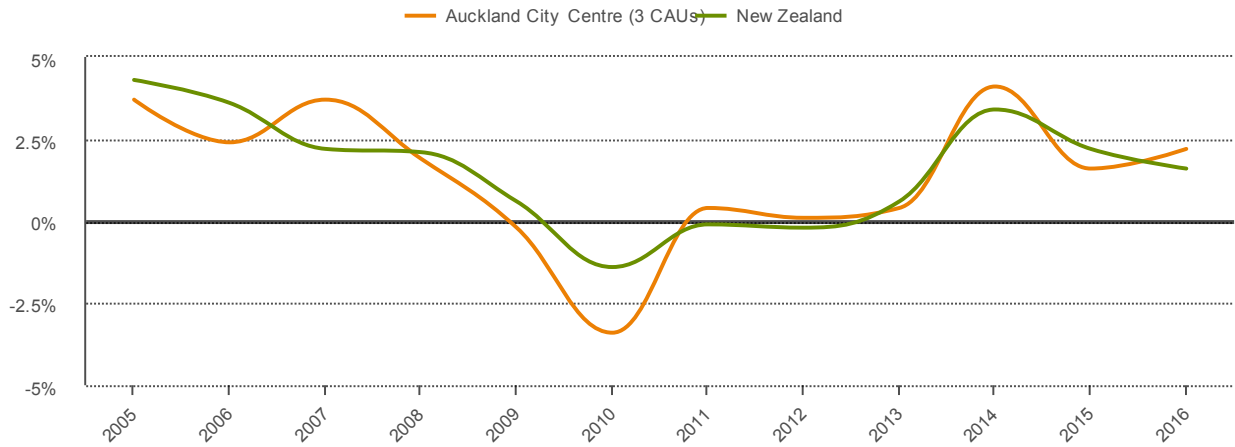
Growth in the number of business units is an indicator of entrepreneurial activity. It indicates an environment in which entrepreneurs are prepared to take risks to start new ventures. This section contrasts Auckland City Centre (3 CAUs)'s recent performance in business unit growth with other regions in the country.

Figure 12: Business unit growth (year to Mar 2016)



- A total of 11,856 business units were recorded in Auckland City Centre (3 CAUs) in 2016, up 2.2% from a year earlier.
- The number of business units in New Zealand increased by 1.6% over the same period.
- Growth in the number of business units in Auckland City Centre (3 CAUs) averaged 1.1%pa over the past 10 years compared with 1.1%pa in the national economy.
- Business unit growth in Auckland City Centre (3 CAUs) varied from a high of 4.1% in 2014 to a low of -3.4% in 2010.

Figure 13: Annual average business unit growth



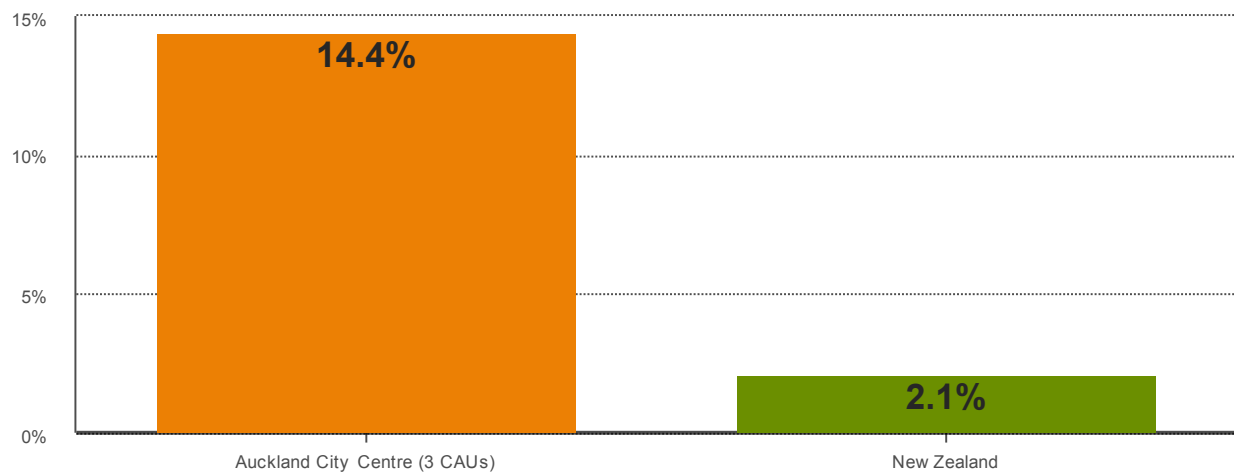
	Change	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Auckland City Centre (3 CAUs)		3.7%	2.4%	3.7%	1.9%	-0.2%	-3.4%	0.4%	0.1%	0.4%	4.1%	1.6%	2.2%
New Zealand		4.3%	3.6%	2.2%	2.1%	0.6%	-1.4%	-0.1%	-0.2%	0.6%	3.4%	2.2%	1.6%

POPULATION GROWTH

How fast has Auckland City Centre (3 CAUs)'s population grown?

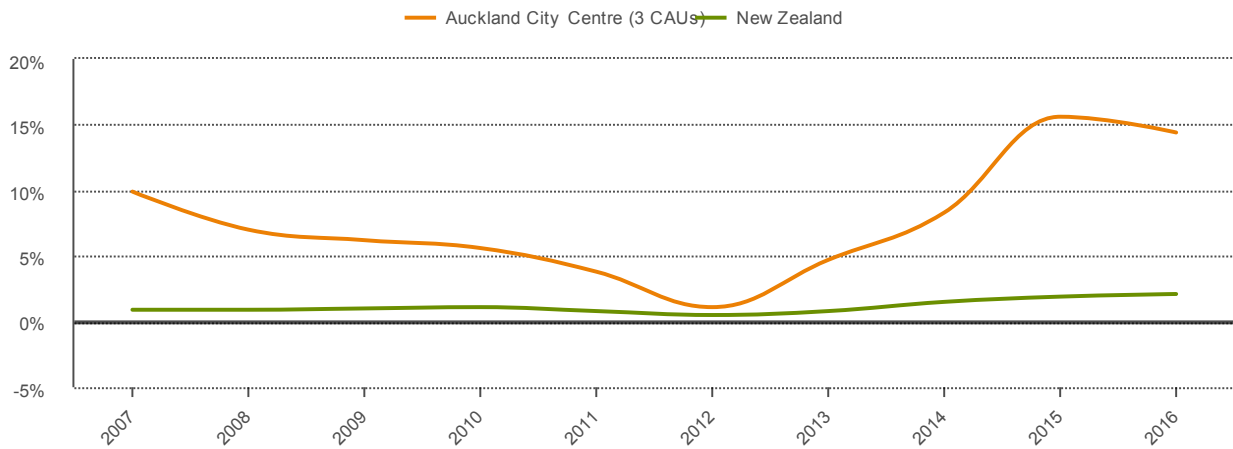
Population growth is an indicator of a region's attractiveness as a place to live and work. A strong regional economy with plentiful job opportunities will help a region retain its population and attract new residents from other regions and abroad. This section contrasts Auckland City Centre (3 CAUs)'s recent population growth with other districts and the country as a whole.

Figure 14: Population growth (year to Jun 2016)



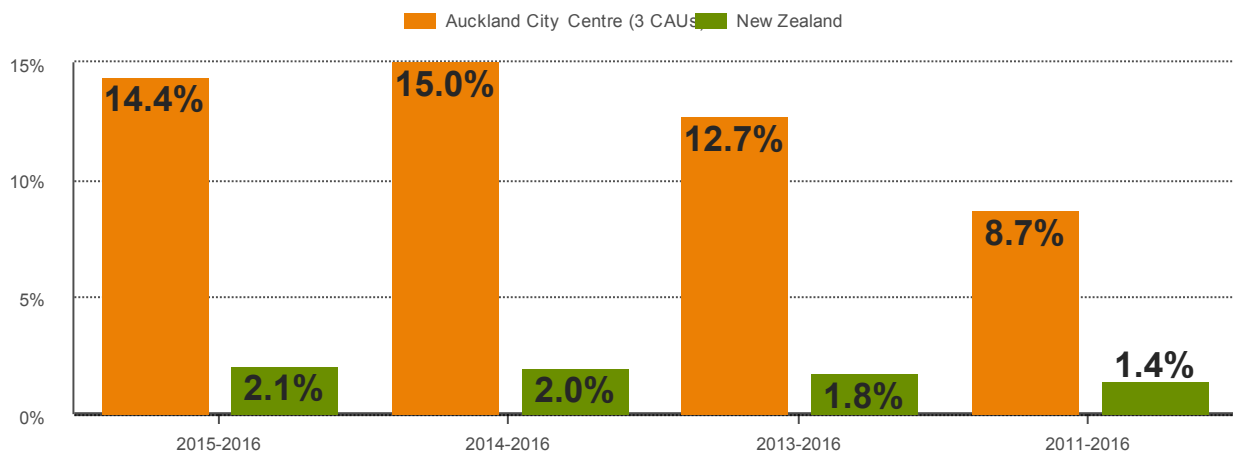
- Auckland City Centre (3 CAUs)'s population was 39,860 in 2016, up 14% from a year earlier. New Zealand's total population grew by 2.1% over the same period.
- Population growth in Auckland City Centre (3 CAUs) averaged 8.7%pa over the last 5 years compared with 1.4%pa in New Zealand.
- Since 2006 growth in Auckland City Centre (3 CAUs) reached a high of 15.6%pa in 2015 and a low of 1.1%pa in 2012.

Figure 15: Annual population growth



	Change	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Auckland City Centre (3 CAUs)		9.9%	7.0%	6.2%	5.6%	3.8%	1.1%	4.7%	8.3%	15.6%	14.4%
New Zealand		0.9%	0.9%	1.0%	1.1%	0.8%	0.5%	0.8%	1.5%	1.9%	2.1%

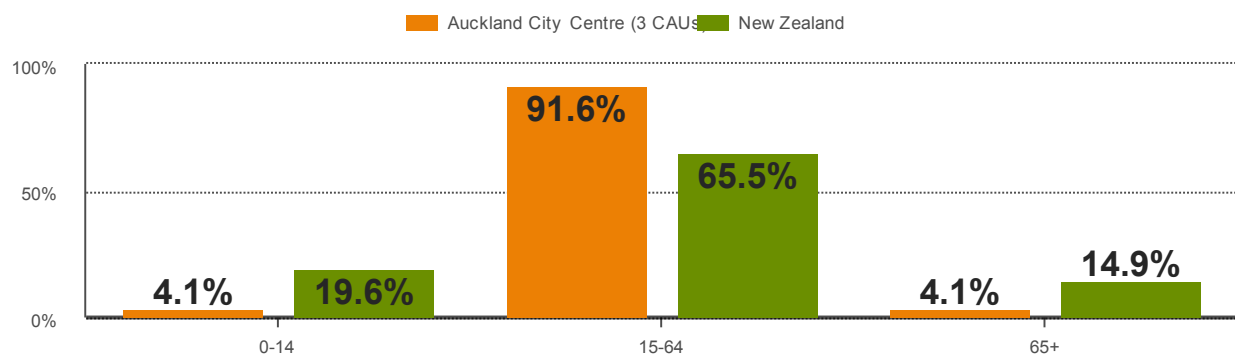
Figure 16: Population growth last 1,2,3 and 5 years



What is the age structure of Auckland City Centre (3 CAUs)'s population?

- In 2016, 91.6% of Auckland City Centre (3 CAUs)'s population was of working age (15-64). This was significantly higher than the proportion of the national population (65.5%).
- Auckland City Centre (3 CAUs) had a slightly lower proportion (4.1%) of young people (0-14) than the country as a whole (19.6%) and a significantly lower proportion (4.1%) of people 65 years and older compared with New Zealand (14.9%).
- Overall the dependency ratio in Auckland City Centre (3 CAUs) (9.0%) was lower than in the national economy (52.7%). The dependency ratio expresses the number of persons outside of the working age as a proportion of the number of persons of working age (15 to 64 years).

Figure 17: Age composition of the population (year to June 2016)



TECHNICAL NOTES

Time period

This economic profile reports on March years (eg. 2016 refers to the 12 months to March 2016) for all indicators except population (as at June), dairy sector statistics (May year), and government social service expenditure and beneficiary data (June years).

Gross Domestic Product

Gross Domestic Product (GDP) measures the value economic units add to their inputs. It should not be confused with revenue or turnover. A company's value adding is broadly equivalent to its sales revenue less the cost of materials (eg steel for making motor cars) and services (eg telecommunications) purchased from other firms.

Total GDP is calculated by summing the value added to all goods and services for final consumption – i.e. it does not include the value added to goods and services used as intermediate inputs for the production of other goods as this would result in double counting. As a result, GDP estimates should not be confused with revenue/turnover/gross output.

In this profile Gross Domestic Product for each region and territorial authority (TA) is estimated by Infometrics. A top down approach breaks national production-based GDP (published by Statistics New Zealand) down to territorial authority level by applying TA shares to the national total. Each TA's share of industry output is based on the share of earnings measured in the Linked Employer Employee Data (LEED), which is, in turn, based on taxation data. This approach captures differences in productivity between TAs and changes in productivity over time. Our estimates are benchmarked on regional GDP published by Statistics New Zealand

GDP is measured in constant 2010 prices .

Prices

In this profile, we present all GDP estimates in constant 2010 prices. GDP presented in constant prices is sometimes referred to as real GDP. By using constant prices we remove the distractionary effect of inflation. It enables us to meaningfully compare GDP from one year to the next.

Industrial classification

This profile uses industry categories from the 2006 Australia New Zealand Standard Industrial Classification (ANZSIC). The ANZSIC is a hierarchical classification with four levels, namely divisions (the broadest level also referred to as 1-digit categories), subdivisions (3-digit), groups (4-digit) and classes (7-digit). There are approximately 500 7-digit industries.

This profile also uses a grouping of 54 industries. These are the industries used by Statistics New Zealand in the national accounts.

Unallocated

Unallocated items include taxes levied on the purchaser rather than the producing industry (such as GST, import duties, and taxes on capital transactions), and items that cannot easily be allocated to a specific industry (such as the seasonal adjustment balancing item). A seasonal adjustment balancing item is necessary to ensure that the sum of all seasonally adjusted industries can be reconciled with total GDP.

Broad economic sectors

The primary sector extracts or harvests products from the earth and includes agriculture, forestry, fishing, and mining. The secondary sector produces manufactured and other processed goods and includes manufacturing, electricity, gas and water, and construction. The tertiary sector includes all service industries that are not knowledge intensive, such as retail trade, and food and accommodation services. The quaternary sector includes knowledge intensive service industries. 'Other' includes owner occupied property operation and unallocated activity.

Employment by industry

Employment is measured as an average of the four quarters making up each year. The unit of measurement is filled jobs.

Regional employment numbers are from Infometrics' Regional Industry Employment Model (RIEM). The model draws heavily on quarterly and annual Linked Employer Employee Data (LEED) published by Statistics New Zealand. RIEM differs from data from Business Demography in that it is a quarterly series (BD is annual) and it includes both employees and self-employed, whereas BD only includes employees.

Self-employment

Self-employment rates are from Annual Linked Employer Employee Data (LEED).

Employment by occupation

Employment in each industry is converted to occupational employment using the relationship between industry and occupational employment observed in various Population Censuses. The Population Census measures the occupational composition of employment in each industry and how this changes over time. Occupations conform to the categories used in the Australian New Zealand Standard Classification of Occupations (ANZSCO).

Productivity

Productivity measures the efficiency of production. In this profile, we measure productivity as GDP per employed person (ie. The amount of economic activity generated on average by each employee). One needs to be aware that labour is only one input into production. The output of each employee may differ across industries in a region due to differing access to machinery, technology, and land. Therefore, productivity comparisons should only be made in circumstances where it is reasonable to assume that capital intensity will be broadly the same – for example, when looking at productivity within an industry over a limited-time period, or when comparing productivity of a particular industry with that same industry in another region.

Earnings

Earnings data comes from the quarterly Linked Employer Employee Data published by Statistics New Zealand. LEED publishes the mean earnings of full quarter jobs for each quarter. Full quarter jobs may include full time and part time jobs. Earnings include overtime and lump sum payments. We sum the mean earnings for the four quarters making up the year to arrive at an estimate of average annual earnings.

House prices

House value (dollar value) are sourced from QVNZ. The levels used are average current values. An average current value is the average (mean) value of all developed residential properties in the area based on the latest house value index from QVNZ. It is not an average or median sales price, as both of those figures only measure what happens to have sold in the period. These average current values are affected by the underlying value of houses (including those not on the market) and are quality adjusted based on the growth in each house's price between sales.

Population

The estimated resident population is an estimate of all people who usually live in that area at a given date. Visitors from elsewhere in New Zealand or from overseas are excluded.

The estimated resident population at 30 June 2013 is based on the 2013 census usually resident population count, adjusted for:

- net census undercount (based on the 2013 Post-enumeration Survey)
- residents temporarily overseas on census night
- births, deaths, and net migration between census night and the date of the estimate
- reconciliation with demographic estimates at ages 0–9 years.

The estimated resident population is not directly comparable with the census usually resident population count because of these adjustments.

The estimated resident population is sourced from Statistics New Zealand.

Dependency ratio

The dependency ratio is the number of under 15 year olds and over 65 year olds as a ratio of the rest of the population (working age).

Business Units

Data on the number of businesses is sourced from the Business Demography statistics from Statistics New Zealand. Businesses are measured by geographic units, which represent a business location engaged in one, or predominantly one, kind of economic activity at a single physical site or base (eg. a factory, a farm, a shop, an office, etc). All non-trading or dormant enterprises, as well as enterprises outside of New Zealand, are excluded from business demography statistics.

A significant number of enterprises are recorded as having zero employment. Enterprises in the zero employee count size category may have:

- working owners who don't draw a wage from their business
- labour provided by other businesses or contractors
- business activity that requires no labour (eg. holding company).

Only business units that are economically significant enterprises are included. To be regarded as economically significant they must meet at least one of the following criteria:

- annual expenses or sales subject to GST of more than \$30,000
- 12-month rolling mean employee count of greater than three
- part of a group of enterprises
- registered for GST and involved in agriculture or forestry
- over \$40,000 of income recorded in the IR10 annual tax return (this includes some units in residential property leasing and rental).