

East Tāmaki (2022)

East Tāmaki is an important industrial precinct to the east of central Auckland. The area is home to over **32,000 jobs**, making it the region's largest industrial employment precinct.

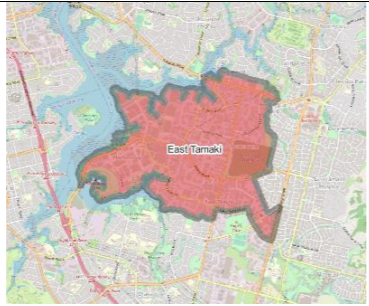
The precinct has grown due to its location near Auckland's major rail and roading routes. An additional **16,000 jobs** are located here compared to 2002 following the development of the **Highbrook** area as an industrial precinct.

Unlike many industrial precincts, manufacturing and wholesale trade have seen strong growth over the last decade.

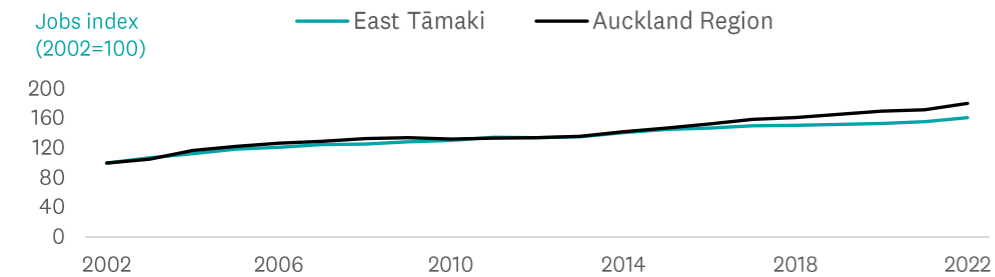
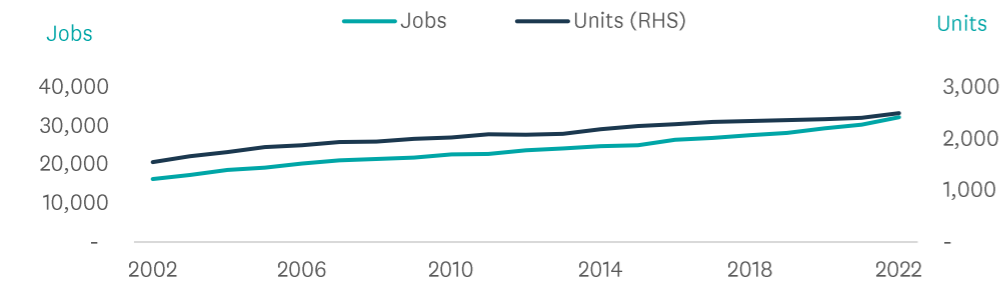
More recently the development of office space in the area, mostly at the prime end of the market, has diversified the commercial property available.

Basic Facts

	East Tāmaki	% of AKL
Population (2022 est.)	350	0.02%
Area	7.8 KM ²	0.2%
Jobs (2022)	32,300	3.9%
Jobs (2002-2022)	16,000	5.3%
Business Units (2022)	2,502	1.1%
Business Units (2002-2022)	951	1.0%



Jobs and Business Numbers



Sectors

Manufacturing and wholesale trade are the main employing sectors in East Tāmaki. Manufacturing has a location quotient of 3.8, meaning it is particularly concentrated in East Tāmaki. Machinery & equipment manufacturing is particularly concentrated in the area with a location quotient of 10.6.

Transport, postal & warehousing is also an important employment sector, particularly in the postal & courier pick-up & delivery services sub-sector. Over thirty percent of the region's jobs in this sector are in East Tāmaki.

Broad Sector	Jobs	East Tāmaki %	AKL %	LQ
Manufacturing	11,700	36.2%	9.6%	3.8
Wholesale Trade	6,100	18.9%	7.4%	2.6
Transport, Postal & Warehousing	3,100	9.6%	4.5%	2.1
Construction	2,750	8.5%	8.6%	1.0
Admin & Support Services	2,600	8.0%	6.0%	1.3
Retail Trade	1,700	5.3%	9.7%	0.5
Prof, Scientific & Tech Services	1,250	3.9%	11.0%	0.4

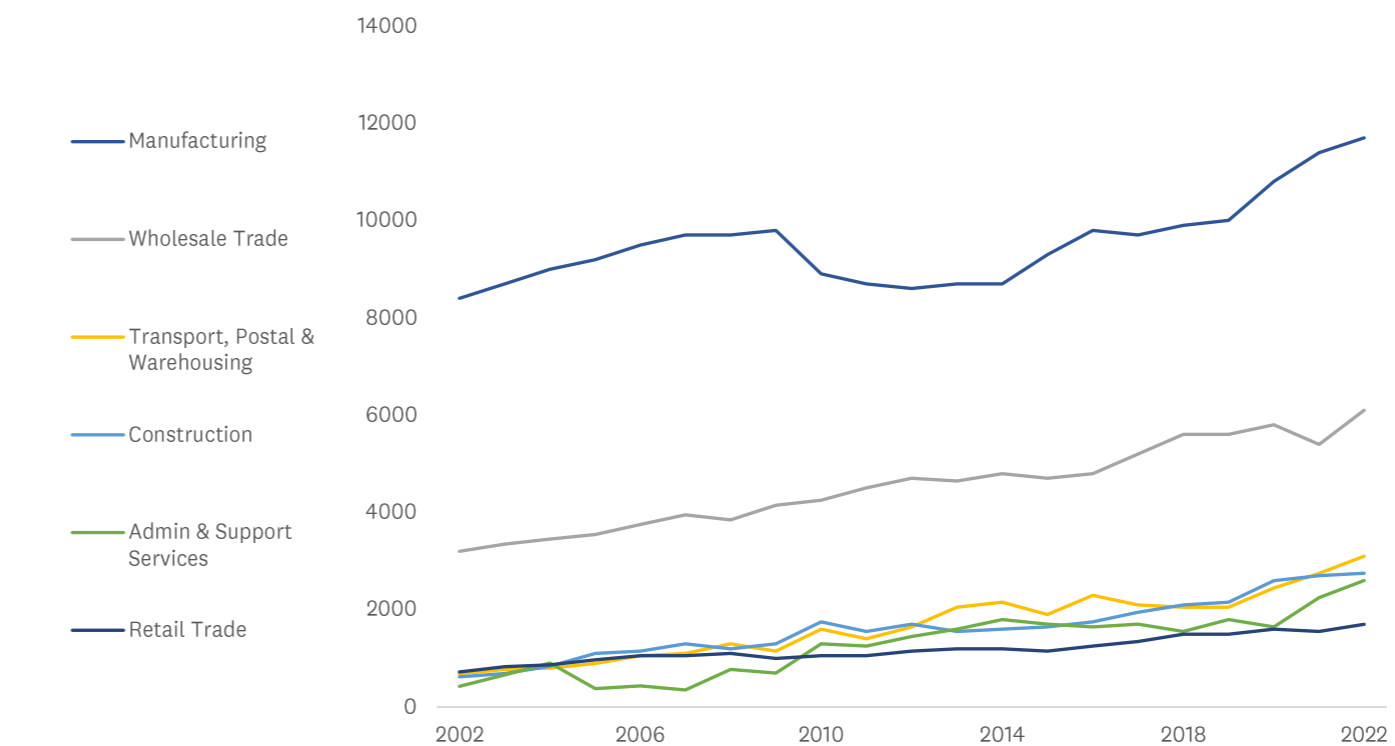
Manufacturing	Jobs	LQ
Machinery & Equipment Manufacturing	6,000	10.6
Fabricated Metal Product Manufacturing	1,200	3.0
Food Product Manufacturing	1,100	1.7
Polymer Product & Rubber Product Manufacturing	640	3.1

Wholesale Trade	Jobs	LQ
Machinery & Equipment Wholesaling	1,950	3.1
Other Goods Wholesaling	1,600	2.7
Basic Material Wholesaling	1,400	3.4

Transport, Postal & Warehousing	Jobs	LQ
Postal & Courier Pick-up & Delivery Services	1,600	8.0
Road Transport	880	1.7
Warehousing & Storage Services	540	3.6

Construction	Jobs	LQ
Heavy & Civil Engineering Construction	1,450	2.8
Construction Services	1,000	0.6
Building Construction	330	0.5

Sectors Over Time (jobs)



Sectoral Change

Manufacturing has long been the area's biggest employment sector. Following a decline during the Global Financial Crisis, job growth in the sector continuously rose from 2014. Job growth in the sector in East Tāmaki was 36 percent between 2012 and 2022, compared to only 11 percent growth in the sector Auckland wide.

The growth in manufacturing is inconsistent with many industrial areas in the wider region, where the sector has been in decline. Over thirty percent of Auckland's manufacturing growth over the last ten years was in East Tāmaki.

Wholesale trade, transport, postal & warehousing and construction have all added jobs to the East Tāmaki precinct over the last decade.

Employment Growth and Decline

Sector	Job Growth 2012-2022	East Tāmaki Growth	AKL Growth
Manufacturing	3,100	36%	11%
Wholesale Trade	1,450	88%	17%
Transport, Postal & Warehousing	1,400	30%	15%
Construction	1,150	79%	28%
Admin & Support Services	1,050	62%	113%
Retail Trade	550	48%	34%
Healthcare & Social Assistance	-260	-53%	37%
Financial & Insurance Services	-290	-57%	23%
Prof, Scientific & Tech Services	-450	-26%	43%

Manufacturing growth was underpinned almost entirely by professional & scientific equipment manufacturing, as well as domestic appliance manufacturing. Fisher & Paykel have long been a presence in the area. Dairy, bakery and other food product manufacturing also saw growth.

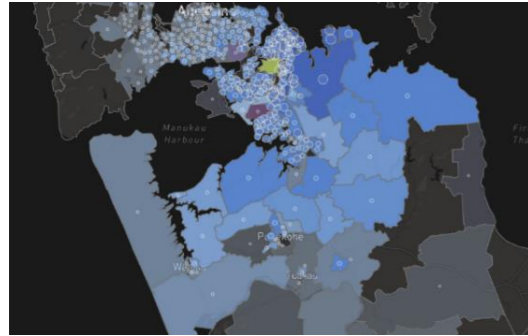
Structural metals and wood product manufacturing also saw employment growth.

Machinery, equipment and furniture and other goods wholesaling has underpinned strong wholesale trade growth.

Most of the transport, postal & warehousing growth has come from postal & courier pick-up & delivery services, while there has also been some warehousing & storage sector growth.

Heavy construction & civil engineering has underpinned construction sector growth in the area. There was also growth of building installation services (e.g., plumbing, electrical) and building completion services (e.g., plastering, glazing).

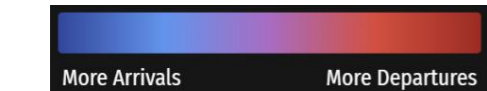
Administrative & support services growth is almost entirely attributed to employment services (e.g., labour hire and recruitment services).



Commuting and Public Transit

East Tāmaki draws labour from across the Auckland region. 22,815 people travel to East Tāmaki for work while 78 people live and work there. 73% of people arrive by private car, truck or van.

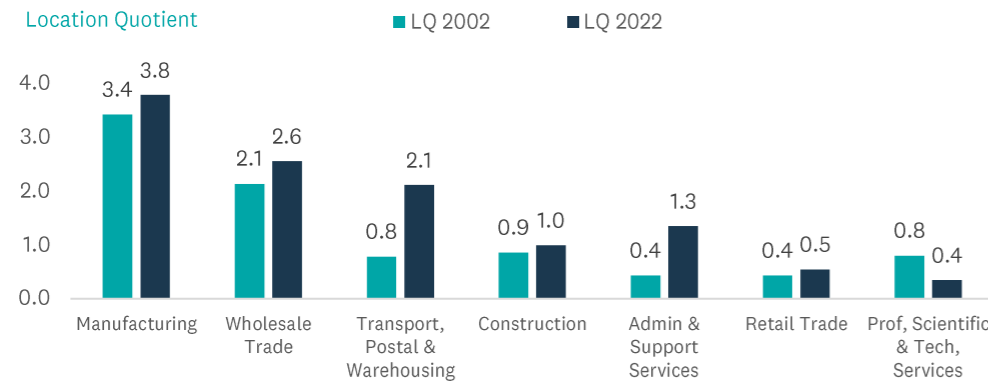
Buses connecting Botany, Otahuhu, Manukau and Panmure service the area, although this is not part of the Rapid Transit Network. The Eastern Busway will run across part of the northern edge of the East Tāmaki precinct.



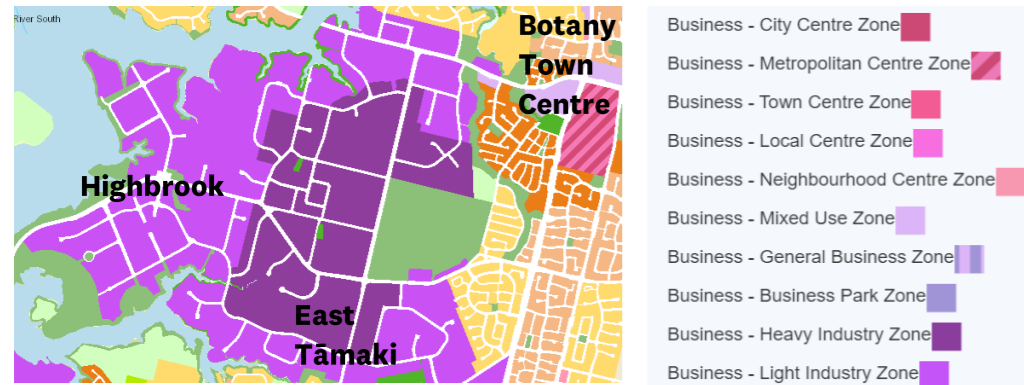
(Census 2018)

Location Quotient (job concentration)

Consistent with the observed job growth in more industrial and goods producing sectors, location quotients are high for the manufacturing, wholesale trade, construction, and transport, postal & warehousing sectors. These sectors are becoming more concentrated in East Tāmaki.



Land Use



East Tāmaki is largely light industry zoned with some mixed use and light industry in the more recently developed Highbrook site to the west. To the east is Botany Town Centre, a largely light industrial area of Botany Junction lies to the south.

Commercial Property Assessment

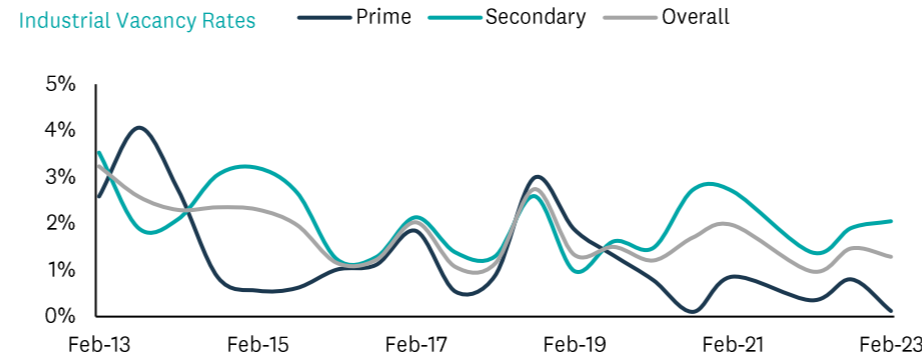
Commercial property market intelligence provided by Colliers provides an overview of demand and cost of commercial premises across a number of industrial, office and retail centres in the Auckland Region. While these areas are not mapped to the Auckland Plan's key economic areas, they provide a useful insight into some of the drivers of industrial location change in the region.

The last decade has seen an increase in prime industrial floorspace in the region, mostly driven by development at Auckland Airport and Highbrook, by far the largest areas of prime industrial space. The supply of secondary floorspace has declined in many areas and only grown regionally due to a notable increase in Manukau / Wiri.

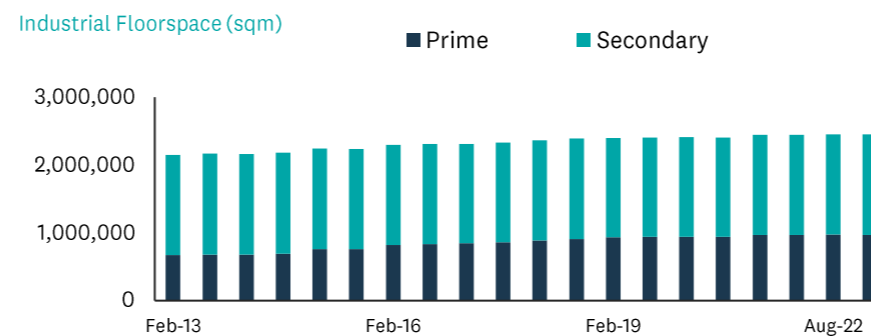
Office space in Auckland is dominated by the CBD with some significant areas of supply in the region's larger centres. While the CBD has seen an increase in supply most other centres have remained flat and while rents have risen across the region the CBD commands a premium above other commercial centres.

The East Tāmaki and Highbrook industrial areas have both industrial and office space although the office space is small compared to the industrial space.

Demand for industrial space has been persistently high over time with the prime vacancy rate at just 0.1% as at February 2023 and the secondary rate at 2.1%.



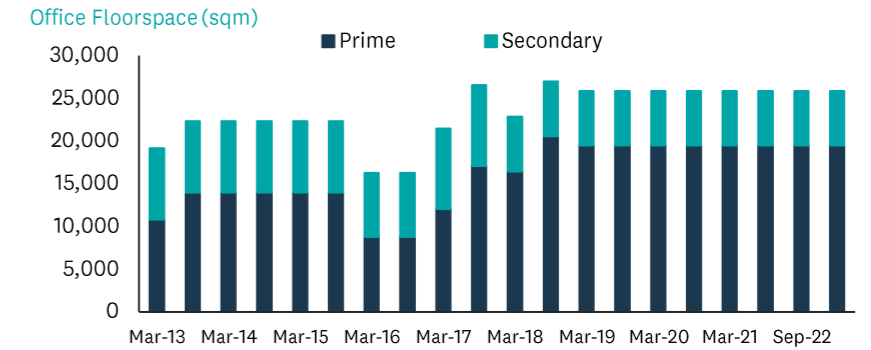
Demand comes from a wide range of sectors including manufacturing, wholesale trade, transport, postal & warehousing and construction. High levels of demand have seen rents increase and the shortage of prime stock has driven an equally steep increase in secondary rental prices.



Development at Highbrook and Botany Junction has increased floorspace in the wider area and lifted the overall quality.

Prime industrial rents have risen 93% over the last decade and secondary grade rents have risen 77% and are among the highest in the region.

Fisher & Paykel are a major occupier of industrial premises in the area.



A growing office market with a focus on development of prime space has lifted the supply and quality of office space in the area. Three quarters of office space is prime grade with prime grade rents increasing 34% over the last decade.

Industrial Vacancies and Rents (per sqm)		Office Rents
Prime Vacancies (%)	0.1%	Prime: \$325
Secondary Vacancies (%)	2.1%	+34% over 10yrs
Prime Warehouse Rental (2013)	\$103	
Prime Warehouse Rental (2023)	\$198 (+93%)	Secondary: \$196
Secondary Warehouse Rental (2013)	\$88	+15% over 10yrs
Secondary Warehouse Rental (2023)	\$155 (+77%)	

Industrial Supply		Office Supply
Prime % of Total	40%	Office supply has increased over the last 10 years. Prime office space increased by 80% while secondary space decreased by 23%. Overall, there was a 35% increase.
NLA (sqm)	2,450,932	
NLA Change	+14%	
Prime Change	+45%	
Secondary Change	+0%	

Opportunities / Challenges

While the area has benefited from improved infrastructure connecting it to other business areas and a growing local labour market, public transport to the area is limited. Congestion can also be an issue.

The increased level of amenity in the area as well as in neighbouring developments at Highbrook and Ormiston will maintain the appeal of the area.

As vacancy rates for industrial precincts across the region are low, rents have risen sharply, pushing up occupier costs.

Assessment / Future

East Tāmaki has grown steadily over the last 20 years with the development of Highbrook providing much in demand prime grade industrial and office space.

The area has managed to maintain employment in its key sectors of manufacturing and wholesale trade while also starting to develop a growing office market.

With good motorway access and connectivity to the port and airport, as well as a good mix of properties by size and value, the area is likely to remain in high demand as a place for a wide range of businesses to locate.