

North Harbour (2022)


North Harbour is predominantly an industrial area, with some commercial and services trade, north of central Auckland. The area is home to over **25,000 jobs**, making it a large industrial employment precinct.

Almost **14,000** additional jobs are located here compared to 2002 making it the fastest growing of the region's larger employment zones.

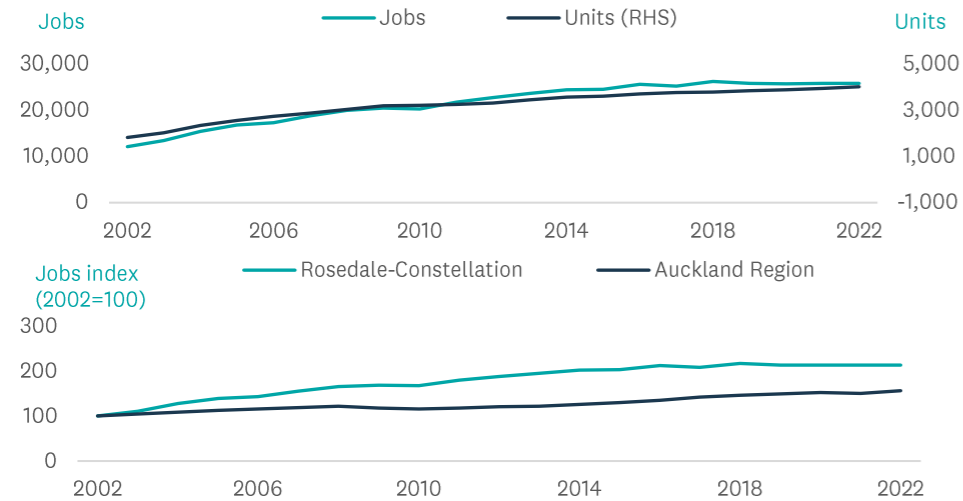
Wholesale trade, construction and manufacturing sector growth has been strong over the last 20 years although wholesale trade has declined more recently.

Manufacturing remains important, growing at a rate similar to that seen across the region. Similarly, Professional, scientific and technical services growth is in line with the rate of growth across the region.

Basic Facts

	North Harbour	% of AKL	
Population (2022 est.)	760	0.04%	
Area	5.5 KM ²	0.1%	
Jobs (2022)	25,800	3.1%	
Jobs (2002-2022)	13,700	4.6%	
Business Units (2022)	4,011	1.8%	
Business Units (2002-2022)	2,193	2.2%	

Jobs and Business Numbers



Sectors

Wholesale trade, construction and manufacturing are the main employing sectors in North Harbour. Wholesale trade is the largest employment sector and has a location quotient of 2.4, meaning it is particularly concentrated in this area of Auckland. Machinery & equipment wholesaling is particularly concentrated in North Harbour.

Despite the strong growth the construction sector has seen, it has become slightly less concentrated in the area due to stronger than average growth across many other sectors in the area. Construction sector growth in North Harbour has almost been matched by the rate of growth regionally.

Broad Sector	Jobs	Nth Hbr %	AKL %	LQ
Wholesale Trade	5,700	22.1%	7.4%	3.0
Construction	3,900	15.1%	8.6%	1.8
Manufacturing	3,700	14.3%	9.6%	1.5
Prof, Scientific & Tech Services	3,050	11.8%	11.0%	1.1
Admin & Support Services	1,850	7.2%	6.0%	1.2
Retail Trade	1,500	5.8%	9.7%	0.6
Healthcare & Social Assistance	1,000	3.9%	10.3%	0.4

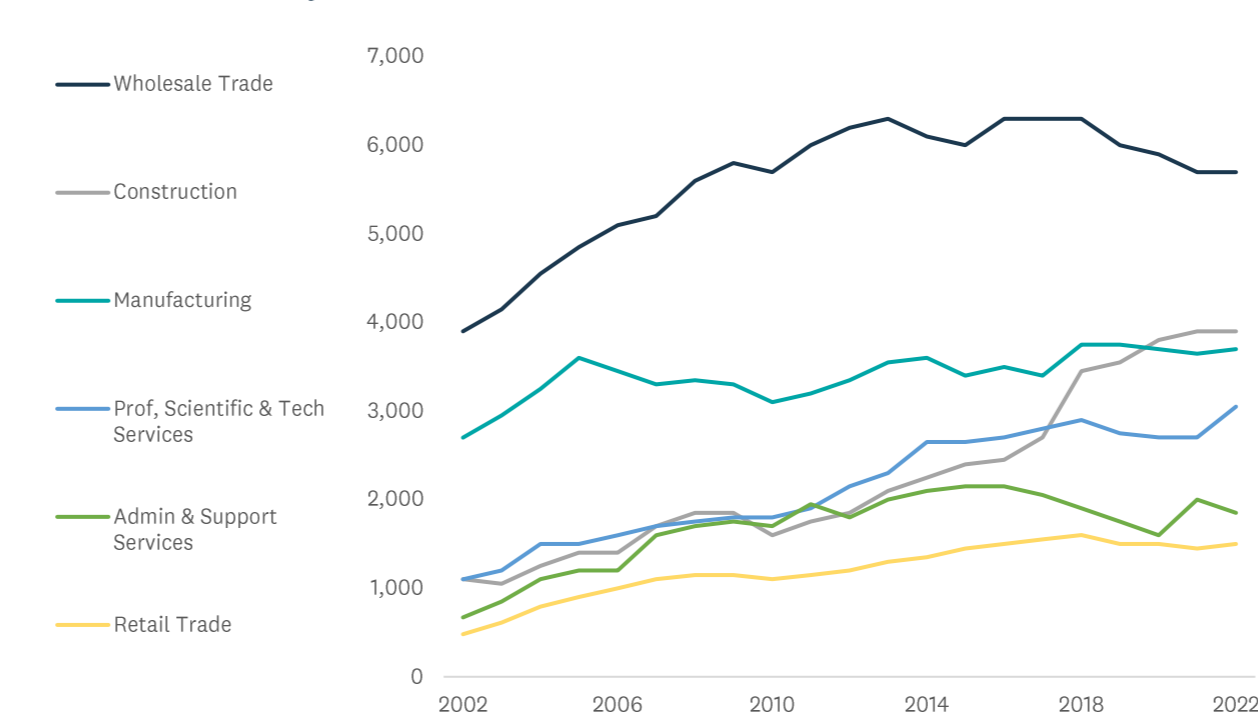
Wholesale Trade	Jobs	LQ
Machinery & Equipment Wholesaling	2,750	5.5
Other Goods Wholesaling	1,450	3.1
Basic Materials Wholesaling	680	2.0
Grocery, Liquor & Tobacco Product Wholesaling	620	1.5

Construction	Jobs	LQ
Construction Services	2,600	2.1
Heavy & Civil Engineering Construction	860	2.1
Building Construction	450	0.8

Manufacturing	Jobs	LQ
Machinery & Equipment Manufacturing	850	1.9
Printing	500	5.5
Fabricated Metal Product Manufacturing	460	1.5
Polymer Product & Rubber Product Manufacturing	390	2.3

Professional, Scientific and Technical Services	Jobs	LQ
Prof, Scientific & Tech Services (ex. computers)	2,100	1.0
Computer System Design and Related Services	930	1.5

Sectors Over Time (jobs)



Sectoral Change

While wholesale trade has long been the area's biggest employment sector, its importance has declined as other sectors have grown more rapidly. While the sector provided 32 per cent of jobs in 2002, this was 22 per cent by 2022. Other goods wholesaling fell over the 2012-2022 period as textiles, pharmaceuticals and furniture retail all declined over the last decade, although over the last two decades these wholesale subsectors recorded a small net increase in employment.

Construction, professional, scientific & technical services, manufacturing and retail trade have all added jobs to the North Harbour precinct over the last decade.

Construction now provides 15% of jobs compared to 9% in 2002, with growth accelerating over the last decade.

Employment Growth and Decline

Sector	Job Growth 2012-2022	Nth Harbour Growth	AKL Growth
Construction	2,050	111%	113%
Prof, Scientific & Tech Services	900	42%	43%
Manufacturing	350	10%	11%
Retail Trade	300	25%	34%
Other Services	290	81%	26%
Arts & Recreation Services	190	79%	22%
Healthcare & Social Assistance	-450	-31%	37%
Wholesale Trade	-500	-8%	15%

Medical & other healthcare services employment fell over the last decade due to a decline in allied health services employment although over the last 20 years there was net growth in this part of the health sector.

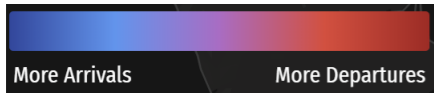
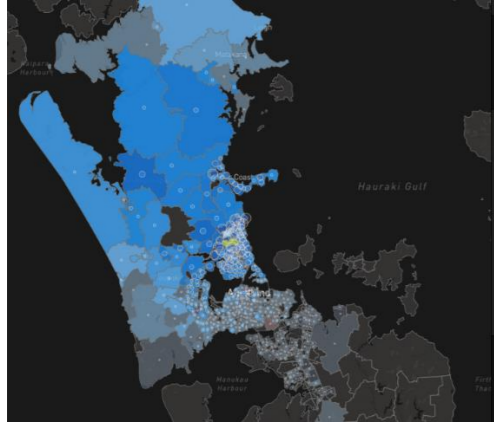
Construction sector growth has been driven by building installation (e.g., plumbing, electrical), completion (e.g., plastering, glazing) and other construction services (e.g., landscaping, machinery hire with an operator) growth although there was also some heavy & civil engineering construction growth.

Management consultancy and architectural, engineering & technical services are the main professional services sub sectors. These grew over both the last ten years as well as the previous ten years.

Computer system design & related services grew strongly over the first half of the last 20 years although that has tailed off from its 2015 peak in employment numbers.

Manufacturing has seen small shifts both up and down within its constituent sub-sectors, with only textile, leather, clothing & footwear manufacturing showing a notable increase over the last 10 years. Clothing & footwear have driven that increase while textiles and leather have declined.

Pharmaceuticals, clothing and furniture & floor coverings drove retail trade growth over the last decade.



(Census 2018)

Commuting and Public Transit

North Harbour draws labour from across the north of the Auckland region. 22,527 people travel to North Harbour for work while 174 people live and work there. 71% of people travel to work by private car, truck or van.

North Harbour sits either side of SH1 and benefits from Northern Expressway stations at Constellation and (from 2024) Rosedale providing rapid transit into the Auckland CBD.

Local services on the frequent network connect the area to Takapuna, the East Coast Bays and Albany.

Commercial Property Assessment

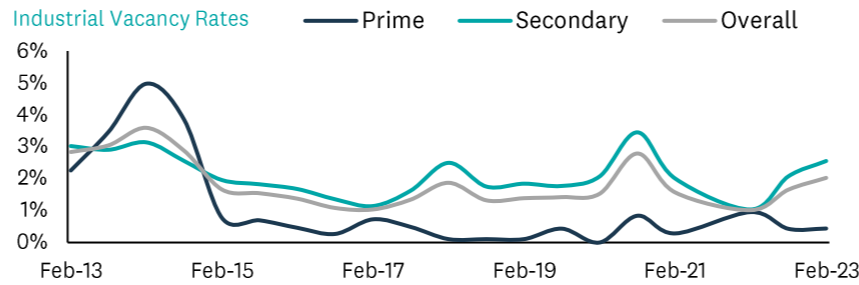
Commercial property market intelligence provided by Colliers provides an overview of demand and cost of office, industrial and retail premises across 67 employment areas in the Auckland Region. While these areas are not mapped to the Auckland Plan's key economic areas, they provide a useful insight into some of the drivers of industrial location change in the region.

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 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.

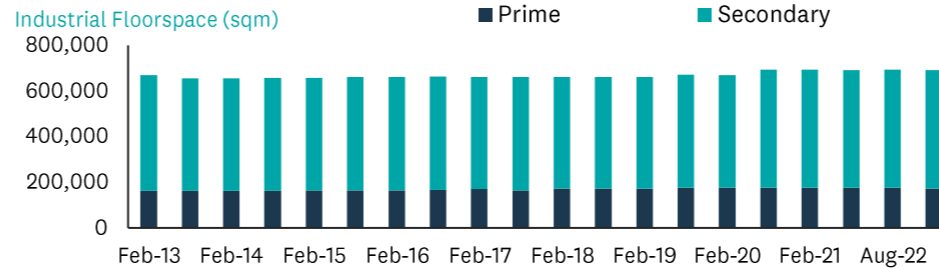
Regionally, high street retail space has performed poorly compared to mall-based retail which has generally been more stable in terms of vacancy rates. Residential development across the region tends to support ongoing demand in nearby retail centres. While demand for retail space generally exerts an upward pressure on rental costs the COVID-19 trading restrictions saw a dip in most retail centres.

North Harbour has both industrial and office space. Demand for industrial space has been persistently high over time with the prime vacancy rate at just 0.4% as at February 2023 and the secondary rate at 2.5%. Demand comes from a wide range of sectors including wholesale trade, construction, professional services and transport, postal & warehousing. High levels of demand have seen rents increase and the shortage of prime stock has driven an equally steep increase in secondary rental prices.

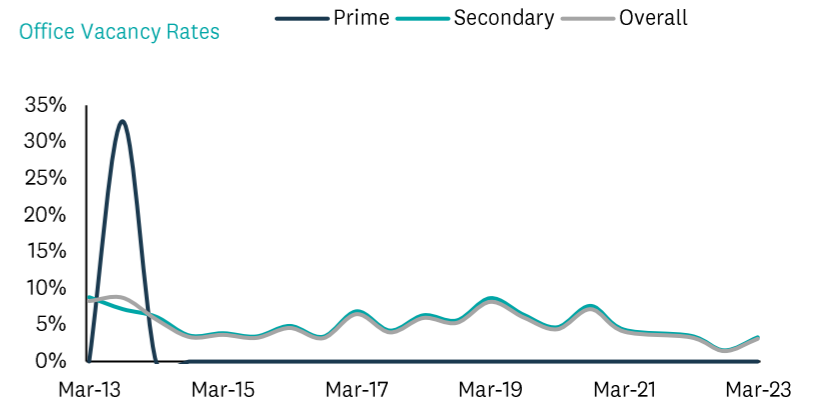


Most development in the area took place prior to 2000 with the last decade seeing little increase in floorspace due to a lack of available land. Three quarters of stock is of secondary grade being predominantly small premises over 20 years old.

Further development of additional capacity is limited due to scarcity of land while conversion of industrial stock to higher value uses in the general business zone may occur.



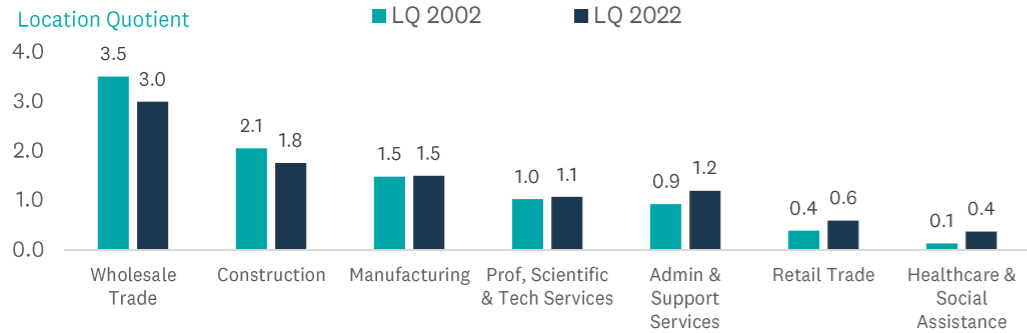
In terms of office supply, 6% of stock is considered prime and is fully occupied. Prime office rents stand at an average of \$277 (sqm) although new build space can command over \$600 (sqm). These levels are high for areas outside of the Auckland City Centre reflecting good transport access and a skilled local labour force.



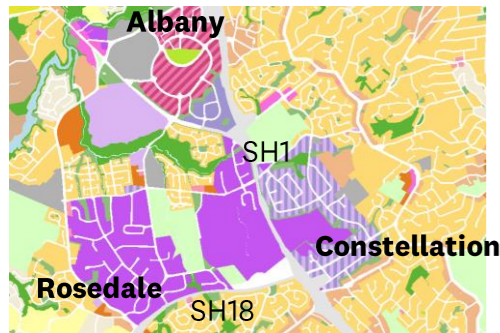
There is limited primary office space and a lack of land to develop further. With small sites, fragmented ownership, a high level of short-term leases and high turnover there is limited scope for any major redevelopment or refurbishment works.

Location Quotient (job concentration)

Employment concentration in the North Harbour area, relative to the wider Auckland region remains broadly unchanged for its key sectors. However, wholesale trade has become less concentrated with its location quotient falling from 3.5 in 2002 to 3.0 in 2022 as the sector has contracted in recent years against a broader pattern of growth in the region.



Land Use



- Business - City Centre Zone
- Business - Metropolitan Centre Zone
- Business - Town Centre Zone
- Business - Local Centre Zone
- Business - Neighbourhood Centre Zone
- Business - Mixed Use Zone
- Business - General Business Zone
- Business - Business Park Zone
- Business - Heavy Industry Zone
- Business - Light Industry Zone

North Harbour is a largely light industrial area that lies either side of SH1 with Rosedale comprising the western part of the precinct and Constellation Drive to the east. SH18 runs west along the southern edge of the Rosedale light industrial area. North of the precinct is the Albany precinct which is largely metropolitan centred with some mixed use and light industry. Both North Harbour and Albany are surrounded by residential areas.

Industrial Vacancies and Rents (per sqm)		Office Vacancies:
Prime Vacancies (%)	0.4%	Prime - 0.0%
Secondary Vacancies (%)	2.6%	Secondary - 3.3%
Prime Warehouse Rental (2013)	\$108	Office Rents
Prime Warehouse Rental (2023)	\$165 (+53%)	Prime - \$277
Secondary Warehouse Rental (2013)	\$95	Secondary - \$255
Secondary Warehouse Rental (2023)	\$155 (+63%)	

Ind. Supply / Net Lettable Area		Office Supply (sqm) / change:
Prime % of Total	25%	Prime - 2,972 (+0%)
NLA (sqm)	691,761	Secondary - 46,770 (-1.6%)
NLA Change (10yr)	+3.5%	Total - 48,742 (-1.5%)
Prime Change (10yr)	+6.2%	
Secondary Change (10yr)	+2.6%	

Opportunities / Challenges

Industrial premises are typically smaller in scale than elsewhere and there could be a shift to other higher value uses within the general business zone.

There is limited available land for further development and supply of office and industrial floorspace has been stable, resulting in increased rents and the potential for businesses to relocate to find space.

Assessment / Future

North Harbour is the main employment centre for the north of the region and has grown strongly, supported by residential growth, a skilled labour market and improved connectivity with other parts of the region.

The area is significant in terms of the employment opportunities provided for a wide catchment across the north and northwest of the region.

Construction, manufacturing and professional services have performed strongly, broadly in line with the level of growth seen across the region.