

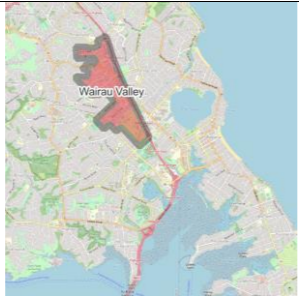
Wairau Valley (2022)

Wairau Valley is a mix of retail, industrial and commercial areas north of Auckland city centre. The area is home to almost **11,000 jobs** making it a significant employment precinct for the North Shore. The precinct has added **300** additional jobs in the two decades to 2022.

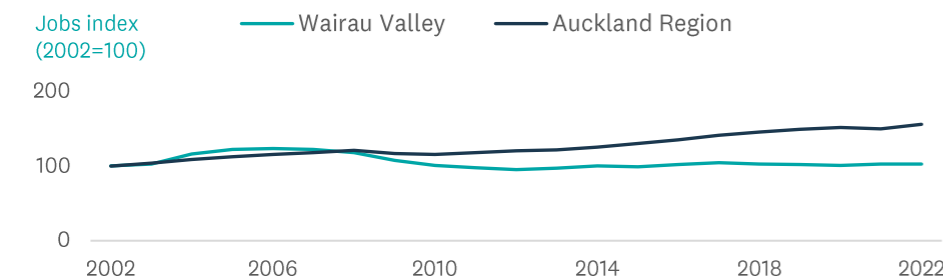
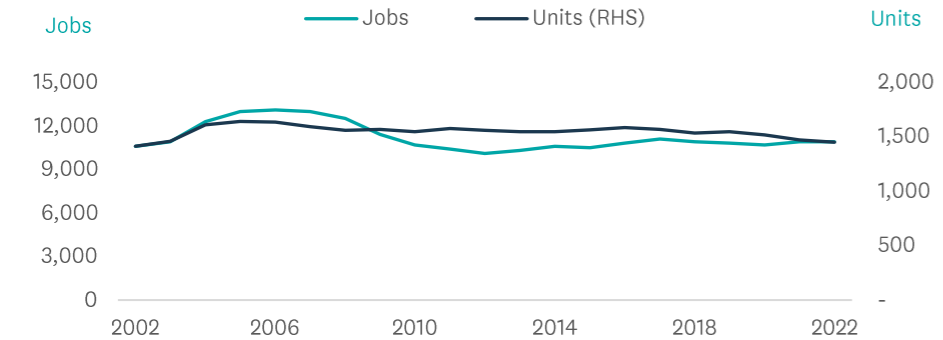
As the number of jobs has increased modestly, job growth in the wider Auckland region has outstripped local job growth. The number of firms operating in the precinct has been declining since 2016.

A key feature of the area is the replacement of manufacturing as the main employment sector by retail, mostly in the form of large format retail serving the needs of a growing local population. Supermarkets, hardware stores, motor vehicle retail, department stores and electrical goods retailing driving the growth.

Basic Facts

	Wairau Valley	% of AKL	
Population (20122 est.)	210	0.01%	
Area	2.6 KM ²	0.1%	
Jobs (2022)	10,900	1.3%	
Jobs (2002-2022)	300	0.1%	
Business Units (2022)	1,452	0.7%	
Business Units (2002-2022)	39	0.04%	

Jobs and Business Numbers



Sectors

Retail trade and manufacturing are the main employing sectors in Wairau Valley. Retail trade has a location quotient of 2.5 meaning it is concentrated in Wairau Valley. Other key employment sectors in the precinct include construction, wholesale trade healthcare. There is also a small professional services sector presence mostly made up of market research and architectural, engineering & technical services.

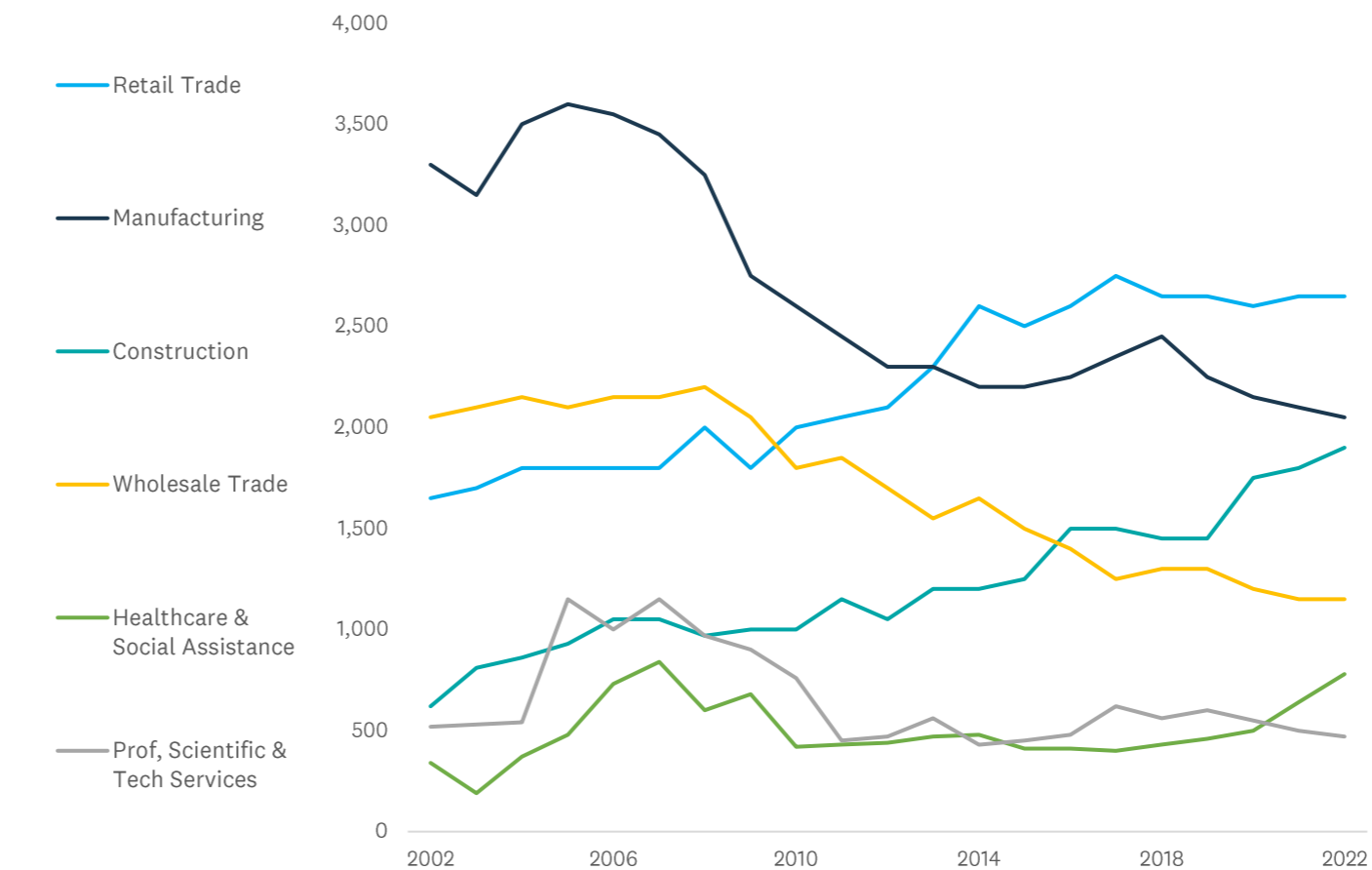
Broad Sector	Jobs	Wairau %	AKL %	LQ
Retail Trade	2,650	24.3%	9.7%	2.5
Manufacturing	2,050	18.8%	9.6%	2.0
Construction	1,900	17.4%	8.6%	2.0
Wholesale Trade	1,150	10.6%	7.4%	1.4
Healthcare & Social Assistance	780	7.2%	10.3%	0.7
Prof, Scientific & Tech Services	470	4.3%	11.0%	0.4
Other Services	460	4.2%	3.2%	1.3

Retail Trade	Jobs	LQ
Other Store-Based Retailing	1,400	2.2
Motor Vehicle & Motor Vehicle Parts Retailing	720	8.9
Food Retailing	470	1.6
Other Store-Based Retailing	1,400	2.2

Manufacturing	Jobs	LQ
Fabricated Metal Product Manufacturing	550	4.1
Machinery & Equipment Manufacturing	310	1.6
Polymer Product & Rubber Product Manufacturing	210	3.0
Furniture & Other Manufacturing	240	4.6

Construction	Jobs	LQ
Construction Services	1,450	2.8
Building Construction	390	1.6

Sectors Over Time (jobs)



Sectoral Change

While manufacturing has long been the area's biggest employment sector its importance has declined as other sectors have grown more rapidly. Wholesale trade has experienced a similar trend, consistently falling in importance for the precinct since 2008. The decline in the importance of the manufacturing sector is consistent with many other areas in the wider Auckland region.

Despite the falls in some sectors, retail trade and construction have consistently added jobs to the area, similar to the profile of the overall Auckland region

Employment Growth and Decline

Sector	Job Growth 2012-2022	Wairau Growth	AKL Growth
Construction	850	81%	113%
Retail Trade	550	26%	34%
Healthcare & Social Assistance	340	77%	37%
Arts & Recreation Services	100	91%	22%
Public Administration & Safety	95	146%	29%
Transport, Postal & Warehousing	-150	-38%	17%
Manufacturing	-250	-11%	11%
Wholesale Trade	-550	-32%	15%

Within the construction sector the most growth over the last 20 years has been in building installation services (e.g., plumbing, electrical) and other construction services (e.g., landscaping, construction machinery hire with an operator) as well as non-residential building construction.

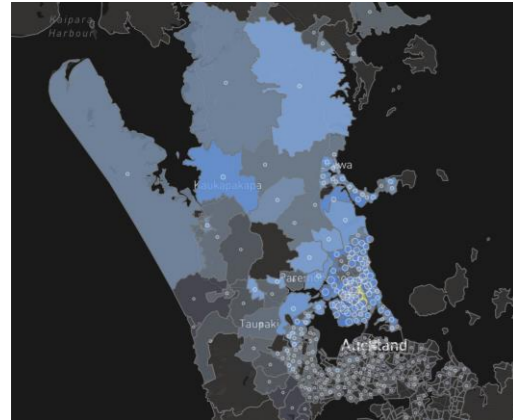
Supermarkets, motor vehicles, hardware & garden supplies, department stores and electrical goods retailing have driven most of the retail trade growth.

Childcare employment grew rapidly in recent years. Hospitals and social assistance services have also driven employment growth in the healthcare sector.

In terms of sectors showing declining job numbers, wholesale trade has declined the most over the last 20 years. Furniture, pharmaceuticals, machinery and textiles wholesaling declining the most.

Several manufacturing sectors have also declined in employment numbers. Furniture, polymers, machinery, textiles clothing and bakery product manufacturing declining the most.

Residential care and employment services have also shown notable falls in employment numbers



(Census 2018)

Commuting and Public Transit Commercial Property Assessment

Wairau Valley draws labour from across the north of the Auckland region. 8,955 people travel to the Wairau Valley for work while 39 people live and work there. 68% of arrivals are by private car, truck or van.

Public transport serving the area is not a part of the rapid or frequent transit networks although there are a small number of routes serving the area that connect to a mostly local catchment.

Congestion at peak times can be an issue.

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.

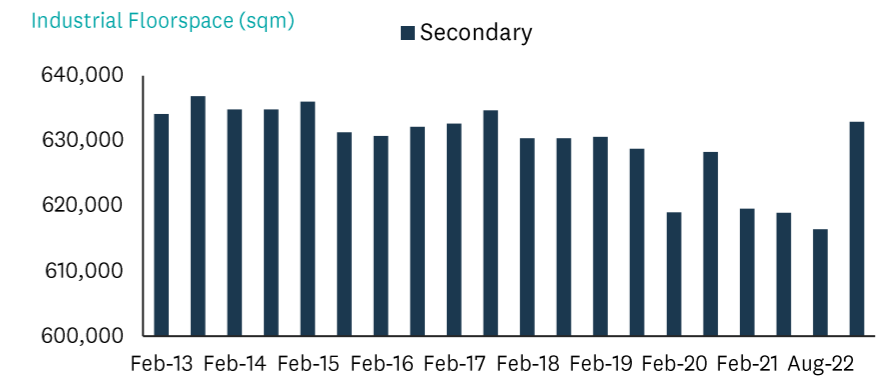
Regionally, high street retail space has performed poorly compared to mall-based retail which has generally been more stable in terms of vacancy rates. Residential development across the region tends to support ongoing demand in nearby retail centres. While demand for retail space generally exerts an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

Wairau Valley is one of the North Shore's more established industrial precincts although there has been a notable expansion of large format retail over the last 20 years to meet the demand of the growing local population.

Manufacturing, construction, storage and auto trade businesses are also common in the area. Bunnings, Pak n Save and Storage King are major occupiers. There is very limited scope to increase the inventory with a scarcity of developable land and high land values and building costs acting as constraints.

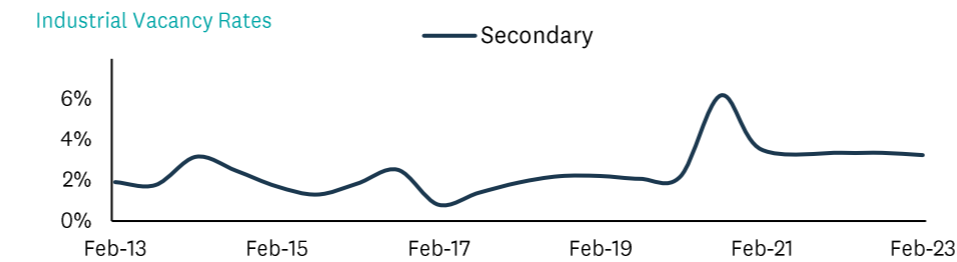
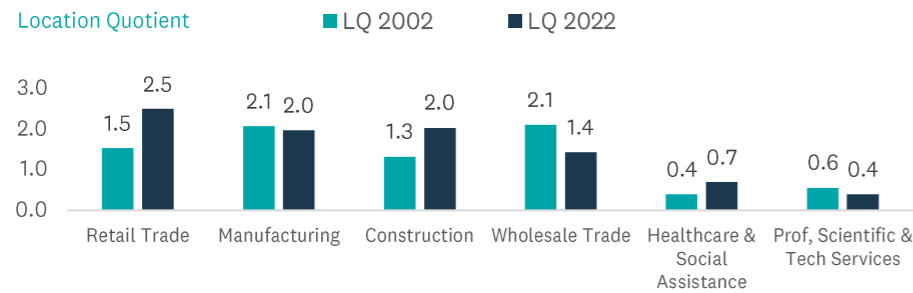
Warehouse rental rates have increased over the last 8 years although at a lower rate than seen elsewhere in the region. Rental costs are at the lower end of the range across the region.

Ownership of land is fragmented which also limits redevelopment opportunities.

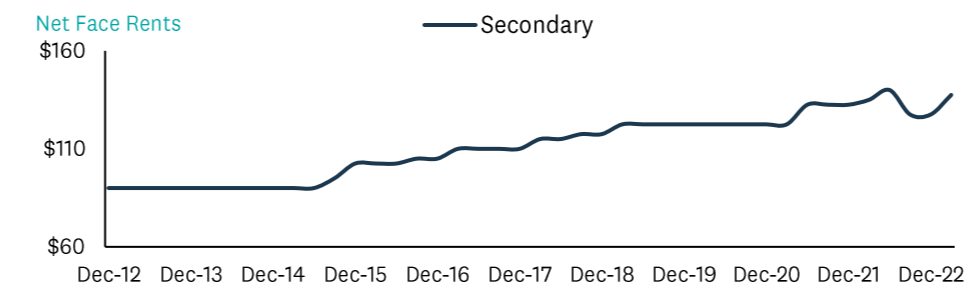


Location Quotient (job concentration)

Since 2002 retail trade has become more concentrated in the Wairau Valley. The location quotient for retail trade increased from 1.5 to 2.5. Similarly, construction sector has become more concentrated in the Wairau Valley whereas industrial sectors like manufacturing and wholesale trade have become less concentrated in the area.



Secondary grade stock is dominant although as premises become available there may be opportunities to redevelop as prime stock.



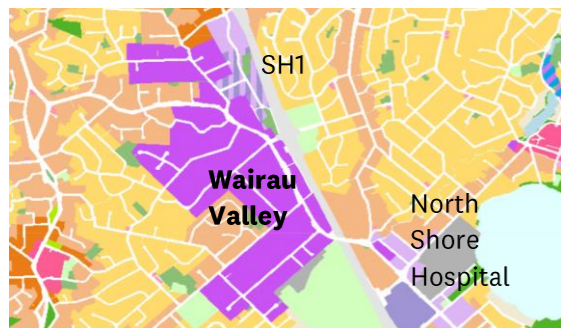
Vacancies and Rents (per sqm)	
Prime Vacancies (%)	-
Secondary Vacancies (%)	3.3%
Prime Warehouse Rental (2013)	-
Prime Warehouse Rental (2023)	-
Secondary Warehouse Rental (2013)	\$90
Secondary Warehouse Rental (2023)	\$138 (+53%)

Vacancies stood at 3.3%. Given the prominence of retail in the area COVID-19 restrictions caused a rise in vacancies.

Supply / Net Lettable Area	
Prime % of Total	-
NLA (sqm)	633,000 sqm
NLA Change	-0.2%
Prime Change	-
Secondary Change	-0.2%

Supply of secondary stock has not changed over the last decade and there are limited opportunities for development. Any change in supply is generally as premises are removed for refurbishment and then returned.

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

Wairau Valley is a largely light industrial precinct comprising Wairau Road, Archers Road and Porana Road as well as Target Road and Link Drive. It is adjacent SH1, and to the northwest of the Milford-Takapuna area. Large format retail is prominent as are other non-industrial uses such as cinemas entertainment centres. Residential uses surround the light industrial Wairau Valley light industrial area.

Opportunities / Challenges

A growing population in surrounding residential areas will continue to drive demand retail and other services to

The lack of land and residential nature of adjacent areas makes expansion of the area highly unlikely.

Assessment / Future

Due to its constrained nature and shift in sector mix over time Wairau Valley has not grown to the same extent as other industrial precincts in the region.

The decline of the manufacturing and wholesale sectors is unlikely to reverse as more attractive locations elsewhere in the region are available while continued growth of businesses serving the needs of a growing local population is likely to continue.