Knowledge Workforce Developments Across 10 Australasian Cities

Wednesday, 27th July 2011
1.10pm – 2.00pm
MSB.1.02

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Abstract:
This paper examines one key theme of modern spatial economics relating to city development: Do the major cities within and across countries increasingly attract a disproportionate share of knowledge intensive economic activities? We describe trends in shares of knowledge intensive economic activities within five major New Zealand and five major Australian cities, and interpret these trends in light of modern economic geography theories. The paper is mainly descriptive, filling an information gap in relation to trends in knowledge intensity across New Zealand and Australian cities. We also compare developments in Auckland’s industry knowledge intensity with those in eight European comparator cities. Since 1991, Auckland’s share of employment within knowledge intensive sectors has increased at a faster pace than all four comparator New Zealand cities and all five Australian comparator cities. These trends indicate that intra-country agglomeration forces have more than offset the inter-country agglomeration forces for Auckland. However the other four New Zealand cities have experienced lower growth in their knowledge intensive sector shares than the five Australian cities, a result that is consistent with the existence of agglomeration forces acting across Australasia.

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