



Nelson City – Overview of Demographic Trends

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Outline

1. Population ageing – what it is, what it means
2. Migration and natural increase
3. **Joining the dots..** Implications for growth
4. Implications for labour supply and housing
5. Broader context/change in components of growth/implications for Nelson's longer-term growth

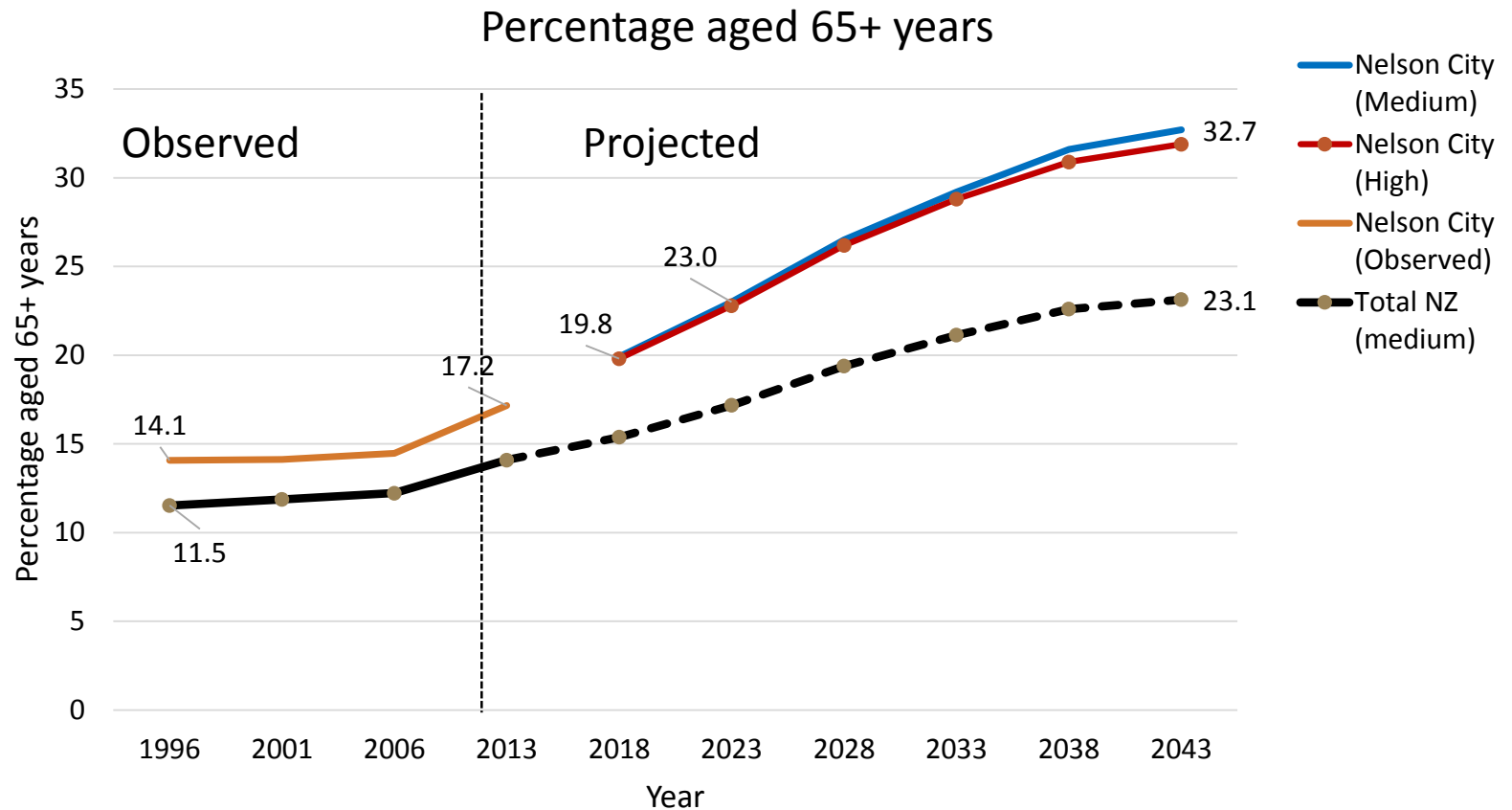


CaDDANZ

Capturing the Diversity Dividend
of Aotearoa/New Zealand



Nelson City – one of NZ’s ‘older’ TAs



Source: Author/Stats NZ 2016, 2017 (2013-Base – 2043 Update)

Age Structure

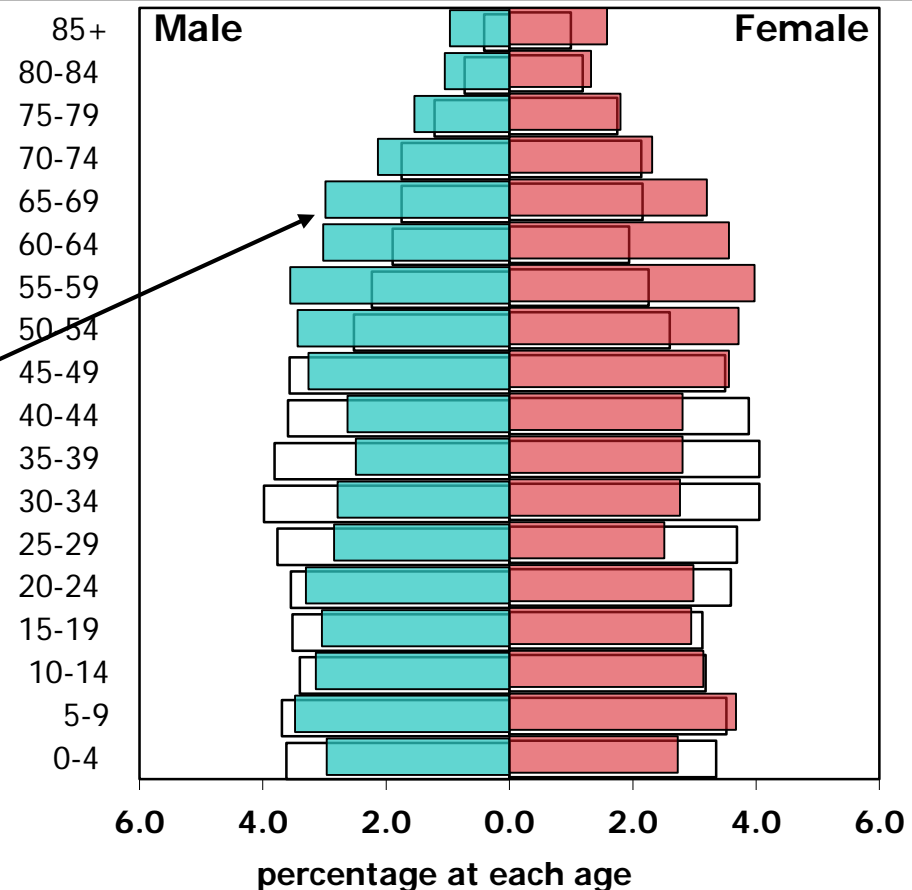
Nelson City 2016
(1996 Unshaded)



Population of Nelson City currently 22nd oldest of 67 Territorial Authority Areas (TAs)

There is considerable 'ageing-in-place' along with sizeable retirement migration

40% of Nelson's growth 1996-2016 came from growth in the 65+ years population

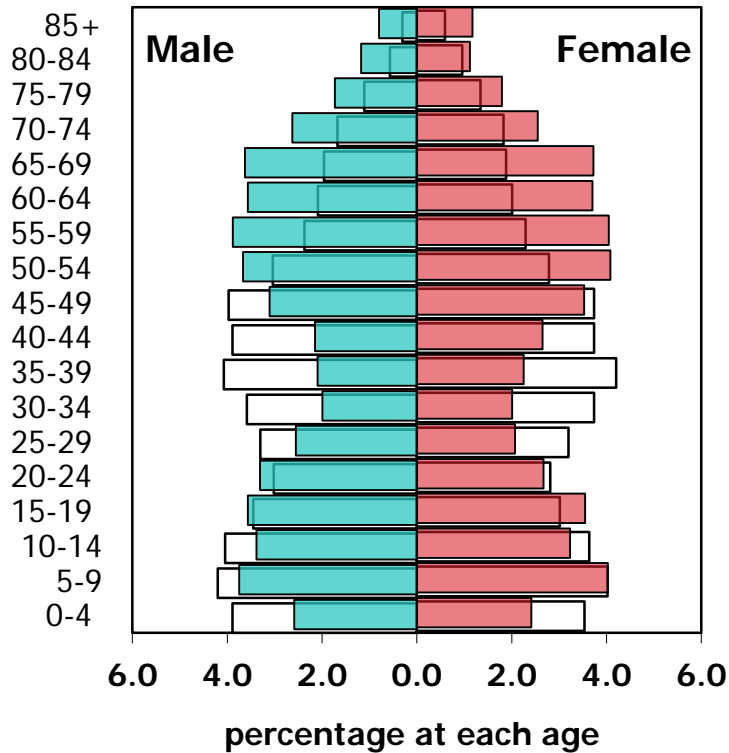


65+ years: 18.9% (1996 = 14.1%)

Nelson slightly younger than Tasman and Marlborough (and Buller, Hurunui)

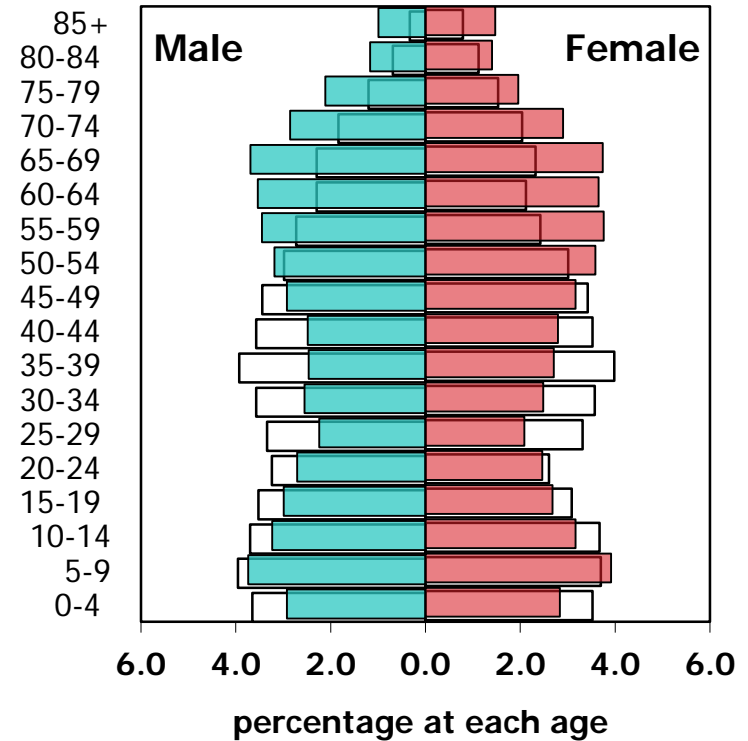


Tasman 2016
(1996 Unshaded)



65+ years: 20.3% (1996 = 12.3%)

Marlborough 2016
(1996 Unshaded)

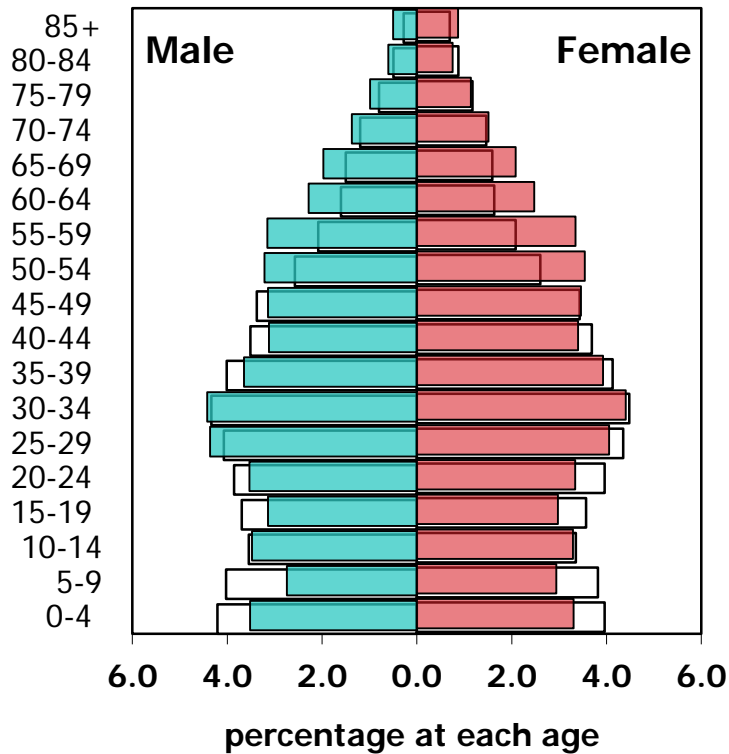


65+ years: 22.3% (1996 = 14.2%)

Age structures and rates of structural ageing differ greatly across the country

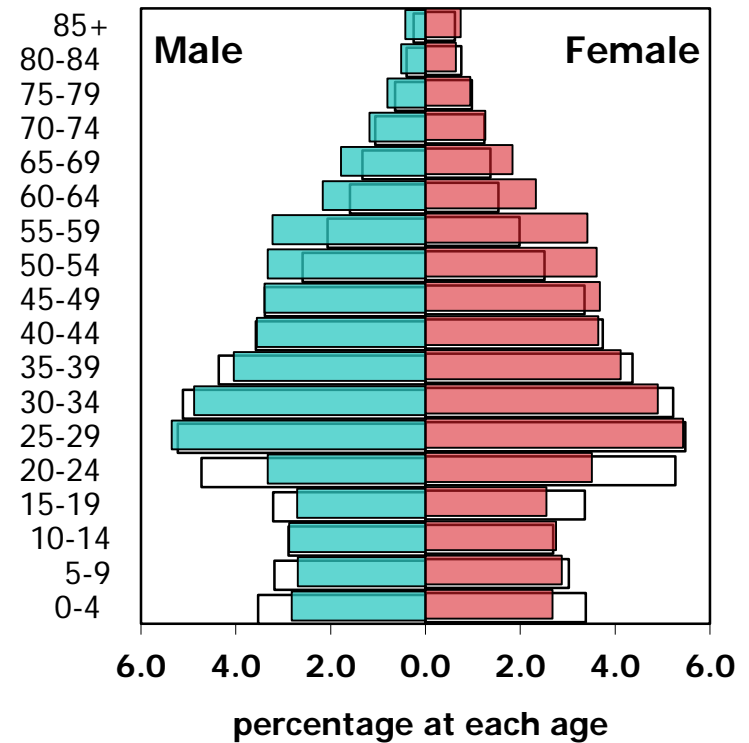


Auckland 2016
(1996 Unshaded)



65+ years: 11.8% (1996 = 10.1%)

Wellington 2016
(1996 Unshaded)



65+ years: 10.1% (1996 = 8.6%)



What does it mean to age ‘structurally’?

Population ageing in four dimensions:

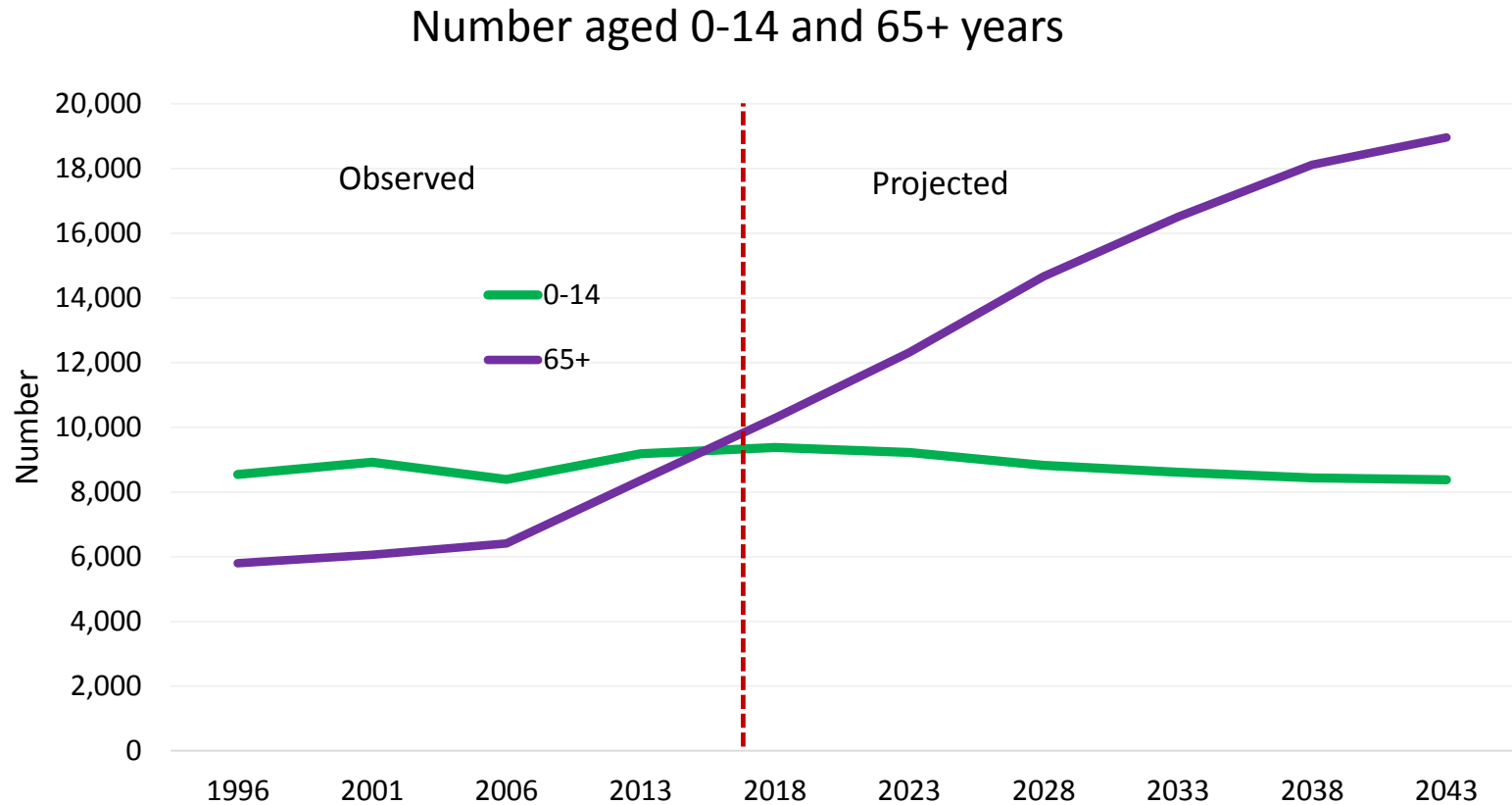
- ❑ Increased numbers at older ages due to increasing longevity = ‘numerical ageing’
- ❑ Increased proportions at older ages due to declining birth rates + numerical ageing = ‘structural ageing’
- ❑ Structural ageing reduces ‘natural increase’
- ❑ More elderly than children >> more deaths than births >> natural *decrease* >> end of growth >> depopulation

Structural ageing and the ending of growth *may be accelerated* by migration

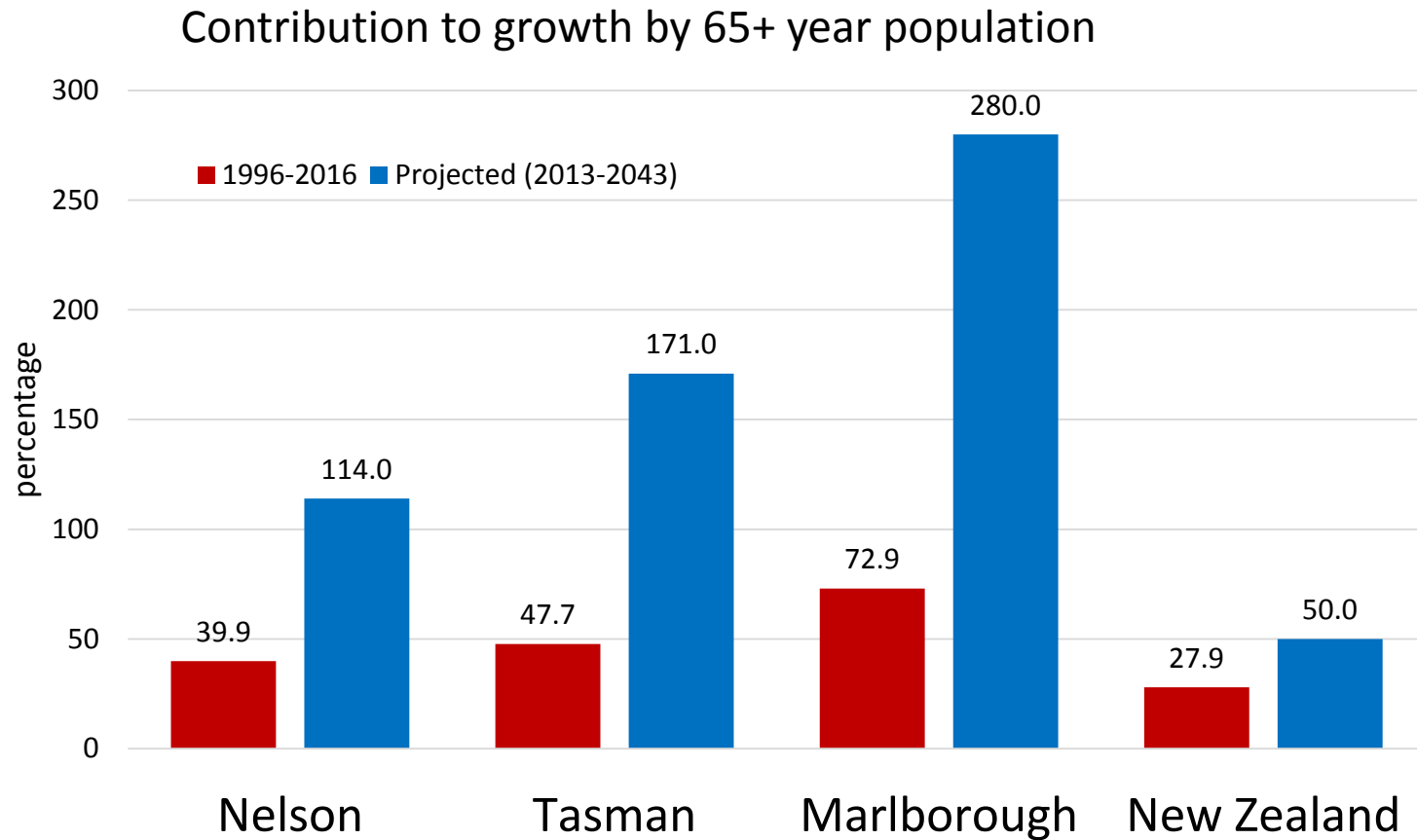
- ❖ Migration-driven loss of young adults/gain of retirees accelerates structural ageing, hastens the end of natural increase – both are directly affecting Nelson City and surrounding districts



Nelson already has more elderly than children



The 65+ population will account for all of Nelson's future growth (+ surrounds)





Summary – Nelson’s ageing in context

1996-2016 Nelson had 18th fastest growth rate

❖ Tasman 13th, Marlborough 20th

Nelson currently 22nd ‘oldest’ of 67 TAs

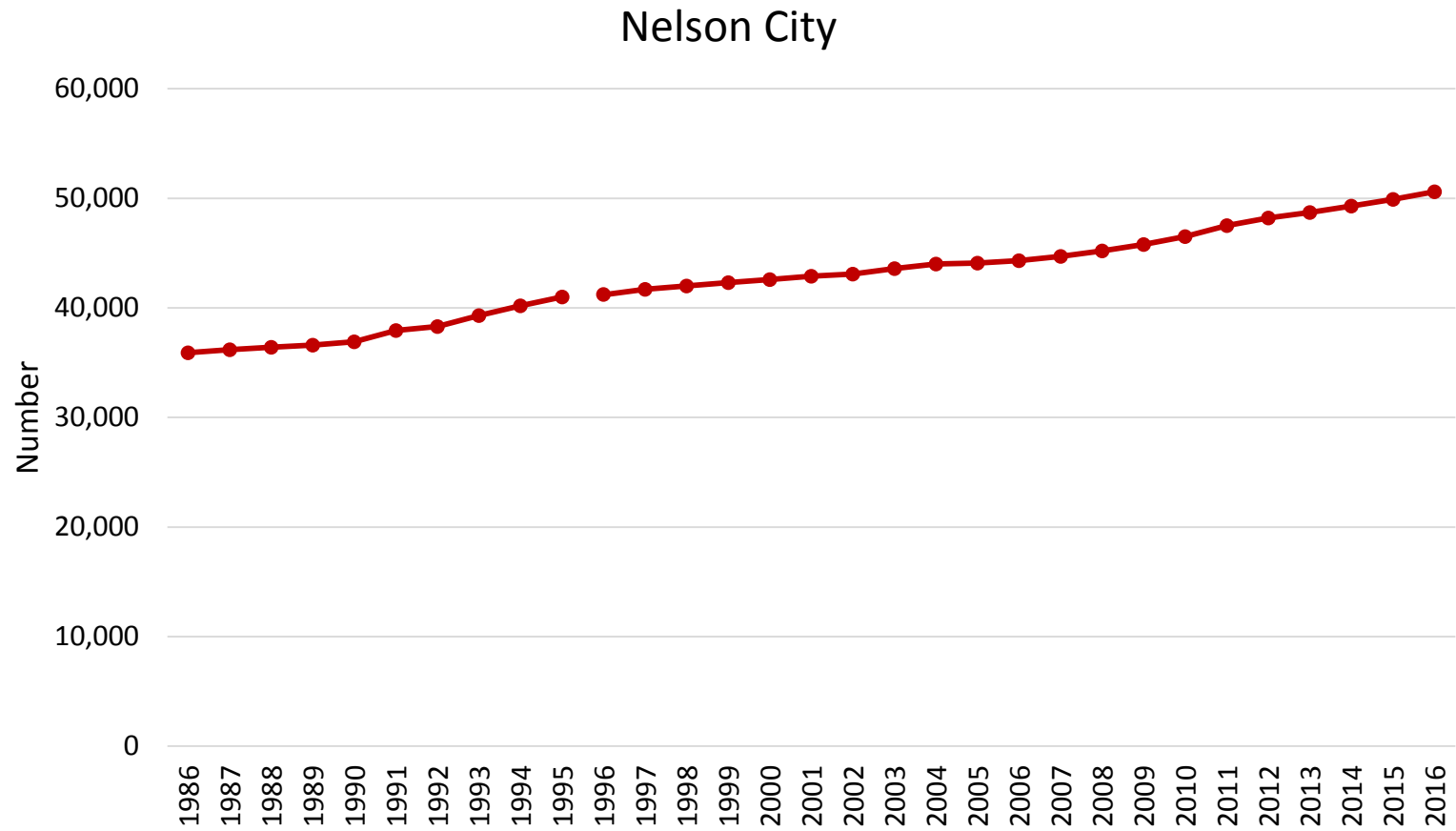
❖ However Marlborough 6th, Tasman 14th

Nelson City ageing faster than many, projected to be 14th oldest by 2043

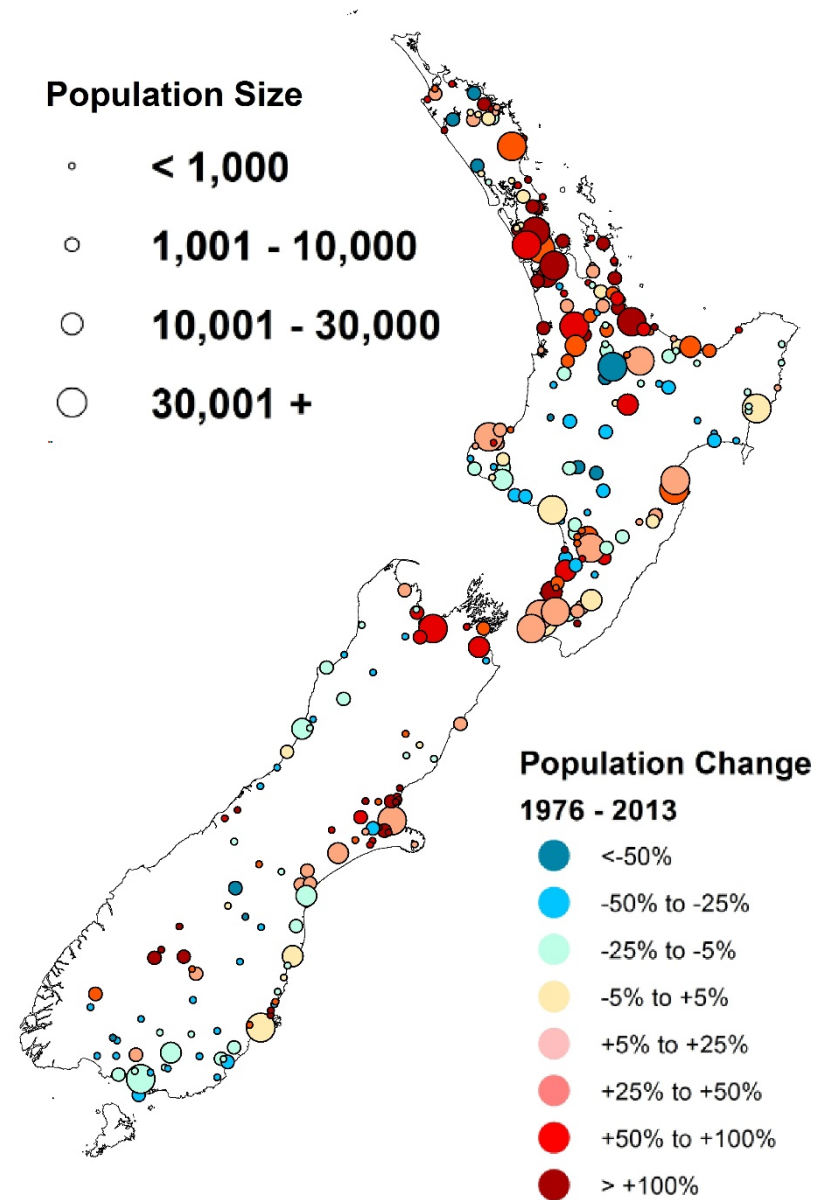
❖ However Tasman 2nd, Marlborough 9th

Nelson thus ‘old’ but surrounded by even older areas (+Buller, Hurunui..); implications for growth, labour supply, housing

Nelson City – has been growing steadily + recent increase in growth rate

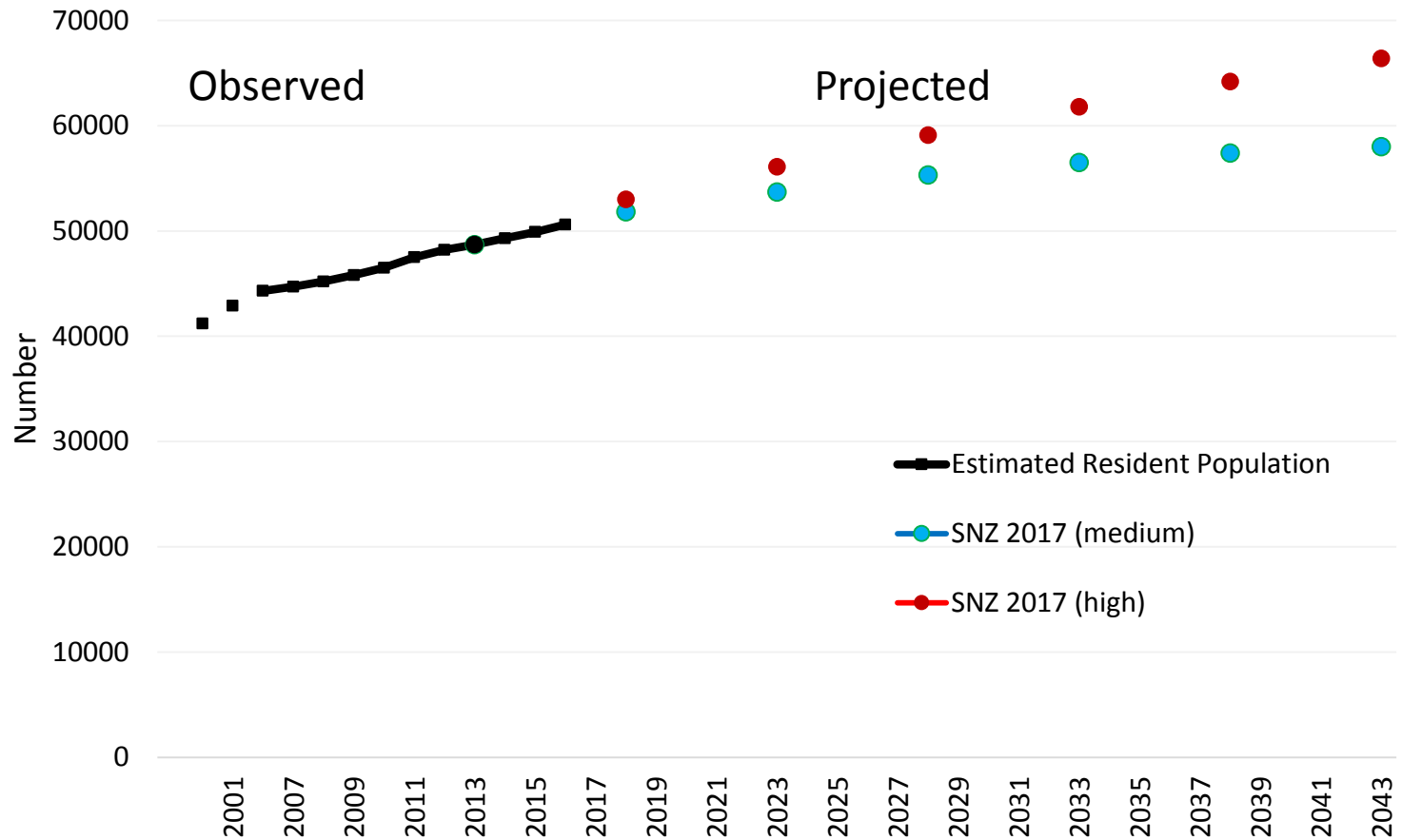


Nelson,
Tasman and
Marlborough
have been
among the
'winners'
1976-2013

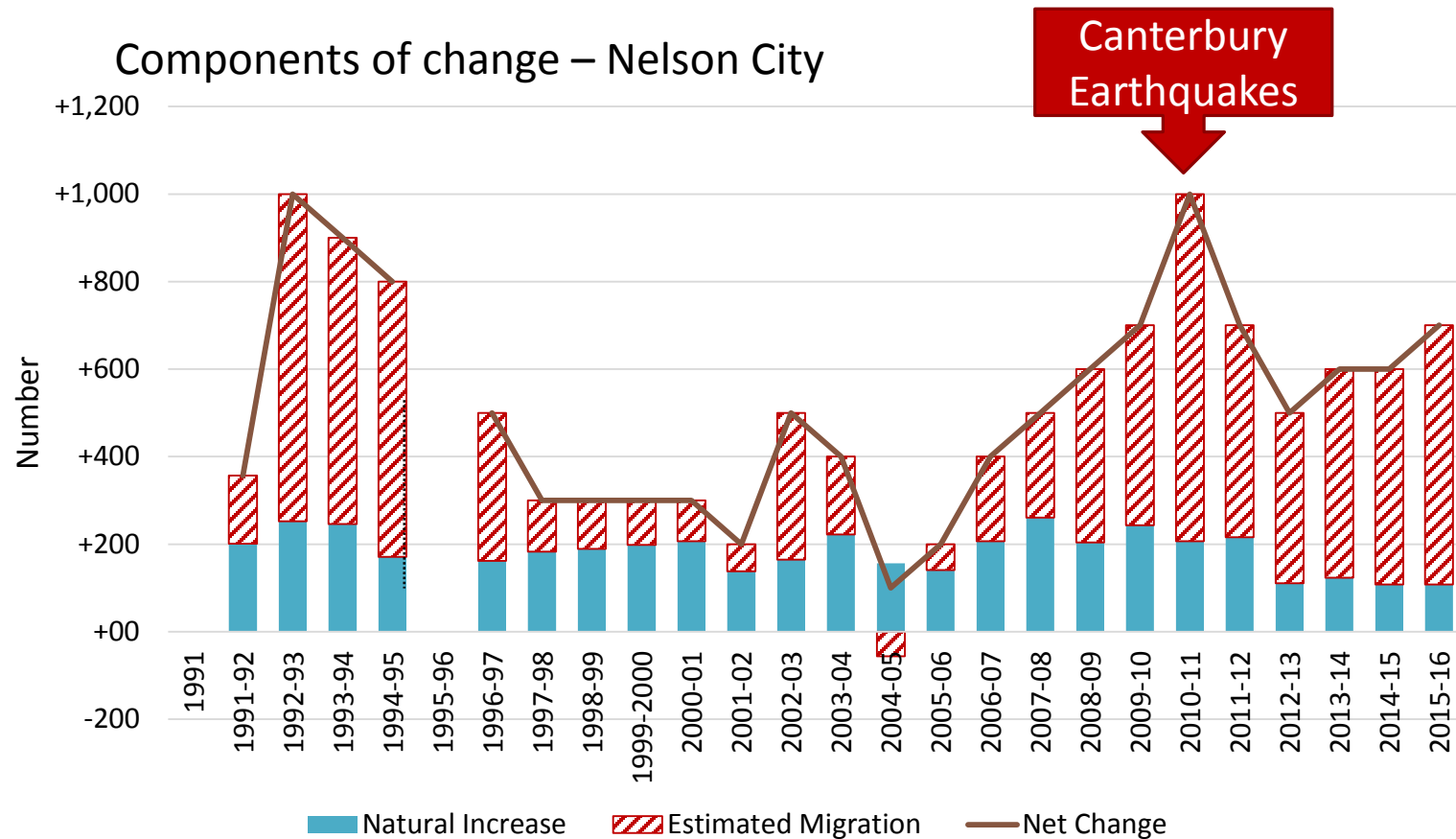


Net change in
population size
1976-2013

Nelson's growth is projected to level off around 2030

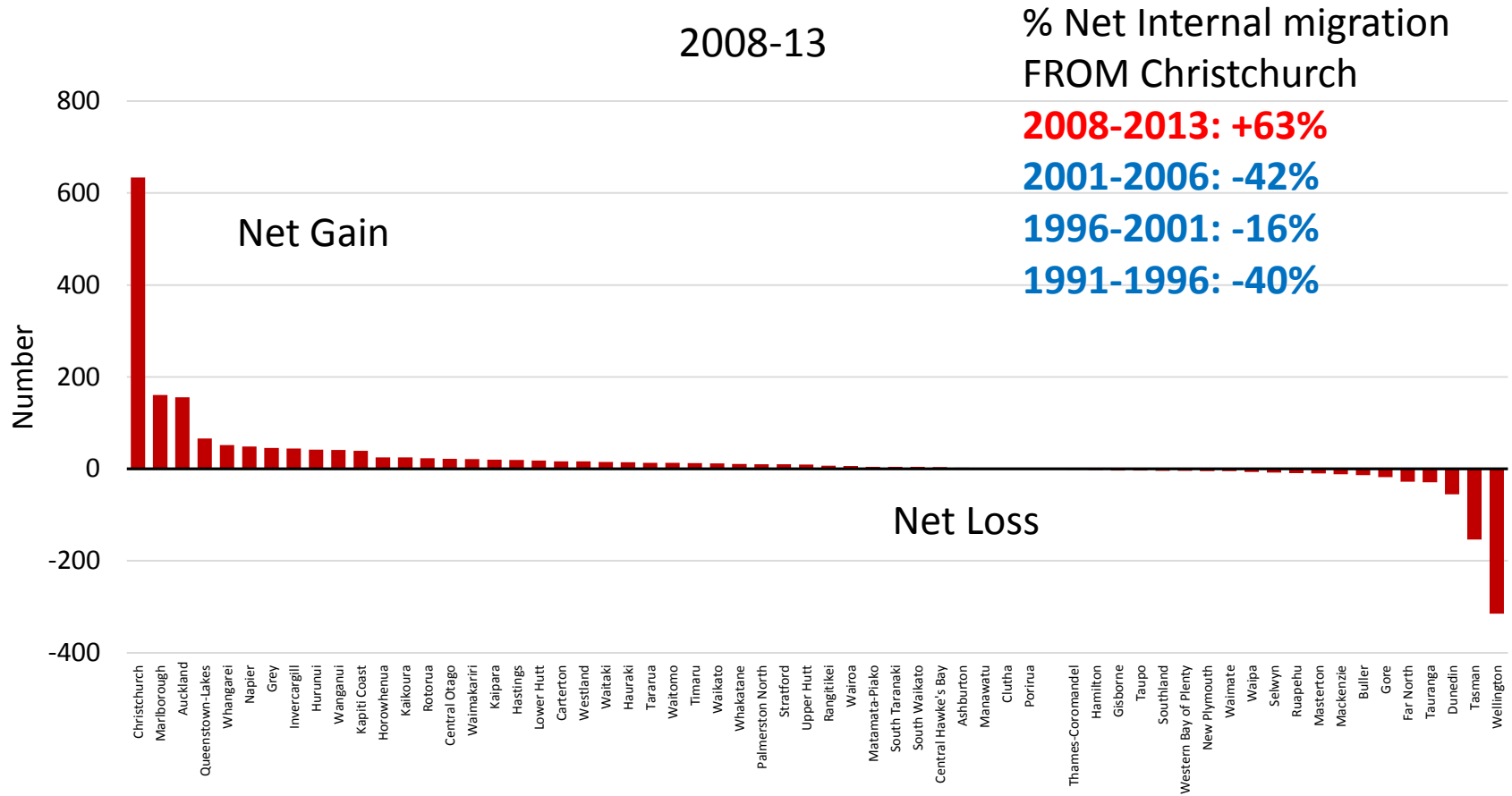


Most of Nelson's growth has been from migration



Source: Stats NZ Births, Deaths, ERP (Note change of timing and method of enumeration between 1995 and 1996 means that only natural increase can be shown for that year)

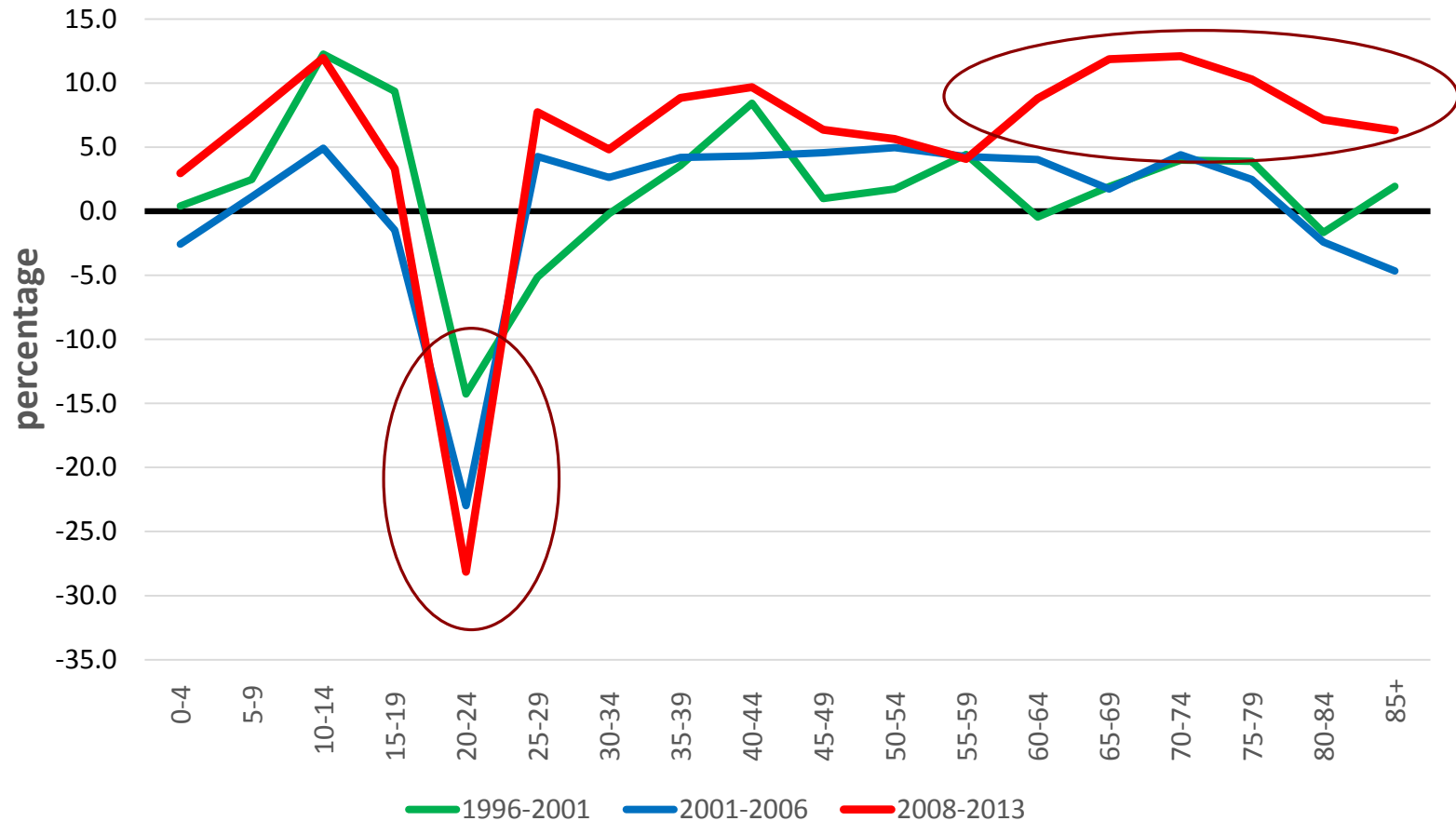
Nelson made a 'novel' gain from the Canterbury earthquakes





Most of Nelson's migrants are families with children, and increasingly retirees; Nelson loses its young

Net migration (%) of each age group 1996-2013 - Nelson



Nelson is not alone in losing its young

Labour Market Entry Age (15-24) Average Annual Net Migration by Decade

Average Annual Percent Contribution

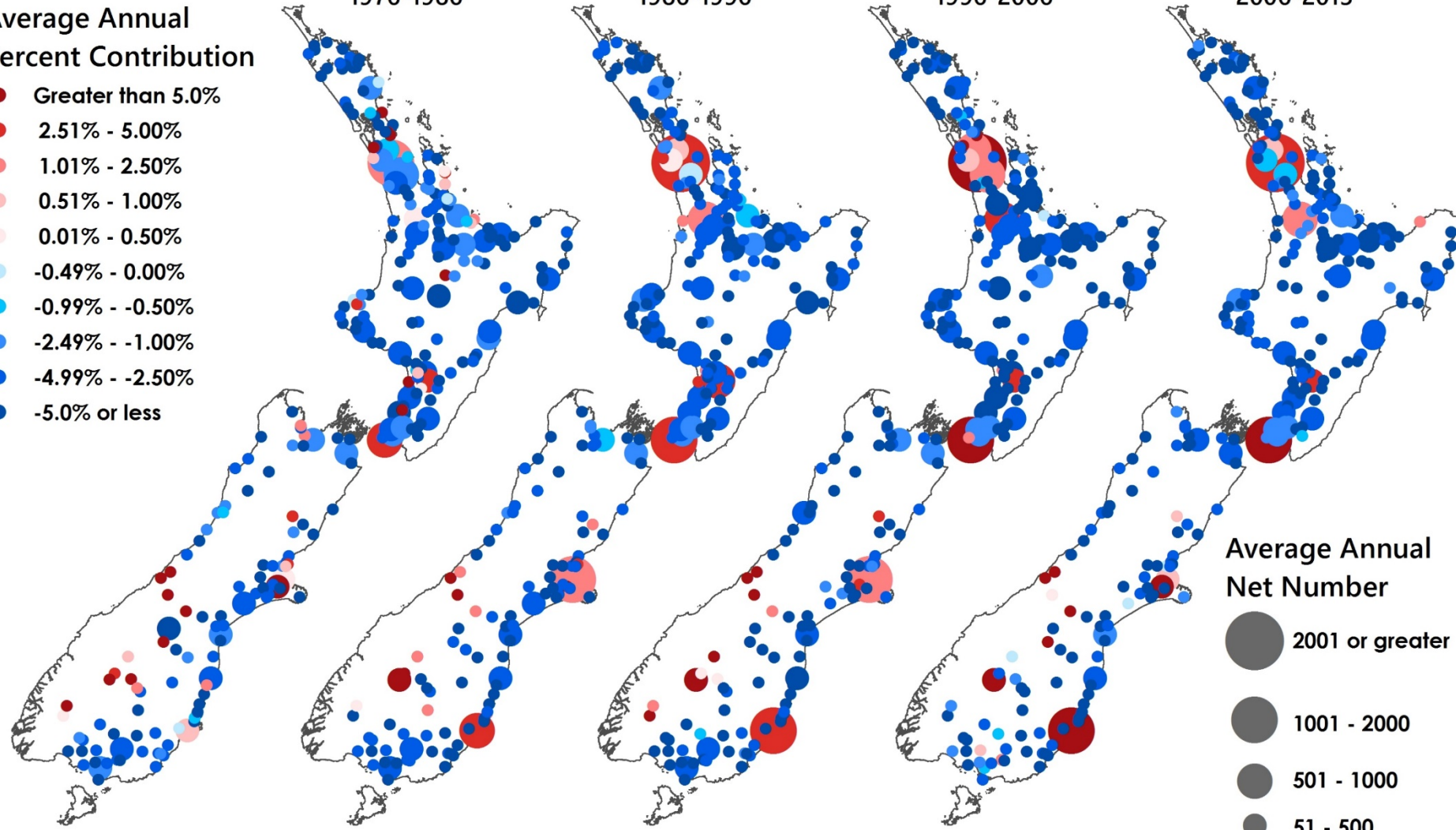
- Greater than 5.0%
- 2.51% - 5.00%
- 1.01% - 2.50%
- 0.51% - 1.00%
- 0.01% - 0.50%
- -0.49% - 0.00%
- -0.99% - -0.50%
- -2.49% - -1.00%
- -4.99% - -2.50%
- -5.0% or less

1976-1986

1986-1996

1996-2006

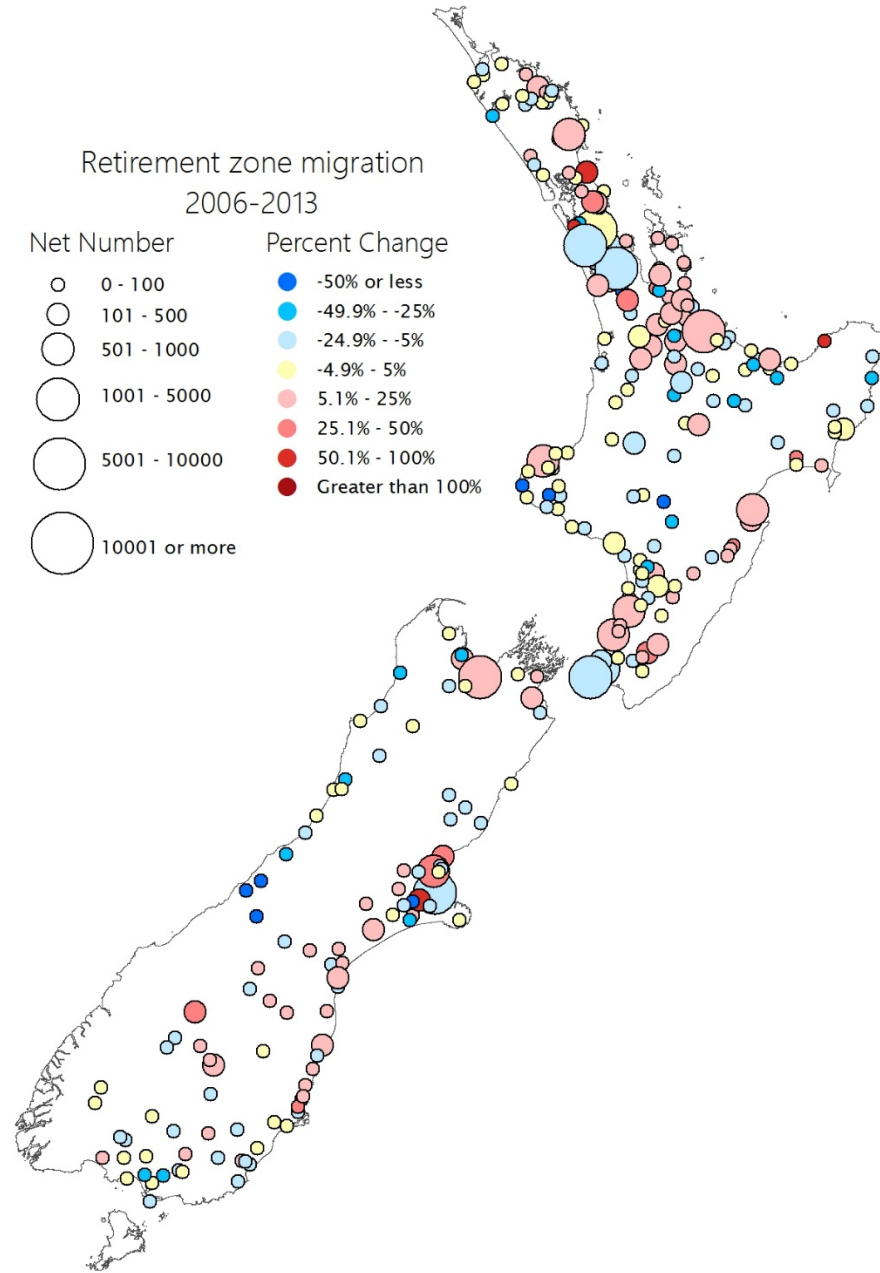
2006-2013



Average Annual Net Number

- 2001 or greater
- 1001 - 2000
- 501 - 1000
- 51 - 500
- 0 - 50

RETIREE SUN-BELT MIGRATION IS INCREASING

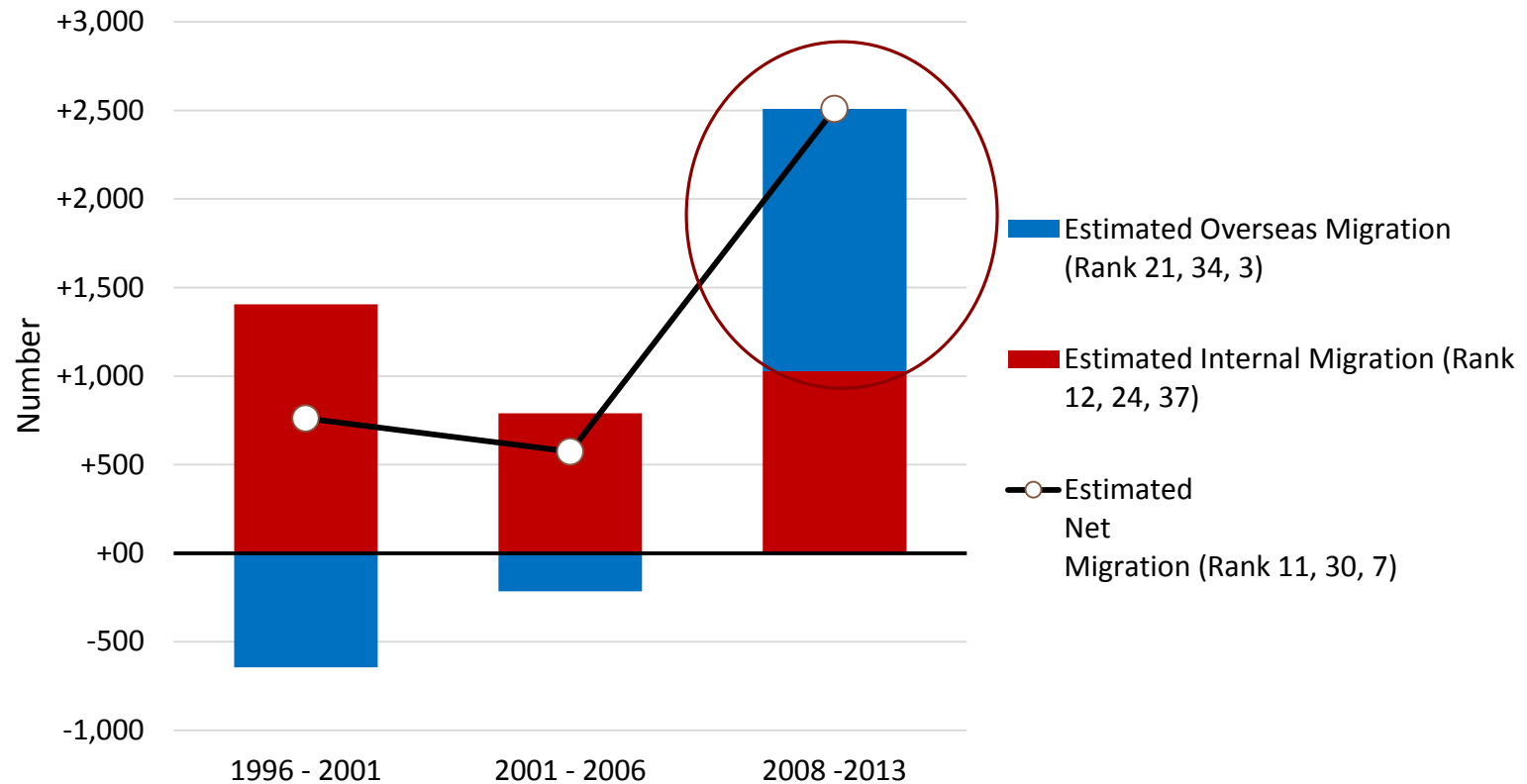


Net internal
migration at 65+
years, 2006-2013

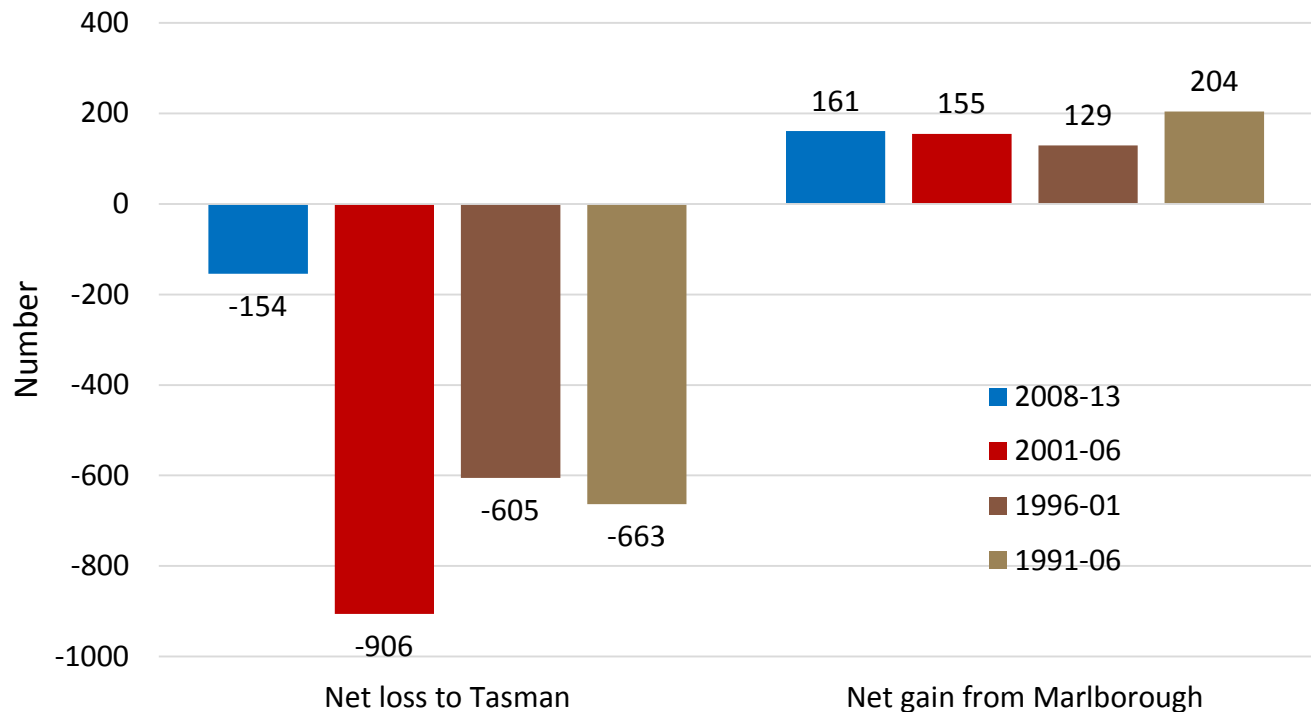
Until recently, the vast majority of Nelson's migrants were 'internal'



Components of migration 1996-2013



Nelson consistently loses population to Tasman, gains it from Marlborough

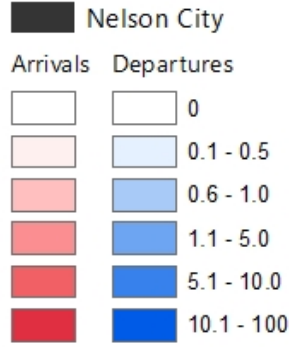


Nelson City, 2013

Internal Arrivals and Departures

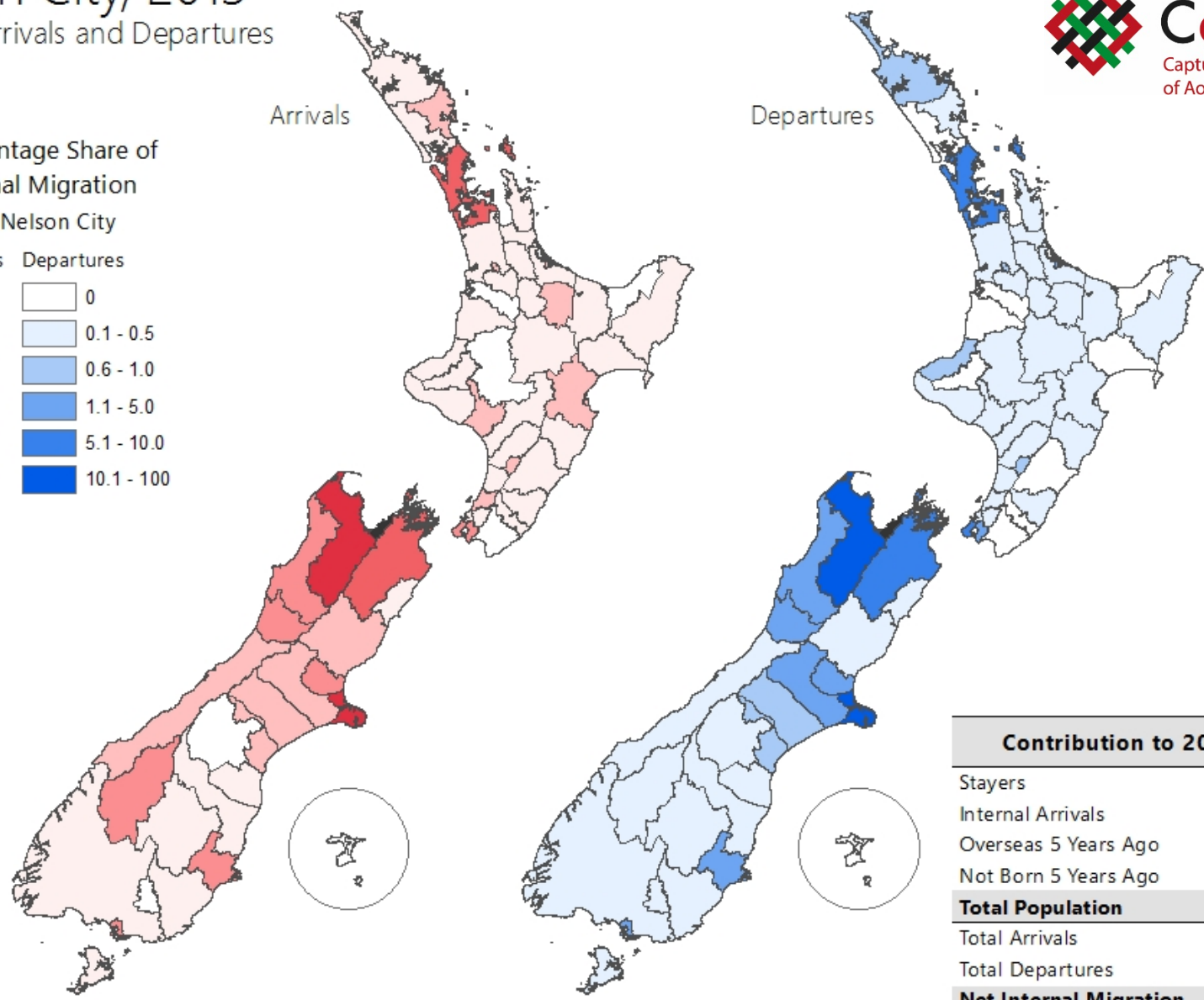


Percentage Share of Internal Migration



Arrivals

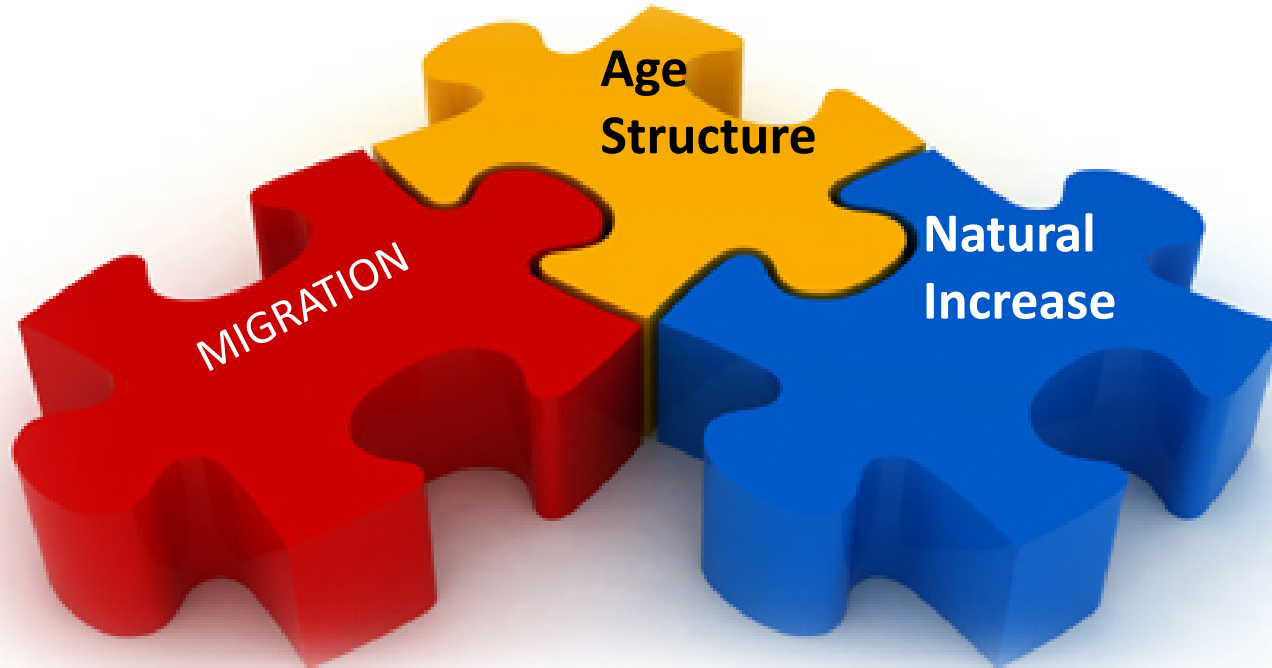
Departures



Contribution to 2013 Population		
Stayers	31,545	68.4%
Internal Arrivals	8,644	18.7%
Overseas 5 Years Ago	3,079	6.7%
Not Born 5 Years Ago	2,835	6.1%
Total Population	46,103	100%
Total Arrivals		8,644
Total Departures		7,644
Net Internal Migration		1,000

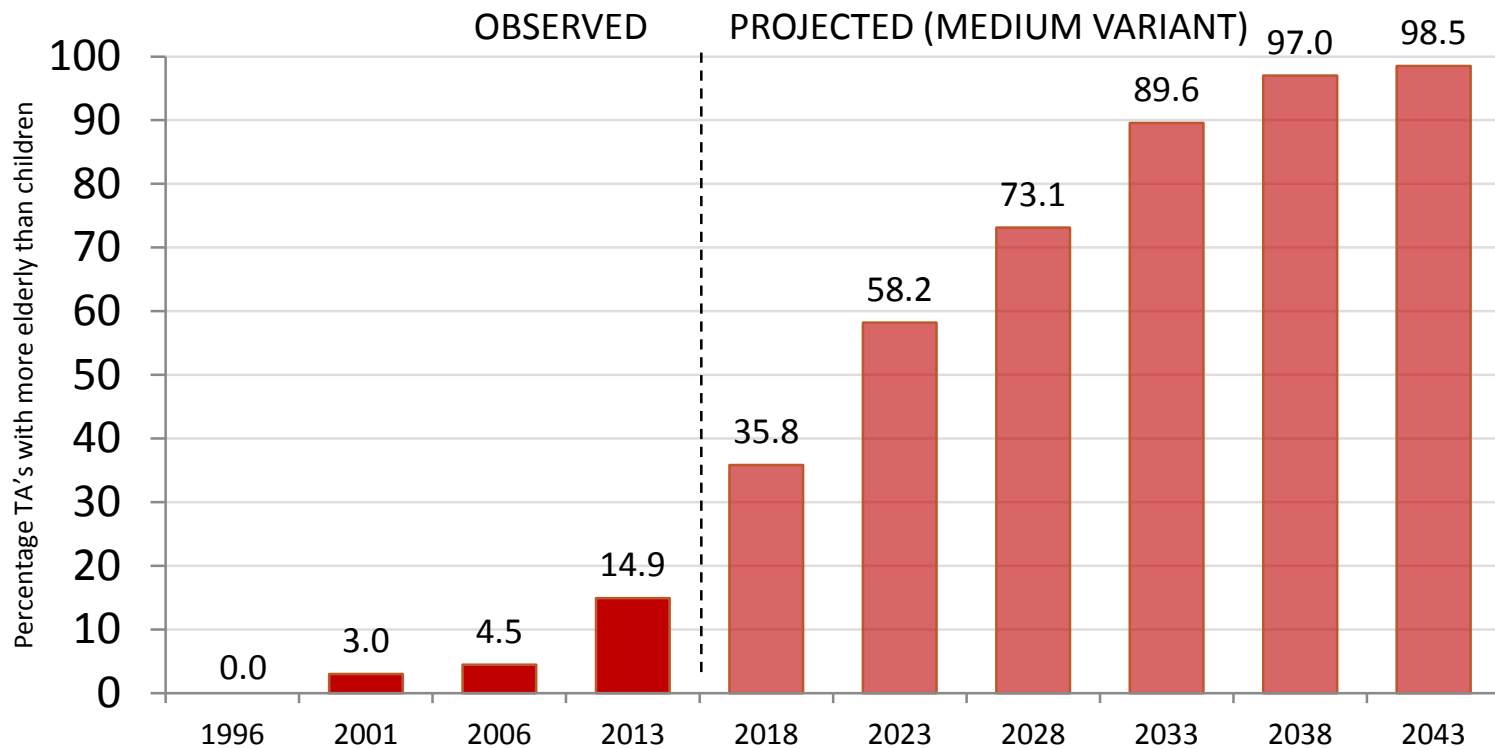
These data have been produced by applying statistical modelling to Statistics NZ's raw data.

Joining the dots..



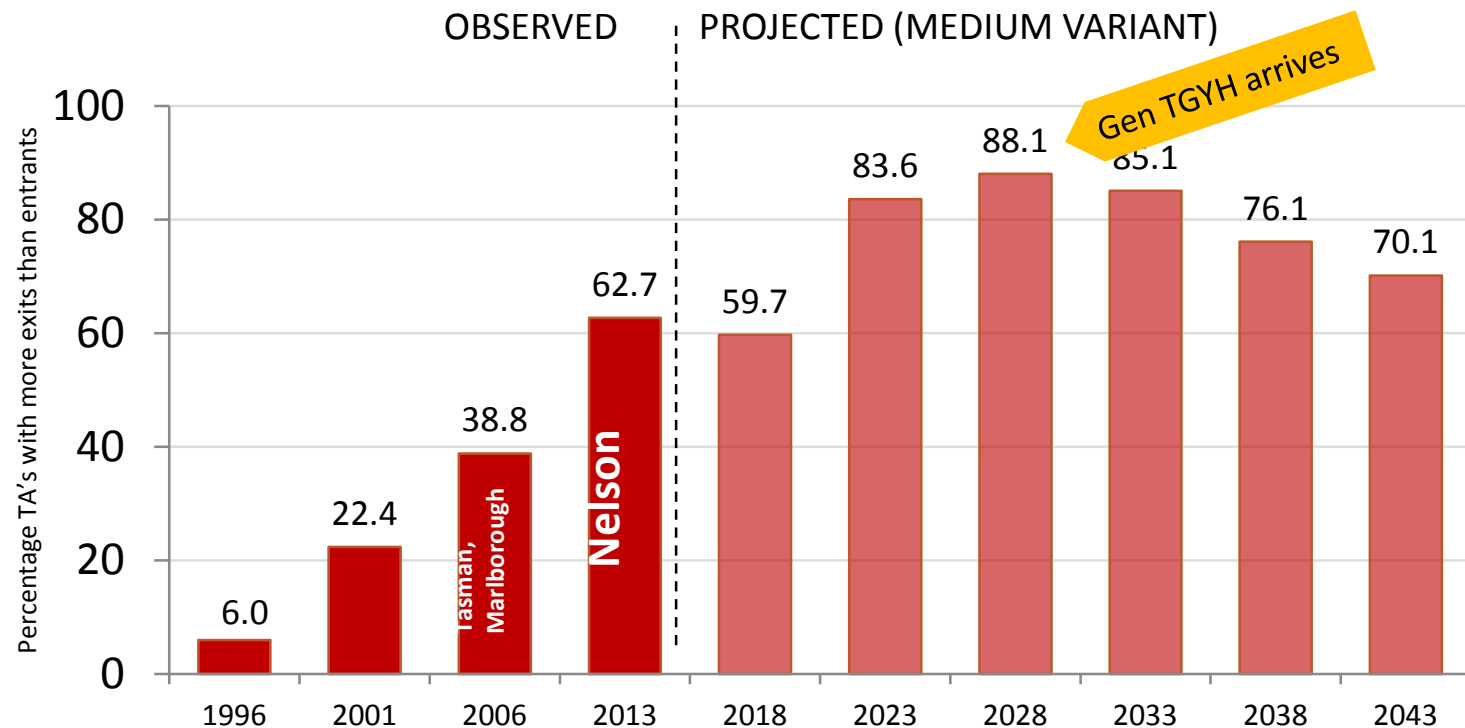
Ageing and labour supply

Most TAs will soon have more elderly than children (65+ : 0-14 years); Marlborough, Nelson and Tasman already among them



Author/Statistics NZ 2017 Subnational population projections (2013-base 2043 Update)

Most TAs already have more people at labour market exit age (60-69 years) than entry age (20-29 years); Nelson, Marlborough and Tasman among them

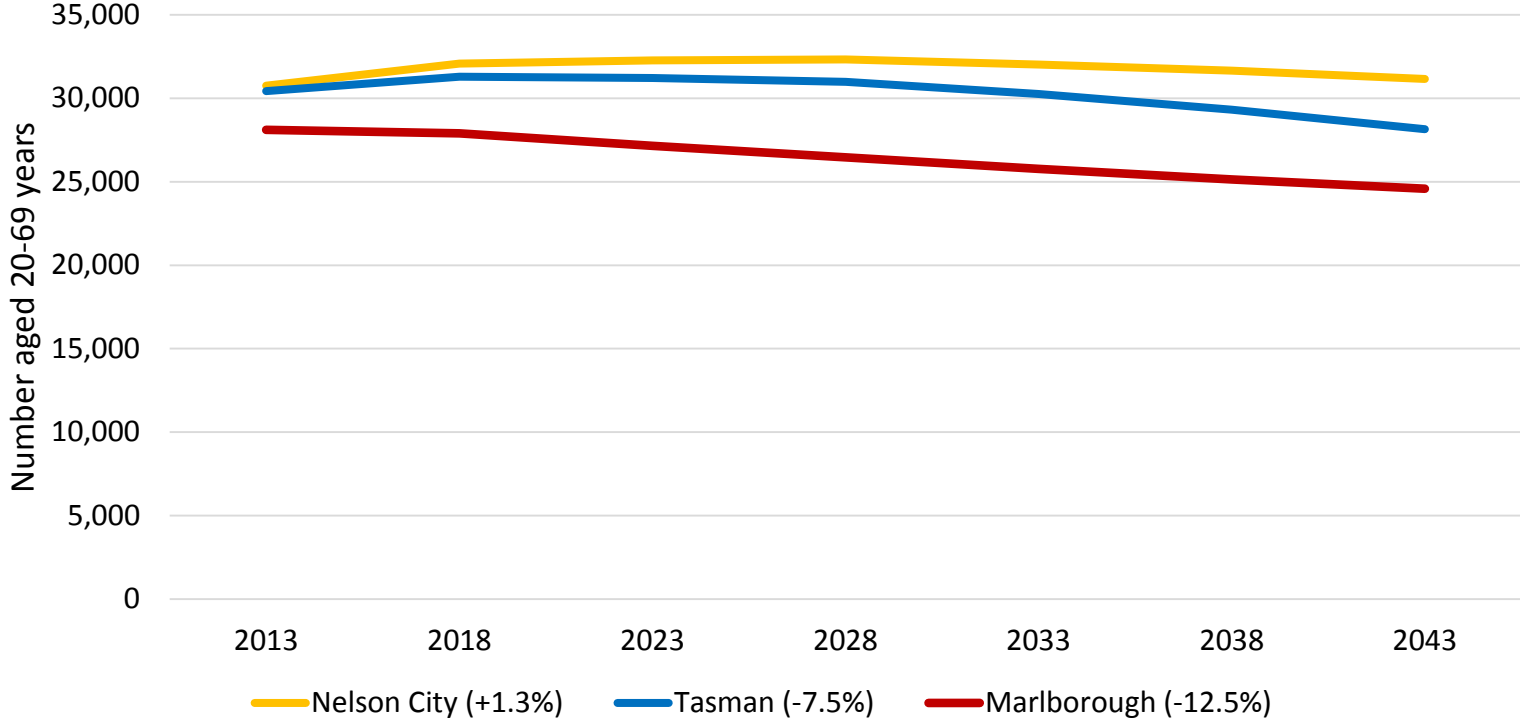


Author/Statistics NZ 2017 Subnational population projections (2013-base 2043 Update)

Local labour market supply is unlikely to grow appreciably



Projected Number Aged 20-69 years (Medium Variant),
Nelson, Tasman and Marlborough

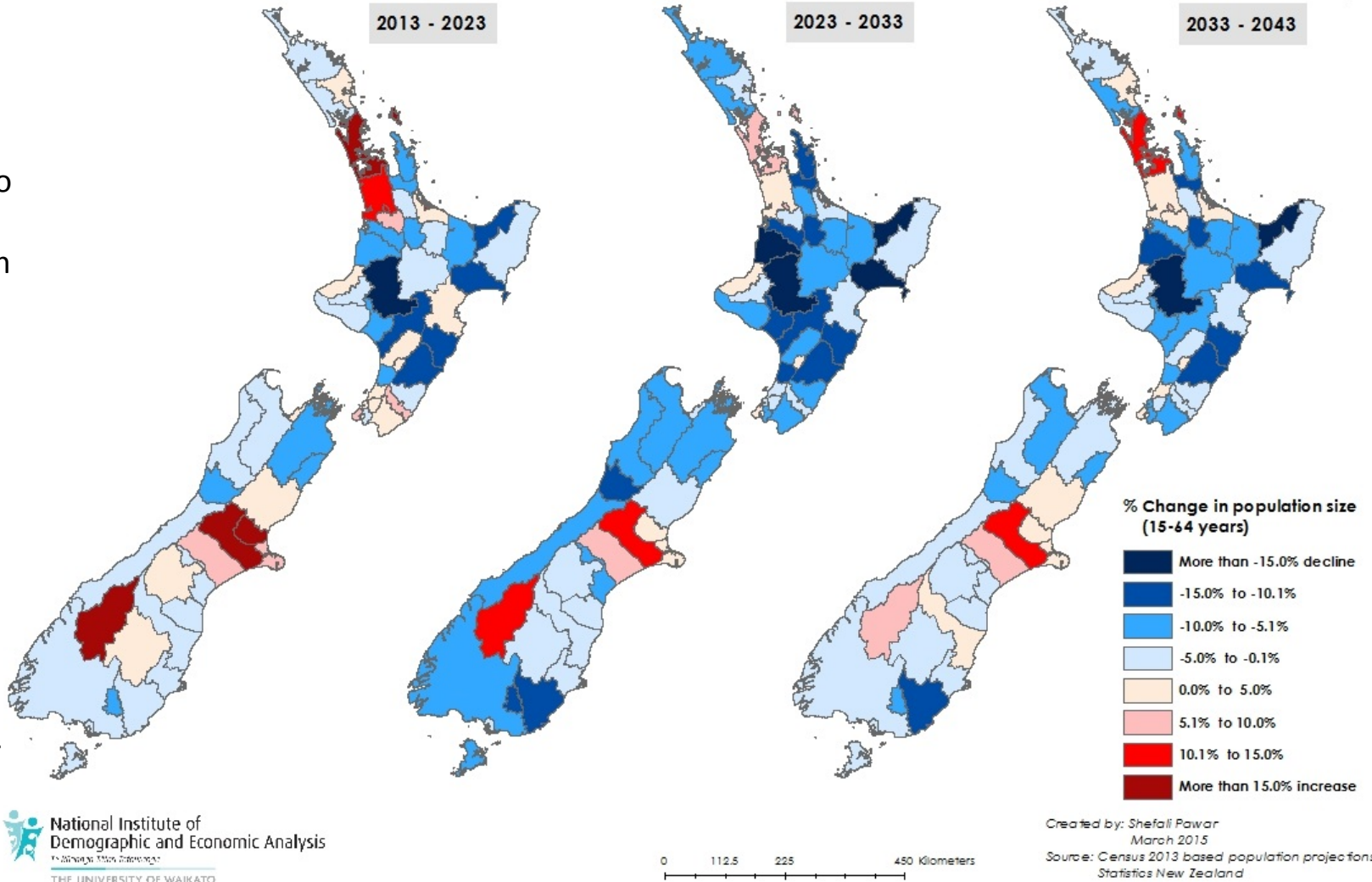


Author/Statistics NZ 2017 Subnational population projections (2013-base 2043 Update)

Projected percentage change in population size of 15-64 year olds; 2013-23, 2023-33 and 2033-43



NZ's 'prime' working age population (15-64 years) is projected to shrink significantly in many areas. By **2023**, 46% of NZ's WAPs are projected to be smaller than in 2013 (but 13% larger at national level); **by 2043**, 67% WAPs smaller than in 2013 (but 23% larger at national level)



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Ageing and housing



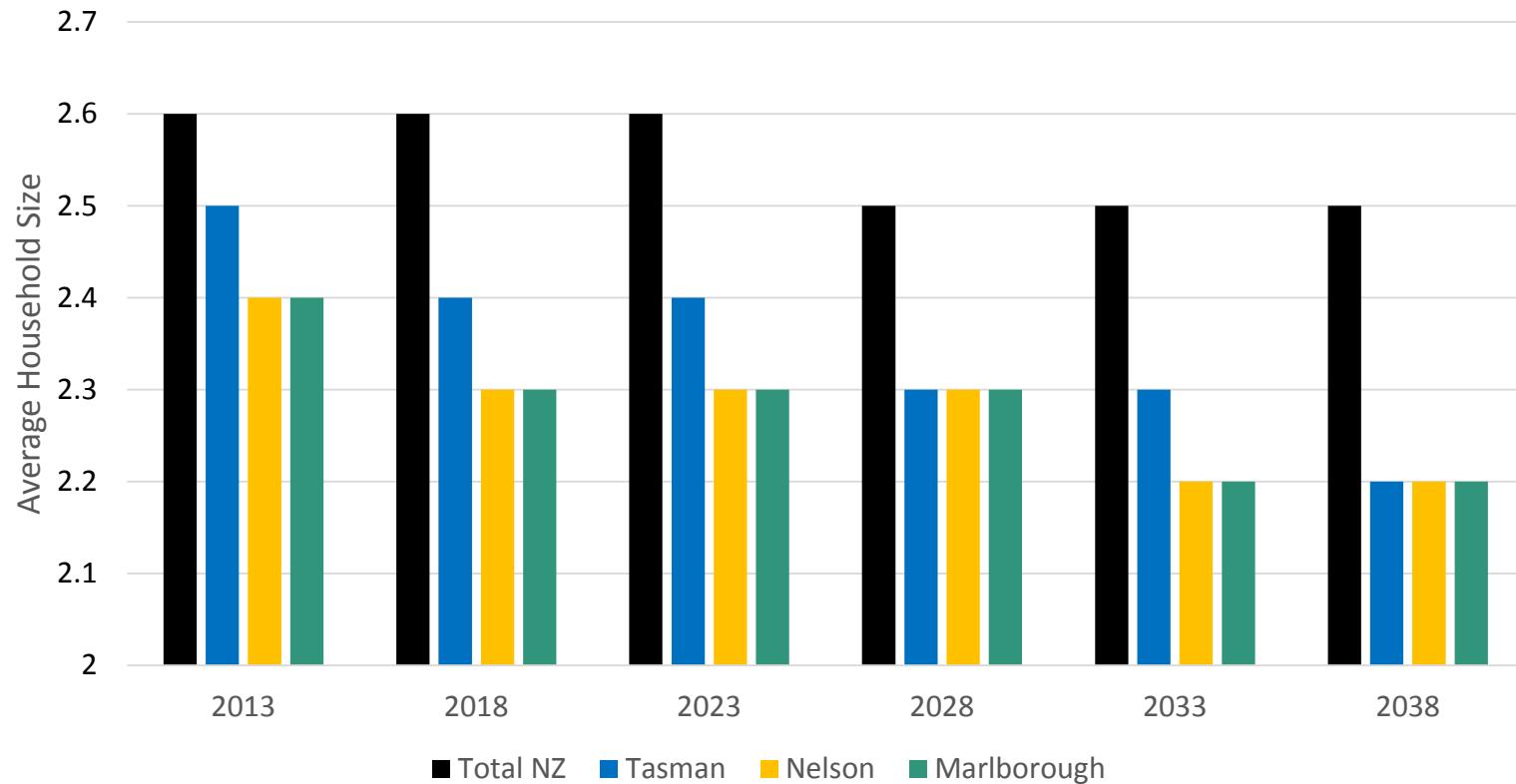
Ageing and housing

1. As structural ageing progresses, average household(HH) size falls
 - ❖ More older people are widowed, live alone
 - ❖ Later family formation means fewer per HH
 - ❖ Fewer children means empty nest stage is reached earlier
2. Nelson's 2013 average of 2.4 persons per HH projected to fall to 2.3 (2018) then 2.2 (c. 2033)
3. Family Type and HH mix differs by township
4. Need to ensure *appropriate housing mix*



Household size

Current and Projected Average Household Size

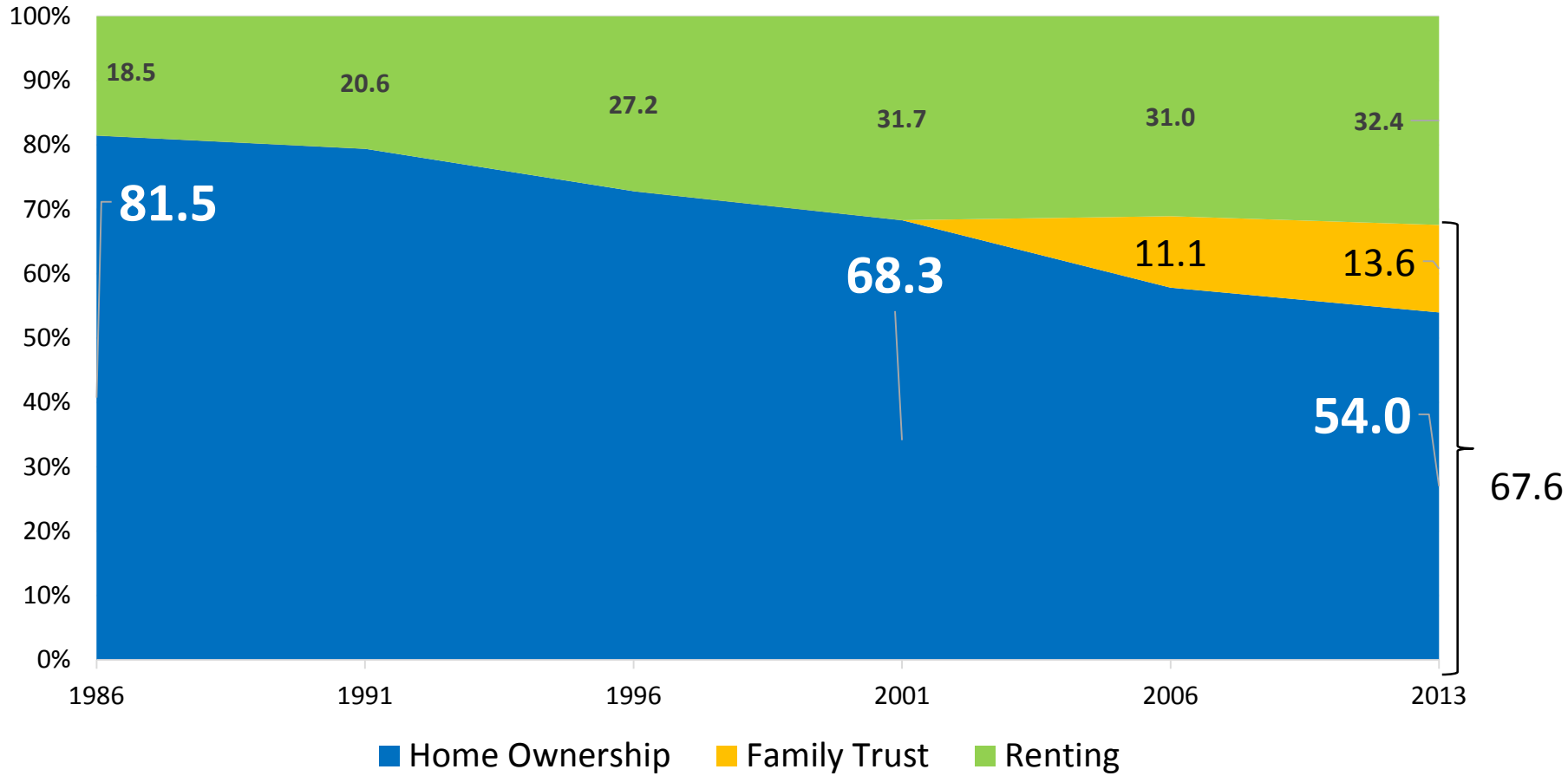


Author/Statistics New Zealand Subnational Household Projections (Medium)



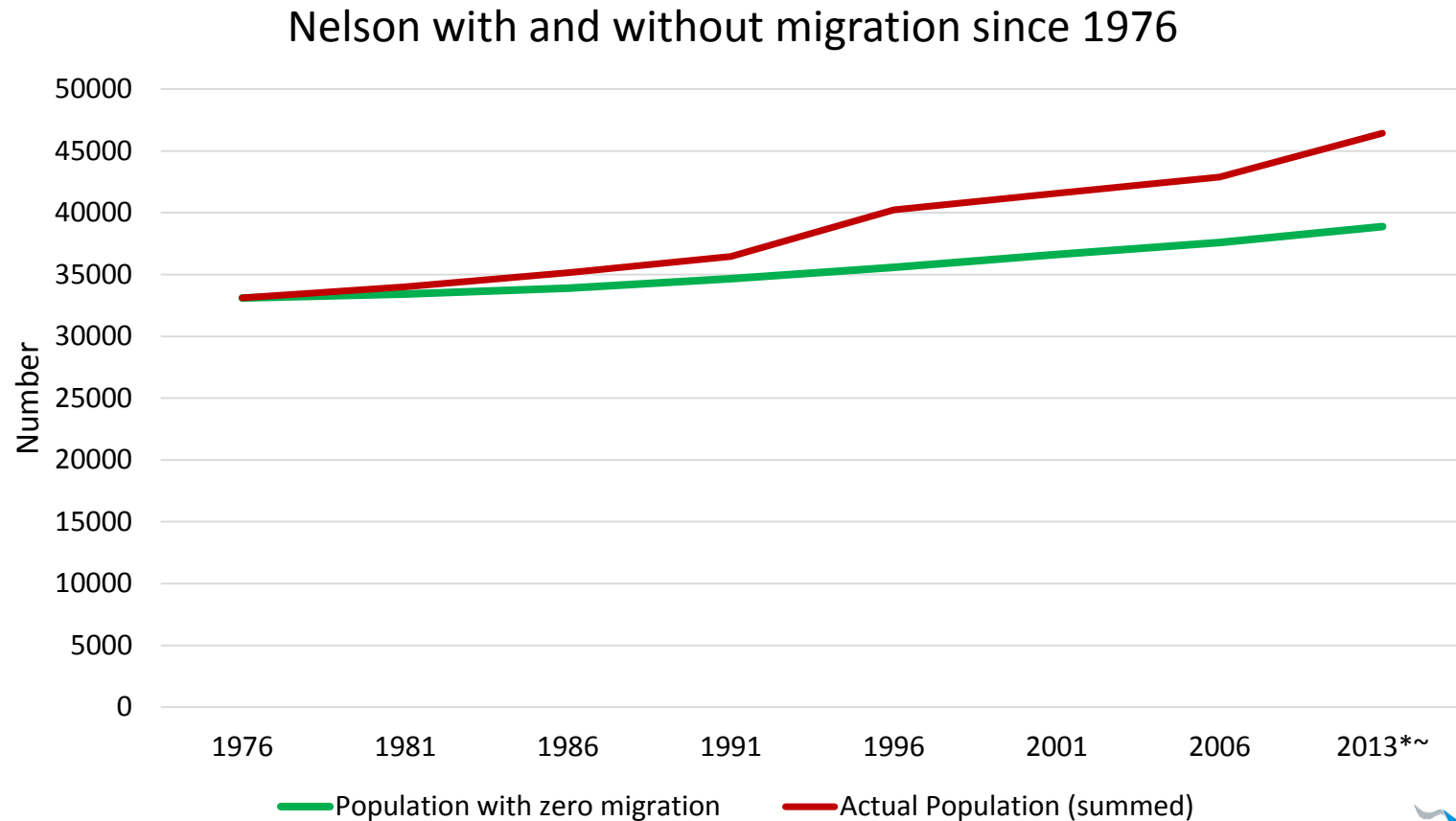
Housing tenure is changing

Nelson City



Can migration resolve these issues?

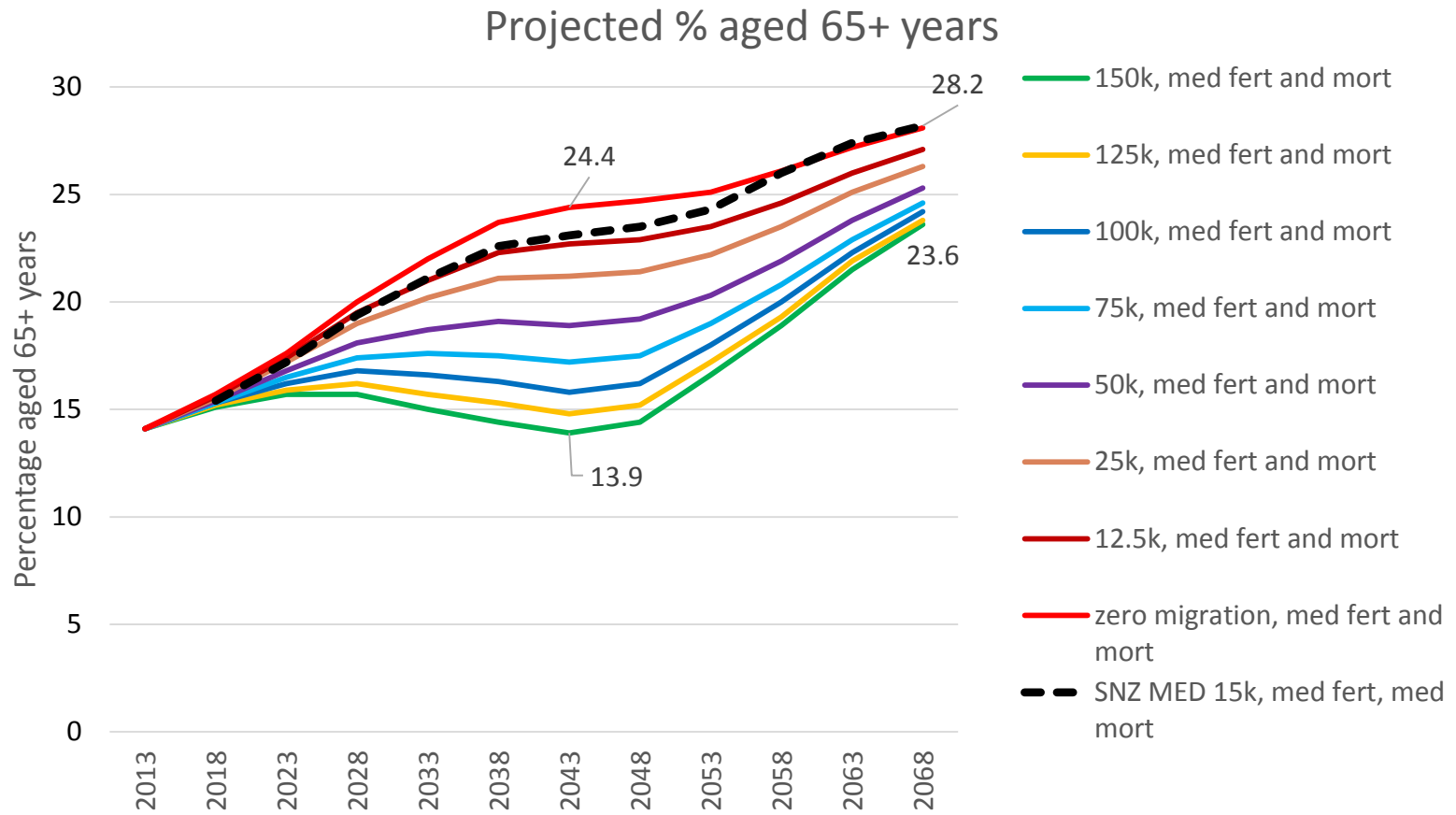
Nelson has increasingly gained from migration



Source: (Jackson and Brabyn 2017) *Tai Timu Tangata: Taihoa e?*



Even HUGE migration numbers cannot prevent structural ageing

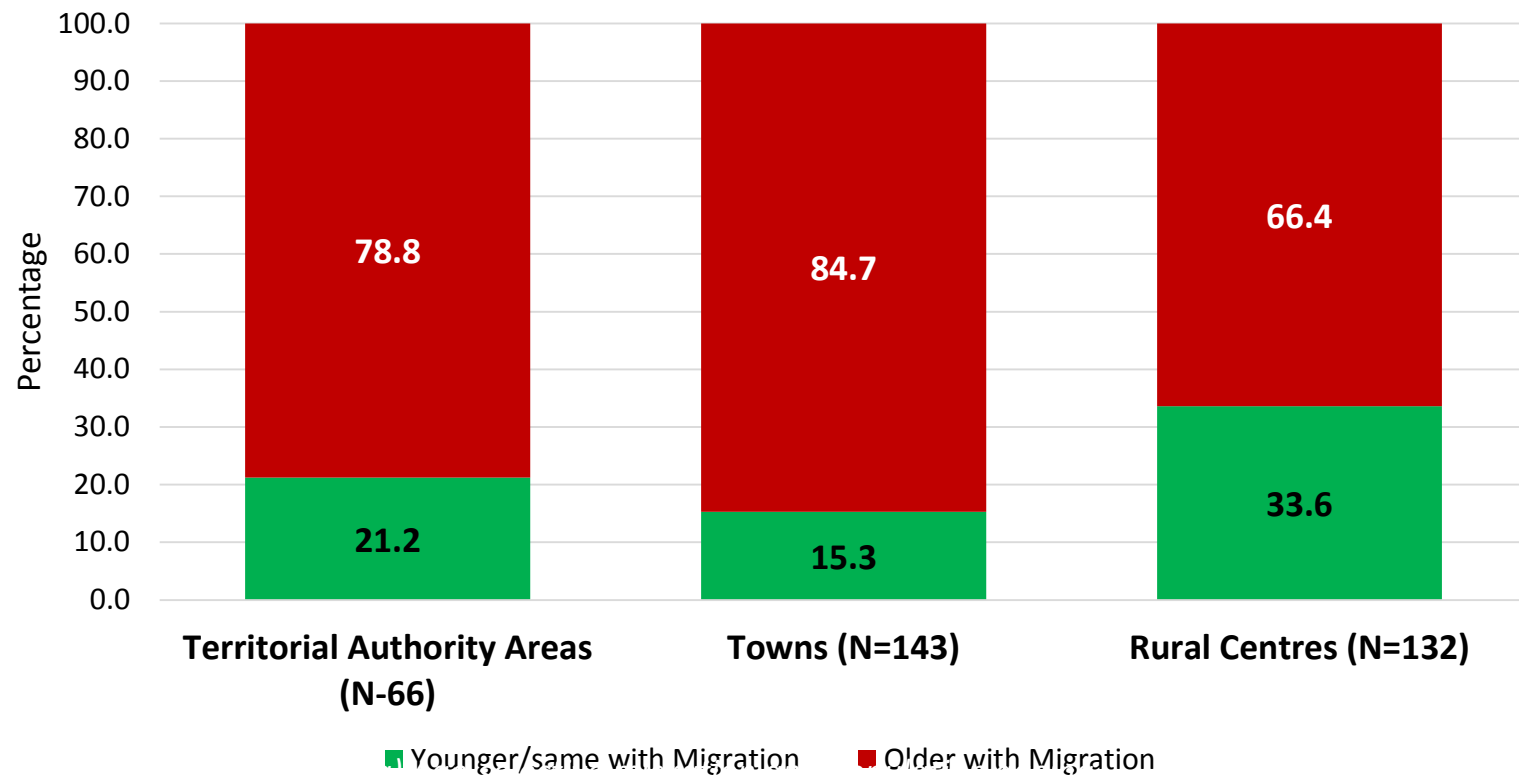


Source: Jackson and Cameron 2017

Migration is more likely to make areas *older* rather than younger – this affects Nelson (although less than Tasman and Marlborough)



Impact of migration on structural ageing, 1976-2013



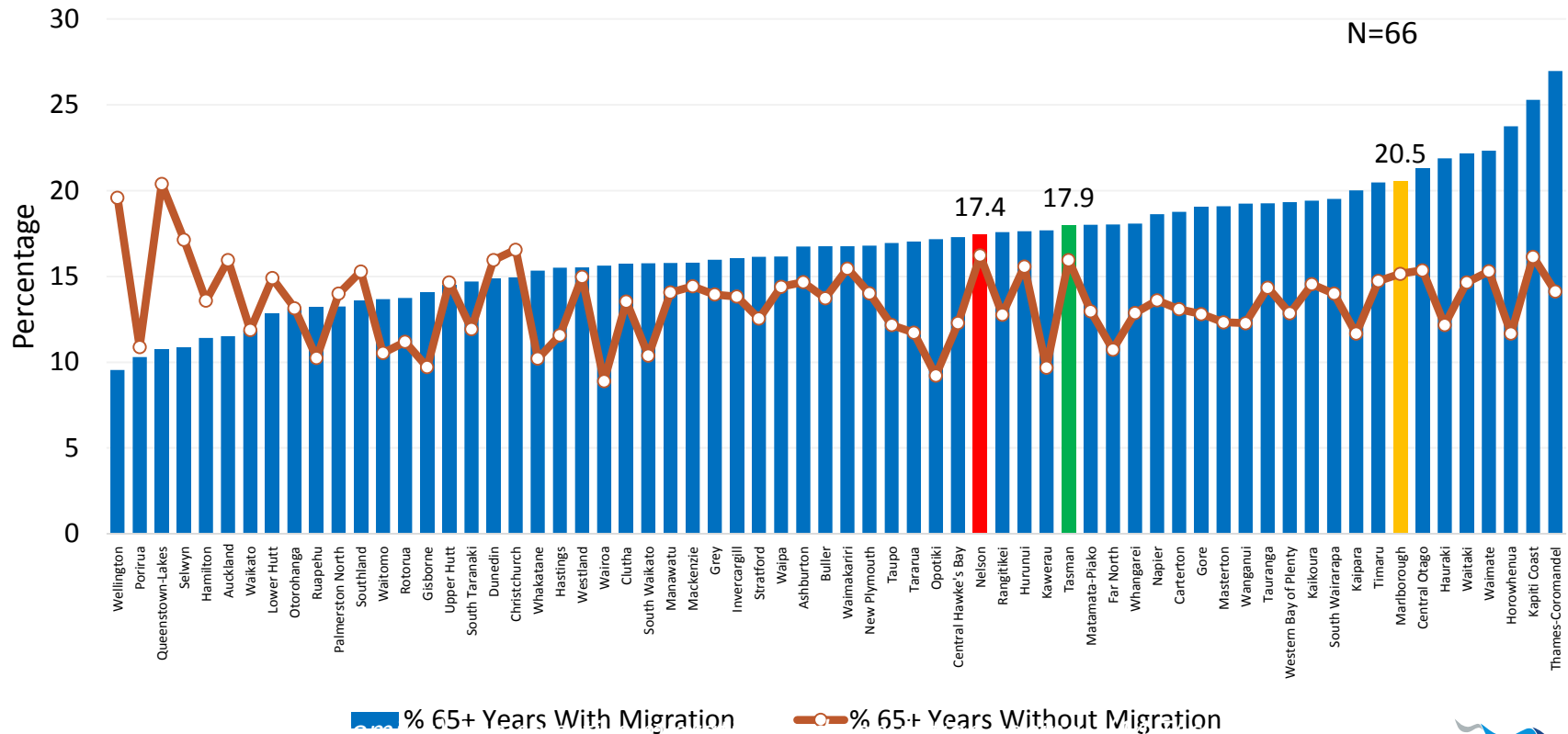
Source: (Jackson and Brabyn 2017) *Tai Timu Tangata: Taihoa e?*





TAs younger/older with migration, than without

Percentage aged 65+ years with and without migration 1976-2013



Source: (Jackson and Brabyn 2017) *Tai Timu Tangata: Taihoa e?*




There are complex interactions between net migration and natural increase



Growth	A: Natural Increase and Net Migration are both positive
	B: Natural Increase offsets Net Migration Loss
	C: Net Migration Gain offsets Natural Decrease
Decline	D: Net Migration Gain fails to offset Natural Decrease
	E: Natural Increase fails to offset Net Migration Loss
	F: Natural Decrease and Net Migration Loss
Zero Growth	G: Natural Increase = Net Migration Loss
	H: Natural Decrease = Net Migration Gain

Local causes of growth/decline differ, and are now changing due to ageing

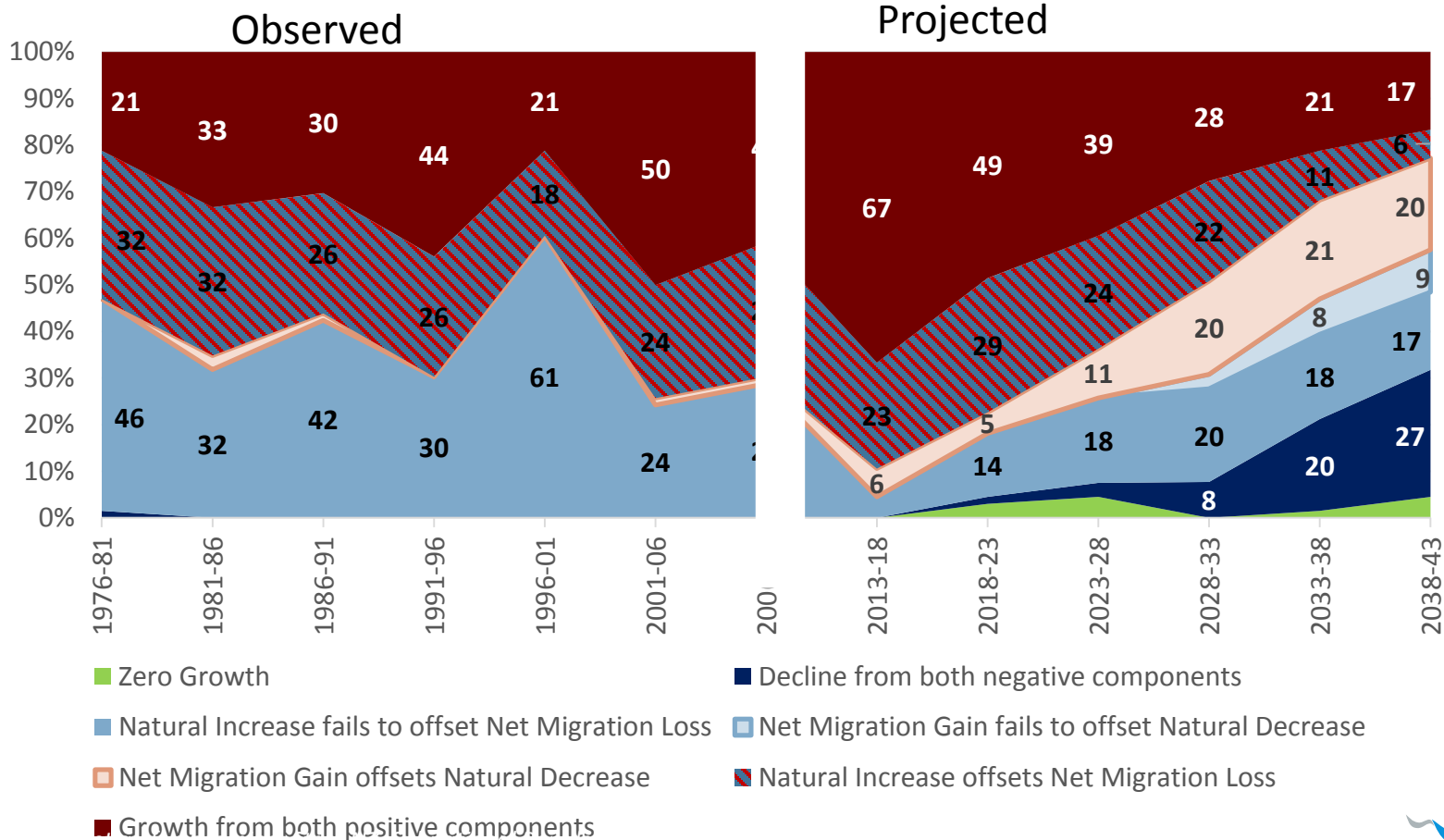


 TA	1976-81	1981-86	1986-91	1991-06	1996-01	2001-06	2006-13									
	Observed 1976-2013							Projected 2013-2043 (Medium)								
	2013-18	2018-23	2023-28	2028-33	2033-38	2038-43										
NELSON	A	A	A	A	A	A	A	A	A	A	C	C	C			
MARLBOROUGH	B	A	A	A	A	A	A	B	A	A	A	C	D	D		
TASMAN	A	A	A	A	A	A	A	A	A	A	C	C	C	G		

GROWTH: A (both positive); B (Natural increase offsets net migration loss); C (Migration gain offsets natural decrease)

DECLINE: D (Net migration gain fails to offset natural decrease); E (Natural increase fails to offset net migration loss); F (both negative)

All TAs by components of growth/decline



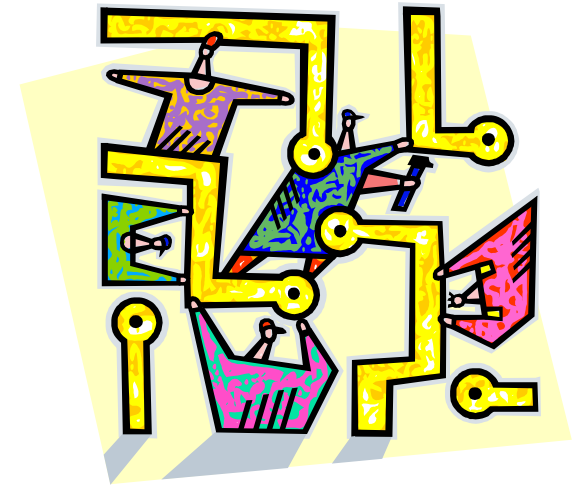
Source: (Jackson et al) *Tai Timu Tangata: Taihoa e?*



Summary/Implications for Nelson



1. Nelson is assured of continued growth for the next few decades, but growth will be increasingly at 65+ years, and will slow
2. Being one of the older/faster ageing areas means that many other areas are younger, with potential migrant and labour supply
3. However contiguous location with [older] Marlborough and Tasman (and Buller, Hurunui) will make increasing local supply difficult
4. Older and younger areas alike will compete with Nelson for migrants/labour supply
5. Ageing will affect EVERYTHING and needs to be built into all aspects of planning





*Planning for a
changing world*

Thank you

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