Planning in the Context of a “New” New Zealand: Demographic and Economic Challenges

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In 10 Years

- 2 out of every 5 NZers will live in Auckland
- Asian communities will outnumber Māori
- There will be more people aged over 65 than 0-15 years of age
- Major shifts in nature and location of employment
In 20 Years

• More New Zealanders will live in Auckland
• Two-thirds of New Zealand’s regions will be smaller and older
• New Zealand will be even more ethnically diverse
• Very different world of work
Regional Divergence

21st Century Disruption

Demographic

Globalisation

Digitisation/Automation
#1 Population Stagnation: Implications for Planning?

- Structural ageing of population (and workforce?)
- Sub-replacement fertility (2.1 births per woman, now 1.7)
- Delayed births (30 years plus)
- Employment vs children
## Fertility Rate (Per 1000)

<table>
<thead>
<tr>
<th>Region</th>
<th>2009</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bay of Plenty</td>
<td>101</td>
<td>92</td>
</tr>
<tr>
<td>All Regions</td>
<td>81</td>
<td>75</td>
</tr>
</tbody>
</table>

*High Fertility, High Natural Increase*
#2 Prime Working Age: Implications for Planning?

- More 65+ than 0-14 year olds
- Fewer entering workforce – and fewer workers
- Out-migration from regions of young adults

Challenge of future labour and skills supply
## Population Entering Workforce (15-29 yr olds)

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>15%</td>
</tr>
<tr>
<td>2013</td>
<td>9%</td>
</tr>
<tr>
<td>2021</td>
<td>7%</td>
</tr>
</tbody>
</table>

## School leaving Age

<table>
<thead>
<tr>
<th>Year Range</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011 – 2016</td>
<td>-20,000</td>
</tr>
<tr>
<td>2017 – 2021</td>
<td>-8,000</td>
</tr>
<tr>
<td></td>
<td>-28,000</td>
</tr>
</tbody>
</table>
What Works?

Youth/Young Adults

- Seamless boundaries
  - Kawerau/Matamata-Piako
  (Silver Fern Farms)

Immigration

- Regional/industrial policies (recruitment)
- Welcoming communities
Changing Demand in Labour Markets

Advanced economies

• 40-50% of 2016 jobs will not exist in 2026
• New jobs will emerge
• Less certainty in the end of careers and lifetime employment

In the 21st century, most workers can expect to do 5-8 different jobs over a working life
Local Abilities To:

- Identify future skills requirements
- Industry co-ordination?
- Education/training co-ordination?
- Alignment between employers and education/training agencies?

ORAM

Reviving our regions

The quest to develop our rural growth in uniquely Kiwi ways has a distinctive...
#3 Immigration: Implications for Planning?

- Major source of skills supply (60% approved as skilled immigrants)
- Population replacement (young, educated)
- Connecting with Asia
- Income (Export Education)
Permanent and Long Term Arrivals  
(February 2018)

<table>
<thead>
<tr>
<th>PALT</th>
<th>130,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Gain</td>
<td>70,000</td>
</tr>
<tr>
<td>Temporary Visas</td>
<td>209,000</td>
</tr>
</tbody>
</table>

Largest net gain:
- China (Residence Visas/Study Visas)
- India/UK (Skills Visas)
- Philippines
New Ethnic Diversity/Landscapes

• Ethnoburbs
• Ethnic Precincts
• Second Generation
• Recognition/participation?
### A Future Aotearoa – Hyper-Diversity (2013-2038)

<table>
<thead>
<tr>
<th></th>
<th>All</th>
<th>0-14 Yrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>European/Pākehā</td>
<td>75% - 66%</td>
<td>71.6% - 68.2%</td>
</tr>
<tr>
<td>Māori</td>
<td>16% - 18%</td>
<td>25% - 30%</td>
</tr>
<tr>
<td>Asian</td>
<td>12% - 22%</td>
<td>12% - 21%</td>
</tr>
<tr>
<td>Pasifika</td>
<td>8% - 10%</td>
<td>13% - 18%</td>
</tr>
</tbody>
</table>
Immigration: Local Challenges

• A regionally/city specific immigrant approach?
• A greater role for employers?
• Welcoming communities/employers?
• Reflecting diversity in community/institutional practice
#4 Regional Divergence: Implications for Planning?

- Two-thirds of regions will experience populations stagnation or decline
- Agglomeration effects (Auckland)
- Immigration + fertility + ageing
# Migration Immigration: Bay of Plenty

<table>
<thead>
<tr>
<th></th>
<th>Out-migration</th>
<th>In-migration</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Migration</td>
<td>24,987</td>
<td>26,985</td>
<td>+1,998</td>
</tr>
<tr>
<td>(2008-2013)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Immigration</td>
<td>2004</td>
<td>2009</td>
<td>2014</td>
</tr>
<tr>
<td></td>
<td>-177</td>
<td>-1092</td>
<td>+284</td>
</tr>
<tr>
<td>Population projections</td>
<td>2013</td>
<td>2043</td>
<td>+49,000</td>
</tr>
<tr>
<td></td>
<td>279,700</td>
<td>328,700</td>
<td></td>
</tr>
</tbody>
</table>
What Works?

Rejuvenating local towns/economies

- EDAs
  - Northland Inc
  - Venture Taranaki
  - Venture Southland

Key elements
- Local-central government relations
- Effective local political leadership
- Harnessing new technologies
- Attract/retain key people
- Environmental quality
- Community regeneration
In the Next Decade

• The growth in 65+ will account for most of population growth in 56 out of 67 territorial authorities

• 65+ will be larger than 0-14 age group

• More workers will retire than enter the workforce

• Immigration will contribute more to population growth – if it continues to remain high

• Asian communities will be larger than the Maori community
People and Planning Challenges

- What are your “people” policies?
- How do you deal with population stagnation?
- What are the long-term economic trends?
- Do you have “smart” decline policies?
How should planning and planners respond to these changes?