

Growth at a glance 2022 update



This document provides a summary of updated population and economic indicators for Central Hawke's Bay, and projected growth figures for 2022 - 2051.

The full report can be found [here](#). The full set of projections produced in 2020 that this report updates can be found [here](#).

Resilience in the face of challenges

Despite challenges related to Covid-19, supply chain shocks, and labour market challenges, the district continues to grow.

What has happened to migration?

210 people Net gain in 2021 from an estimated 1,500 inward migrants.

13,500 Net number of people who left Auckland to live elsewhere in New Zealand in 2021 (outflow minus inflow).

Central Hawke's Bay is benefiting from people choosing to locate themselves outside the main cities. International migration is down. These migrants were proportionally more likely to settle in Auckland.

Returning New Zealanders tend to spread out around the country. Fewer kiwis heading overseas due to extended restrictions and uncertainty has also shored-up the population of the regions.

Some quick snapshots...

Since 2013 the District has grown by an average of **2.1% per year**



The District added **950 people** over the last four years



The number of young working-age residents jumped **8%** over the last two years (15-39 year olds)

If the District was to grow by 2.5% per year the population would double by 2051 (+16,000 people)



61% of wage and salary earners work for employers based outside the District (including remote workers)

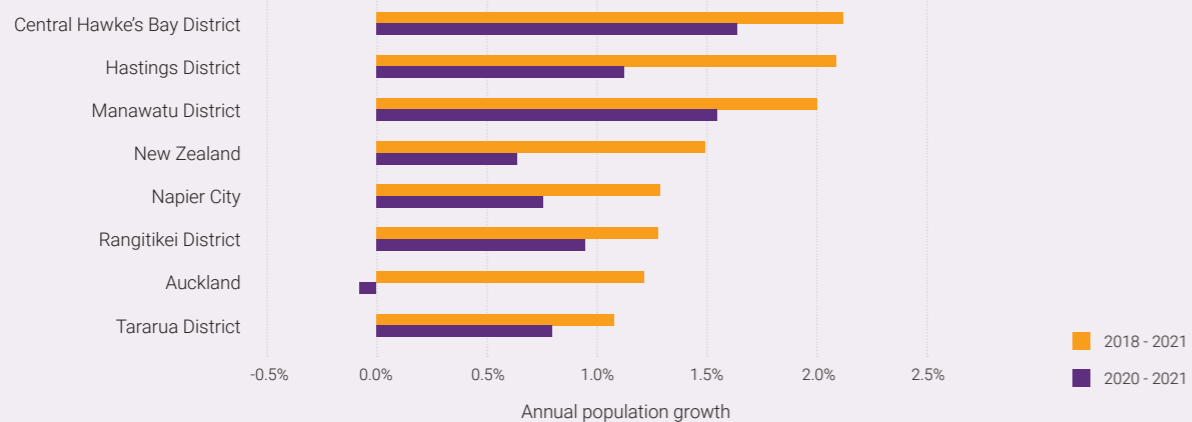
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For more information on what growth means for your own business or situation, feel free to call us on **06 857 8060** or email **business@chbdc.govt.nz**



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL

Central Hawke's Bay District leads the pack



Pressures to the upside

- The population of the district in June 2021 was 0.5% above the previous high growth projections produced in 2020.

Year	July 2020 projections			Revised
	Low	Medium	High	High
2021	15,100	15,240	15,520	15,600*
2031	15,400	17,140	18,770	20,120
2041	14,800	18,330	21,320	25,280
2051	13,430	19,430	23,980	32,300

Statistics NZ estimate for June 2021

While significant near-term uncertainty remains, the high scenario from mid-2020 is looking more like a central scenario at present – where risks are balanced to the upside and the downside.

- A big jump in the number of lots being approved from subdivisions over the last two years indicates that land availability is not going to be a constraint on population growth going forward.
- Extended international uncertainty has made remaining in, or moving to, the district more attractive for some workers and their families.

The high scenario has been revised to better reflect the most optimistic set of assumptions, based on what we have learned over the last 18 months.

The shape of the economy

Local industry has shown resilience in the face of Covid-19:

- The total number of businesses in Central Hawke's Bay grew by 0.3% in the year to February 2021
- The total number of people employed by those businesses increased 1.6%

The number of businesses closing was up 20% in the year to February 2021. But entrepreneurial activity remained steady, suggesting those resources are being redeployed in the economy.

There will be more business closures to come, but signs of resilience are encouraging.

What are the risks?

Supply of land is only one side of the equation. There still needs to be:

- Builders available to build houses
- Materials and resources available to develop vacant lots
- People wanting to move to or remain in the district

Significant uncertainty remains surrounding Covid-19 and how soon people and goods will be moving freely again.

Commuting a boon for the district

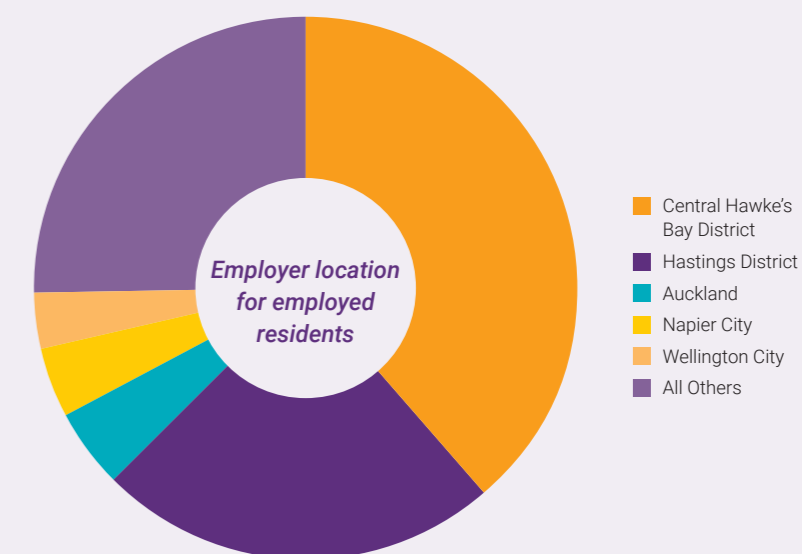
Remote work and long-distance commuting allow people to live outside the main centres and access diverse employment opportunities.

Where do residents of Central Hawke's Bay District work?

In 2020, 61% of wage and salary earners worked for employers located outside Central Hawke's Bay District. This share has increased steadily from less than 40% prior to 2006, with the advent of work-from-home and flexible employment arrangements. **Central Hawke's Bay District is an attractive district for commuters, and they are coming in increasing numbers.**

Residents employed outside the district earn more – 3.5% more on average.

Employers in Central Hawke's Bay District employ more than 2,700 non-resident workers – about half the total number on the payroll.



Gauging the district's potential

If the district's population grows by 2.5%pa on average, it could more than double its population to 32,000+ by 2051.

Central Hawke's Bay District has not reached this sustained level of growth to date, but the district has plenty of land, natural character, and ability to attract geographically mobile workers.

For our most optimistic set of assumptions, we project:

- An extra 4,500 people living in the district by 2031
- 1,700 more households over the next ten years

Year	Total	0-14 years	15-39 years	40-64 years	65+ years	Households
2018	14,650	3,050	3,650	5,100	2,850	5,418
2019	14,900	3,100	3,750	5,100	3,000	5,510
2020	15,350	3,150	3,950	5,150	3,150	5,680
2021	15,600	3,200	4,050	5,100	3,300	5,770
2022	15,960	3,250	4,090	5,150	3,470	5,910
2023	16,350	3,300	4,000	5,400	3,650	6,040
2024	16,750	3,360	4,090	5,470	3,830	6,180
2025	17,190	3,420	4,200	5,570	4,000	6,330
2026	17,720	3,500	4,370	5,710	4,140	6,510
2027	18,230	3,580	4,520	5,840	4,290	6,710
2028	18,700	3,650	4,650	5,950	4,450	6,900
2029	19,170	3,720	4,770	6,080	4,600	7,090
2030	19,650	3,800	4,890	6,210	4,750	7,280
2031	20,120	3,870	5,010	6,340	4,900	7,470
2036	22,570	4,260	5,640	7,050	5,620	8,390
2041	25,280	4,690	6,320	7,950	6,320	9,420
2046	28,550	5,230	7,050	9,130	7,140	10,650
2051	32,300	5,860	7,840	10,510	8,090	12,070

Many factors could knock the district off a high growth track:

- How long will supply chain issues last?
- Will a sharp correction in house prices constrain investment?
- Will inflation become entrenched, dampening confidence?
- Will the rebound in outward migration be stronger than anticipated?
- Will policy decisions be made that constrain growth?

The district must also contend with the looming threat of climate change to the agriculture sector.

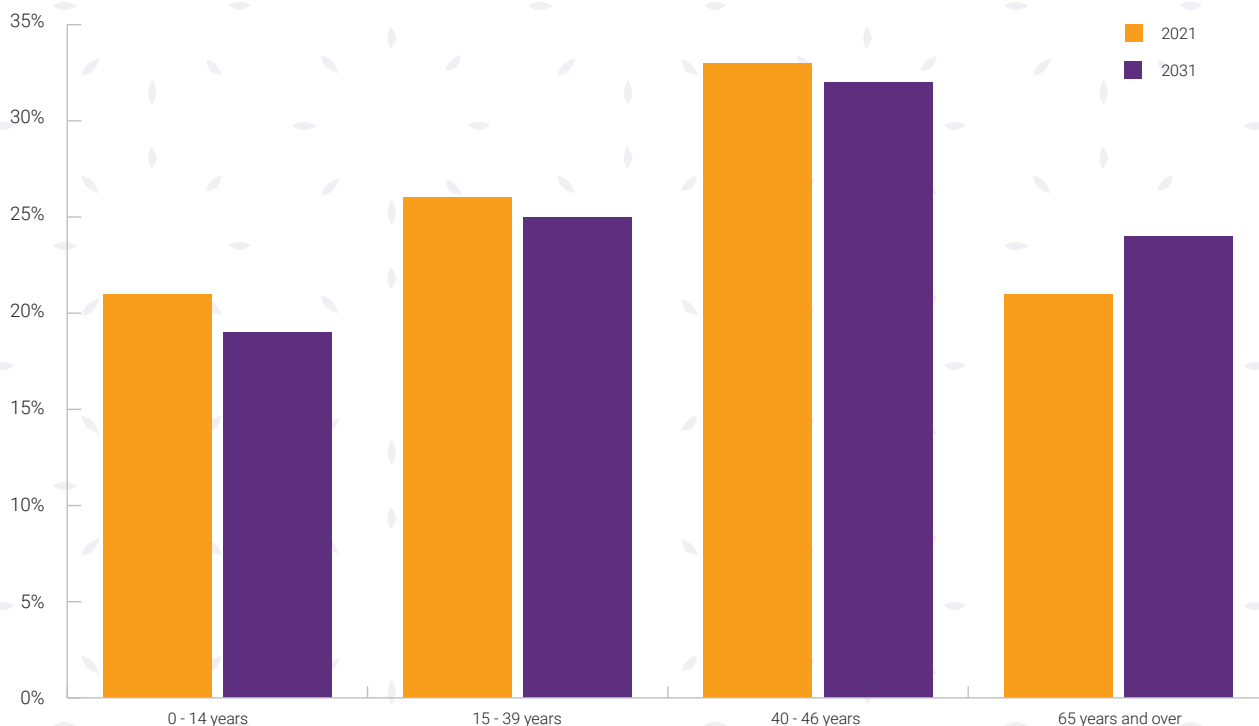


The population will age over the next ten years

A steady flow of working-age migrants and families will slow the increase in the average age.

Still, almost a quarter of the population is expected to be aged 65 and over, under the high migration scenario.

If migration is lower than anticipated the population will age faster. In 2021 3,300 residents were aged 50-64 (over 36% of the working age population).



Where will people locate?

Population growth in Waipukurau has lagged recently, averaging 0.9% per year since 2018. But there is plenty of land available to develop.

Otāne will likely remain popular with commuters.

Local buyers looking for affordable housing will likely spread out into areas like Takapau.

Commuters have higher average incomes and will demand diverse housing options, including rural retreats and lifestyle blocks on the city fringe.

Area	Population		
	2021	2031	2051
Waipawa	2,360	3,270	5,330
Waipukurau	4,660	6,100	9,980
Otāne ¹	790	1,250	2,370
Pōrangahau ¹	240	310	580
Takapau ¹	640	760	1,200
Central Hawke's Bay	15,600	20,120	32,300

¹ 2021 population for small areas estimated from 2018 census and partial indicators