



Projected Growth in the Clutha District

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Growth Assumptions Report prepared as part  
of the development of the Long Term Council  
Community Plan 2009-19



Clutha District Council  
[www.cluthadc.govt.nz](http://www.cluthadc.govt.nz)



## Background

As part of the process of preparing the 2009-19 Long Term Council Community Plan, Council has to state the underlying assumptions the plan is based around. A key issue is what growth, positive or negative, we think will take place, and where.

This report attempts to identify this for the ten year period from 2009 to 2019. The report concentrates on assumptions for the next six years, which are expected to be accurate in terms of population projections, unless there are some as yet unidentified major developments impact on this district. The projections included for 2012 to 2016 are a longer term prediction only.

Information used in preparing this report includes:

- Statistics New Zealand census and population projection data. As this is the nationally recognised source of population data, it has formed the 'starting point' for this report, but has then been adjusted to incorporate local knowledge;
- information on subdivisions and developments under way or recently approved;
- knowledge of proposed future subdivisions and developments (noting commercial sensitivity applies in some cases);
- information from Council's Activity Management Plans and staff; and
- feedback from the general public and community leaders.

Note that this is best assumptions, based on information we have at the time of putting together this report.

***“A key issue is what growth, both positive or negative, we think will take place, and where.”***





## District-wide Assumptions

### 1. Continued Strong Rural Economy

After a long period of poor returns, agriculture has had improved returns in different sectors since the start of the decade. During the last three years the dairy industry has outperformed all other agricultural sectors and its international market continues to grow. Dairy conversions continue to impact, for example, 14 applications relating to dairy sheds were lodged with the Clutha District Council between January 2007 and February 2008. Dairy development is also increasing the demand for water services particularly in the Pomahaka and Waipahi areas. In response to this an expansion of the Clydevale-Pomahaka rural water scheme is being evaluated. For the Waipahi area a new rural water scheme is under investigation.

The assumption for the coming three years is that dairy conversions will continue, sheep and beef returns will improve and deer returns, having improved recently, will remain at similar levels. Longer term, the assumption is that returns will remain generally steady overall through 2009 to 2016, although lamb returns are expected to grow.

Forestry is currently consolidating in terms of the markets. The exchange rate is gradually reducing, although shipping costs are likely to continue to rise. The industry is achieving productivity gains which will offset some of the negative effects of rising prices. The assumption is that returns will improve over the next three years and be steady overall after that, while log harvests will increase slowly through to at least 2020. From 2016 onward there will be an increased impact on Council costs as small forestry lots around the district reach harvest potential and some roads become subject to heavier vehicle use. These assumptions are based on Ministry of Agriculture & Forestry's Situation and Outlook for New Zealand Agriculture and Forestry 2007 plus local knowledge. It is important to note that actual returns will be highly affected by the exchange rate, climate, and rapidly increasing fuel costs, so will be more volatile than can be predicted here.

There will be a significant impact from the emissions trading scheme once that is implemented and applied to the agricultural sector. While New Zealand is a small contributor to global greenhouse gasses in absolute terms, it makes a large per capita contribution from the influence of pastoral livestock farming. There is currently a high degree of uncertainty on what the impact of the emissions trading scheme may be.

### 2. Tourism

Tourism has been through mixed fortunes, with strong growth in visitor numbers and nights in commercial accommodation through to the 2001/02 season, and a consistent decline since then. However, these figures are skewed somewhat by high use of temporary accommodation for construction and trade workers in 2000-2002, and changing accommodation patterns by tourists.

The sealing of the Southern Scenic Route through the Catlins has realised a trend toward ongoing growth in tourism.

In 2011 the Lawrence area will be celebrating the sesquicentennial of the gold find at Gabriel's Gully, which may increase numbers visiting in that year.

The long term trend assumed for the future is steady ongoing growth, which will probably be directly affected by increasing global fuel prices, and an increasing awareness by travellers of their own carbon footprint.



***“The assumption for the coming three years is that dairy conversions will continue, sheep and beef returns will improve and deer returns, having improved recently, will continue at similar levels.”***



## District-wide Assumptions

### 3. Declining Population

The Clutha District's current population at the 2006 Census was 16,839 (Statistics New Zealand, June 2006). The District's population had a net decrease of 1041 people, or 6%, between the 1991 and 2001 censuses. Between 2001 and 2006 the District declined by 333, or 1.9%. Statistics New Zealand (SNZ) predicts that decline will continue at a similar rate, so that by 2016 the population could be down to below 16,000. This reflects a national trend of population shifting from rural to urban. In June 2008, Statistics New Zealand published internal migration figures that are indicating a shift from the north (Auckland), south as far as Christchurch. This change in migration patterns may have implications for the Clutha District in the future.

There are likely to be pockets of population increase around desirable locations and new employment (i.e. Milton, Waihola, Catlins, Lawrence) plus within the recently built Otago Corrections Facility at Milburn.

While there is a strong community desire to have population stable or growing, at this point in time there are no indications that Clutha would go against the national trend, and underlying population decline is likely to continue.

It is also to be expected that the population will continue to age. The SNZ "medium" projection would see the proportion of the population aged below 15 decrease from 22.7% in 2006 to 20.1% in 2016, while the proportion aged over 65 increases from 13.4% to 17.9%



### 4. Changing residence patterns

The assumption that there will be a shift to lifestyle blocks in desirable locations outside of urban areas (coast, bush and town fringes) continues to hold weight, but is likely to be heavily influenced by rapidly rising fuel prices. A shift to smaller sections within urban areas (especially flat areas close to amenities) is expected to be a continuing trend. This shift is partly reflecting an aging population and also that other owners and developers are wanting smaller, lower maintenance lots.

### 5. Age Profile

**Clutha District population (Quick Stats about Clutha District, 2006 Census, SNZ)**

"Nationally, the number of older people (those aged 65 years and over) is projected to double between 2001 and 2026, with the fastest increase occurring after 2011. The increase in older people is due to both longer life expectancy and more importantly, the large number of people born after World War II entering these ages." (Subnational Population Projections 2001 (base) – 2026 Update, 28 February 2005).

In the Clutha District, the median age (half are younger and half older than this age) is 38.8 years. For New Zealand as a whole the median age is 35.9 years.

13.4 percent of people in the Clutha District are aged 65 years and over, compared with 12.3 percent of the total New Zealand population.

22.8 percent of people are aged under 15 years in the Clutha District, compared with 21.5 percent for all of New Zealand.

***"Nationally, the number of older people (those aged 65 years and over) is projected to double between 2001 and 2026 ..."***



## District-wide Assumptions

### Māori ethnic population (QuickStats about Clutha District, 2006 Census, StatisticsNZ)

1,482 Māori usually live in Clutha District, an increase of 159 people, or 12.0 percent, since the 2001 Census.

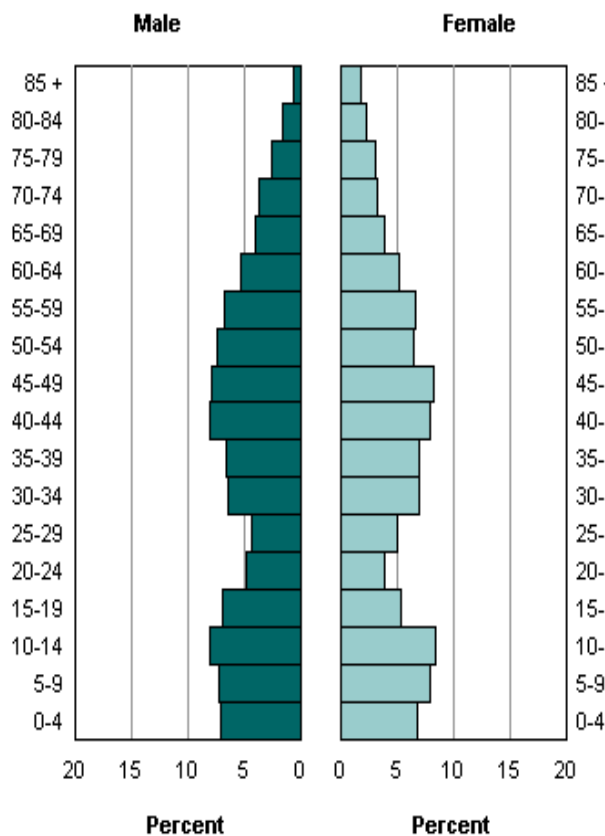
The median age of Māori (half are younger, and half older, than this age) is 21.8 years in Clutha District, compared with a medium age of 22.7 years for all Māori in New Zealand.

2.8 percent of Māori are aged 65 years and over in the Clutha District, compared with 4.1 percent of New Zealand's Māori population.

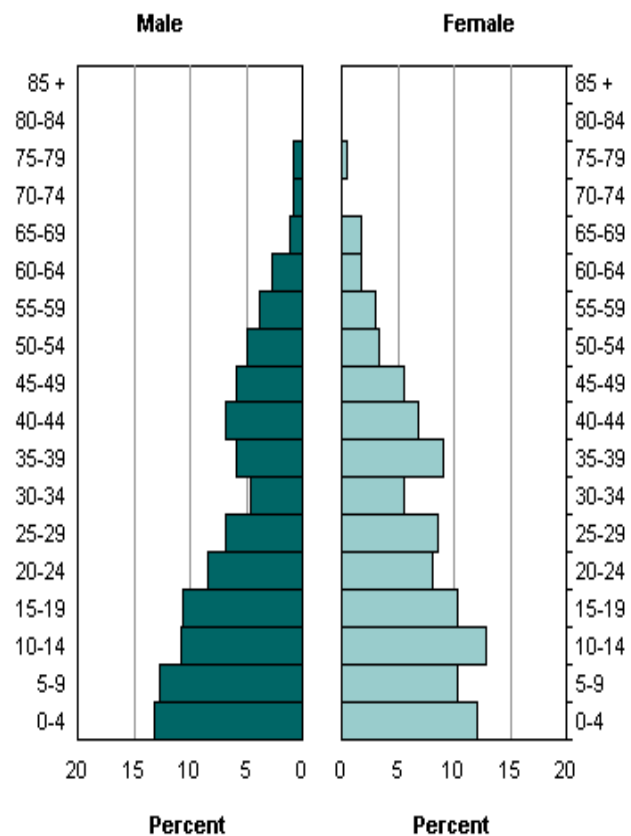
36.0 percent of Māori in Clutha District are aged under 15 years, compared with 35.4 percent of all Māori in New Zealand.

Viewing the graph of total Clutha population (below), it can be assumed that the district's population is going to continue to age over the next ten years but the percent may then even out. The major influences will be a continuing healthy birth rate in some sectors of the population, and the number of young people who leave the district for training and education, and do return.

**Total Population (Age group and sex)  
Clutha District, 2006 Census)**



**Maori Population (Age group and sex)  
Clutha District, 2006 Census)**





# Community-specific Assumptions

## 1. Balclutha

Balclutha is the administrative and servicing centre of the District. However, the dominant employment is in processing, at the Silver Fern Farms Finegand meat plant and the Fonterra Stirling cheese factory. A key assumption is that both of these major employers will continue to operate with similar staffing levels as at present.

While there has been considerable construction activity in Balclutha in recent times, it has been a mix of upgrading the housing stock and expansion. Some new subdivision has occurred and more is possible, which will help counter the trend of gradual population decline.

For Balclutha the Total Usually Resident population in 2006 was 4,062 people. This is a decrease of 42 people or 1.0% since the 2001 Census.

**Population Assumption:** 2011 4010; 2016 3900; 2021 3780

***“Some new subdivision has occurred and more is possible, which will help counter the trend of gradual population decline.”***

## 2. Clinton

Clinton has seen population decline and loss of services for some years. No expansion of the township is anticipated and the current trend of population decline must be assumed to continue. Although the township population is expected to decline, it is interesting to compare this with the potential dairy development in the the near-by Pomahaka and Waipahi areas.

The Clinton Total Usually Resident population in 2006 was 294 people. This is a decrease of 27 people, or 8.4% since the 2001 Census.

**Population Assumption:** 2011 290; 2016 280; 2021 260



## 3. Kaitangata

A number of Kaitangata residents work in Balclutha at the Silver Fern Farms Finegand or Fonterra Stirling plants. However, it also still serves the adjacent coal mine. Population has been declining (11% loss between 1991 and 2001 censuses) and for many years the property market was very weak. These problems have been compounded by the township being spread out and so having a relatively large infrastructure for its population, which puts pressure on rates.

Population increase in Kaitangata is desirable (sections are available, there is spare capacity in existing infrastructure and it would reduce rates) and there has been a population increase in the period between the 2001 and 2006 census. Although house sales have improved dramatically in the last few years, little new (infill or extension) construction is occurring.

Kaitangata has seen a major increase in community development activity in recent times as a result of the higher profile of Kaitangata Promotions, due to the employment of a community coordinator. These developments have seen a strong, positive profile emerge for the Kaitangata area as the Promotions group increases events and promotional activity.

The Kaitangata Total Usually Resident population in 2006 was 810 people. This is an increase of 18 people, or 2.3% since the 2001 Census.

**Population Assumption:** 2011 780; 2016 770; 2021 760





## Community-specific Assumptions

### 4. Kaka Point

Kaka Point saw a significant property boom especially for coastal and native bush properties, but this has slowed in recent times.

Some subdivision and new building along the coast is occurring and likely to continue, but these are rural lifestyle properties rather than expansion of the township itself.

The Kaka Point Total usually Resident population in 2006 was 201 people. This is a decrease of 15 people or 7% since the 2001 Census.

**Population Assumption:** 2011 210; 2016 200; 2021 200

***“Some subdivision and new building along the coast is occurring and likely to continue ...”***

### 5. Lawrence

After also going through decline in past years (population loss of 11% between 1991 and 2001) Lawrence has had a positive profile with residents and visitors alike. However, while the township offers a café-culture, with several in the town, increasing fuel prices is expected to continue to have a significant effect on the behaviour of the travelling public. Anecdotally, vehicle traffic through the township has decreased significantly, and is expected to decrease further.

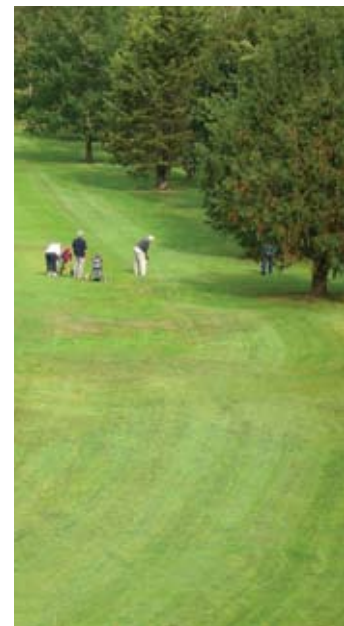
Presently there is capacity for expansion in both water and sewage services (after provisions were made in the 2006/16 Long Term Council Community Plan). Connection costs to both services are regarded as reasonable. Ratepayers have shown a willingness to contribute where there is demonstrated potential for further growth.

There is some scope for infill development within the existing reticulation, but sites that have not yet been developed are generally less desirable.

On a positive note, the major employer in the town is Tuapeka Gold Print, New Zealand’s largest pen supplier. The company employs 65 staff and manufactures and prints pens and other merchandise for companies all over the world. In time there are plans to double the size of the company and build a new state of the art processing factory.

The Lawrence Total Usually Resident population in 2006 was 432. This is a decrease of 42 people or 8.6% since the 2001 Census.

**Population Assumption:** 2011 440; 2016 430; 2021 410



***“After going through decline in past years ... Milton has recently become a hotbed of activity.”***

### 6. Milton

After going through decline in past years (population loss of 8% between 1991 and 2001 censuses) Milton has recently become a hotbed of activity. Further development is almost inevitable given the combination of affordable flat land, good transport infrastructure, proximity to Dunedin and Port Otago and the shortage of suitable land for industrial development in Dunedin. However the total Usually Resident Population in 2006 was 1,887 people which is a decrease of 30 people, or 1.6%, since the 2001 Census. This reflects that a number of people commute to the greater Milton area for employment but live north of the Clutha District boundary in the greater Dunedin area. However, increasing transport costs may start to impact on this and there may be an increase in the number of employees work and live in the town and closer surrounds.



## Community-specific Assumptions

There is capacity to supply both water and sewer services north of Milton but in some areas it will require extension of pipelines and possibly some sewage pre-treatment. It also appears likely that the types of industry to come into this area will be commercial / light industrial and will not require significant water or sewerage services. This is based on interest from developers to date and the fact that this type of development will fit better with the existing residential and lifestyle properties in the area.

However, there will be pressure on the roading infrastructure. State Highway One is a Limited Access Road through this area and any major new access points will need to be well planned.

The commercial development outlined above has also given rise to strong interest in housing in the area. The current developments may bring an extra 200-250 jobs into the area by 2010, but it is very unlikely that there will be housing available (or sought) for all of those people. However, assuming 100 of these new workers are in Milton by 2010 there will have to be significant new housing developed. There is some potential for infill, but the majority of new houses will have to be outside the existing urban area. By 2016, even without any further new developments we can assume 200-250 new workers living in the Milton area.

As far as the location of new residential developments, the easiest to service would be Tokoititi due to its proximity to water and sewerage infrastructure. However, indications from professionals involved in development and real estate are that demand will be elsewhere – Helensbrook, Springfield and nearby rural lifestyle areas.

**Population assumption:** 2011 2195 (incl 335 prison); 2016 2,320 (incl 500 prison). Note that if other new major employers establish in the Milton-Milburn area over this period then the population growth could be significantly greater.

### 7. Owaka

Owaka has benefited from being the “Gateway to the Catlins” and the expectation is for ongoing tourism growth, with increased visitor/seasonal population and new commercial developments. The degree to which transport costs might impact on tourism growth for Owaka and the Catlins is unknown at this stage.

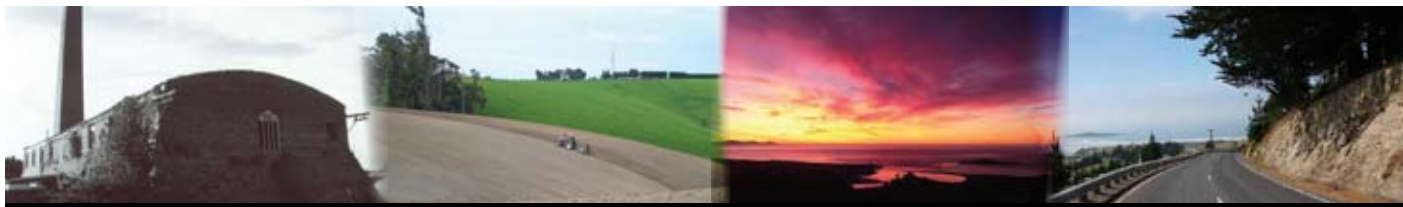
While an increase in tourism in recent times has created some new jobs and firmed up the servicing and retail sectors in general, it has not led to increased population. Indications based on current developments are that there will be little expansion of the township, but there is likely to be lifestyle property development in surrounding rural land especially in coastal and bush areas.

The Owaka Total Usually Resident population in 2006 was 327 people. This is a decrease of 39 people or 10.7% since the 2001 Census.

**Population Assumption:** 2011 330; 2016 320; 2021 310



***“... the expectation is for ongoing tourism growth, with increased visitor/seasonal population and new commercial developments.”***



## Community-specific Assumptions

### 8. Stirling / Benhar

These two nearby small townships are satellite communities of Balclutha. Neither has seen any particular development pressure and continued slight declines in population appear likely.

However, it is important to note that Benhar has a significant problem with disposal of septic tank effluent, which could threaten Benhar's survival if an affordable solution cannot be found. At present this is restricting development and land use options for property owners. At this stage the assumption is that the issue will be resolved to allow existing housing to remain. If the issue cannot be resolved it is likely that Benhar would have to change to lower density rural-residential properties, with a portion of the population relocating elsewhere.

The Benhar Total Usually Resident population in 2006 was 96 people. This is a decrease of 21 people or 17.9% since the 2001 Census.

**Population Assumption:** 2011 100; 2016 100; 2021 100

Stirling is the home of Fonterra Stirling, a cheese factory which is also a steady employer in the District.

The Stirling Total Usually Resident population in 2006 was 309 people. This is an increase of 15 people or 5.1%, since the 2001 Census.

**Population Assumption:** 2011 310; 2016 300; 2021 300



### 9. Taieri Mouth

Taieri Mouth is a small community which has developed in a strip along the coast for approximately 1km north of the Taieri River bridge and 3km south. There are no reticulated services, and no current plans to install them.

There has been recent subdivision development adjacent to the existing township and along the coastal strip to the south. In a number of cases there have been multiple redivisions of an original property, to the stage where the cumulative effect is approaching semi-residential in nature.

It is expected that demand for coastal subdivision in this area will continue and there will be continued pressure to divide into smaller lots. However, the dimensions of the township make it very expensive to reticulate (Taieri Mouth is longer than Milton but only a few properties deep). Therefore, it is assumed that reticulated services will not be provided in the short to medium term as there has been no demand for services to date.

It is also expected that tourism in the township will increase, with increasing popularity of the Southern Scenic Route and the recent sealing of Finlayson Road. Taieri Mouth all ready has a committed holiday and weekend population which regularly swells the number of residents in the township.

**Population assumption:** The population of Taieri Mouth is not directly available from census figures. For this report the assumed population of Taieri Mouth has been based on the electoral roll. Because the electoral roll only accepts registrations from residents 18 years and older, there has been further extrapolation, and it is assumed that the population of the township will slowly increase from the current approximately Usually Resident Population of 220.

***“It is expected that demand for coastal subdivision in this area will continue and there will be continued pressure to divide into smaller lots.”***



## Community-specific Assumptions

### 10. Tapanui

Tapanui has also seen population decline in recent years, along with mixed fortunes for the major local employers in the bulb and wood industries. No expansion of the township is anticipated and indications are that the current trend of population decline will continue.

Positive signs for the town include the opening of a Combined Rural Traders retail store in May 2007. This is a significant investment based on the expanding dairying industry, as is the opening of a new Kidzway Early Learning centre which opened early 2008.

With the dairying conversions the population demographics have changed considerably. Dairying affects up to 20% of the population make up. While dairying is bringing more people to the district, these people tend to work long hours and can be quite disconnected from the local community.

A new development is likely to come on stream in Tapanui in the next twelve months that has the potential to stabilise aged care and general medical services in the West Otago area.

The Tapanui Total Usually Resident population in 2006 was 744 people. This is a decrease of 102 people, or 12.1% since to 2001 Census.

**Population Assumption:** 2011 700; 2016 670; 2021 650

***“While dairying is bringing more people to the district, these people tend to work long hours and can be quite disconnected from the local community.”***

### 11. Waihola

Population within the township area grew from 231 in the 2001 census to 249 in the 2006 census, and is estimated to now be 270. At the same time there has been considerable subdivision and building in the rural areas outside the town itself. This has been driven by Waihola’s desirable location and proximity to Dunedin.

Improvements to deliver increased water supply to the township are currently underway, and this will free up the potential for existing vacant sections to be developed. Potentially up to fifty new sections could be developed within the reticulation area of existing services, with up to another fifty in the surrounding area.

There has been recent extension of water and sewer services at the northern end of the township around Titri Road and George Street. While this work has been done as part of subdivision developments, the infrastructure becomes part of Council’s network and so is available for further new connections.

It is clear that there will be further lifestyle property development – mainly along the lake (Titri Road to the north, Lakeside to the west, and Surrey Bay / Surrey Heights to the south), but there will also be lower-density development to the east off Finlayson Road.

**Population assumption:** 2011 280; 2016 310; 2021 350

Also note that in recent years the population in lifestyle areas adjacent to the town has increased by around 30 people, and there is potential for this to increase by another approx 50 by 2016.





## Population Summaries

**Table: Population Summary for the Clutha District from 1991 Census to Census 2006**

Area	2006 Census	2001 Census	1996 Census	1991 Census
Benhar	96	117	117	147
Stirling	309	297	321	315
Bruce	2,658	2,589	2,706	2,649
Bruce excl Waihola, Taieri Mouth	2,088			
Waihola	270			
Taieri Mouth	300			
Milton	1,887	1,917	2,016	2,088
Kaitangata	810	789	864	882
Clinton	291	321	345	387
Kaka Point	201	216	252	219
Owaka	327	366	402	426
Clutha	3,255	3,333	3,429	3,531
Balclutha	4,062	4,107	4,140	4,209
Tuapeka	1,761	1,803	1,992	2,010
Tapanui	744	843	882	819
Lawrence	432	474	540	534
<b>Total</b>	<b>16,839</b>	<b>17,172</b>	<b>18,006</b>	<b>18,213</b>

NOTE: Population numbers by township and ward may not add up to the District total because Statistics New Zealand round numbers up and down at random to prevent individual(s) being identified in small counts.

**Table: Area Unit Population Projections - 2006 (base ) –to 2021**

Area	Low Projections				Medium Projections			
	2006	2011	2016	2021	2006	2011	2016	2021
Clutha District	17200	16700	16100	15400	17200	17100	16850	16550
Benhar	100	100	90	90	100	100	100	100
Stirling	320	300	280	260	320	310	300	300
Bruce	2720	3080	3070	3060	2720	3140	3200	3250
Milton	1930	1810	1740	1640	1930	1860	1820	1760
Kaitangata	830	760	730	700	830	780	770	760
Clinton	300	280	260	240	300	290	280	260
Kaka Point	210	200	190	180	210	210	200	200
Owaka	330	320	300	290	330	330	320	310
Clutha	3340	3170	3080	2980	3340	3250	3230	3210
Balclutha	4140	3920	3720	3510	4140	4010	3900	3780
Tuapeka	1800	1650	1560	1440	1800	1690	1630	1550
Tapanui	760	680	640	590	760	700	670	650
Lawrence	450	420	400	370	450	440	430	410

Note that all population projection figures are based on 2001 Census figures. These will be updated when figures based on Census 2006 become available.



## References

Information comes from a variety of sources as outlined at the start of this report. Published sources are listed below.

Statistics New Zealand, 'Quick Stats about Clutha District, 2006 Census'.

Statistic New Zealand, 'Subnational Population Projections 2001 (base) – 2026 Update, 28 February 2005).

Ministry of Agriculture and Forestry's Situation and Outlook for New Zealand Agriculture and Forestry 2007

Southern Wood Council presentation to Clutha District Council, Thursday 29 May 2008.