

Ageing population

The most important fact about the 21st century may well be that it is the century in which global (human) population peaks and begins to fall. It is essential that regions and organisations in them revisit their policies and plans and the principles on which they are based, to ensure they are appropriate for an ageing population – but importantly, one within which there are younger and older populations, each with different needs and opportunities.

What we're seeing

Global Population Growth

The UN estimates the global population to reach 8.5B by 2030, 9.7B by 2050 and 10.9B by 2100, from 7.8B today, although the growth rate will slow. These well-known figures underpin our assumptions in NZ about the availability of future migrants and the growth of export markets. However, these numbers are coming under scrutiny, and therefore so must our local assumptions.

Employment Impacts

Many occupations in NZ are experiencing or approaching a crisis of supply. Most reflect a significant increase in average age and declines in the ratio of those entering the workforce to those leaving. Even pre-Covid, these trends were unlikely to be overcome by increasing birth rates or immigration. This is because the numbers required to offset structural ageing are too large.

'Peak Human' May Be Close

Humans are reaching a pivotal point as the number of children worldwide peaks due to a halving of the overall fertility rate in the last 50 years. Hence, the ratio of those at working-age rising sharply relative to the dependent young and old is likely to reverse. Some suggest this will occur faster than the UN figures suggest, driving significant economic challenges.

Ongoing Covid Influence

Levels of international immigration are now directly linked to the pandemic response. In 2021, the 20 countries with the highest number of COVID-19 cases accounted for 33% of total migrants. There also appears to be some evidence that the pandemic is suppressing birth rates. How the pandemic plays out over the medium term will determine if these numbers recover.

NZ: Ageing & Not Replacing

In 2020 NZ's fertility rate dropped to a historic low of 1.61 births per woman and well below the population replacement rate of 2.1. As deaths rise faster than births, the annual natural increase (births minus deaths) will likely decrease from the 26,000 seen last year. This number is anticipated to drop under 20,000 by the late 2030s.

Communities Ill Prepared

Regional NZ towns are unlikely to grow as national population growth slows. Demographers argue strongly that local organisations must adapt to a future of below-replacement fertility, ageing, and declining immigration. Effective strategies will note the ongoing trends and focus on improving the quality of life rather than attempting to slow long-term population decline.

Potential implications

Create (e.g. technology & processes to produce goods & services)

- Continued workplace innovations to automate & substitute people.
- Expanding services to support individuals to maintain health and independence.

Relate (e.g. social structures & relationships)

- Growing potential for multi-generational sports.
- Increasing numbers living in inter-generational arrangements.

Consume (e.g. how we acquire goods & services)

- Focus on quality of living beyond product acquisition.
- Reduction of material consumption as older generations tend to buy less.

Degrade (e.g. waste, social disruption, challenge to norms)

- Growing time/finance pressure on the employed supporting multiple generations.
- Mental health challenges may increase as social structures placed under pressure.

Connect (e.g. practice of connecting people, places & things)

- Focus on active recreation as a platform to strengthen communities.
- Varied public transport and urban spatial arrangement needed to ease mobility

Define (e.g. changing ideas used to define ourselves & the World)

- 'Retirement' becomes outmoded beyond traditional careers and pensions.
- New perspectives of work take hold (e.g. the increase of work sharing).

More information (links)

- [World Population Prospects 2019: Highlights](#)
- [Trend Deck 2021: Demographics](#)
- [The human population curve is on the move](#)
- [Demographic Forces Shaping the Post-COVID World](#)
- [Demographic Disruption Ahead - The Challenge of a Declining Global Population](#)
- [New Zealand birthrate sinks to its lowest ever](#)
- [National population projections: 2020 \(base\) – 2073](#)
- [Evaluation of demographic profiles of selected industries & occupations](#)
- [Ageing Populations & Regional Decline](#)
- [Annual net migration lowest since 2012](#)
- [Migration data relevant for the COVID-19 pandemic](#)
- [An Early Look at the Impact of the COVID-19 Pandemic on Demographic Trends](#)
- [McMillan, R. C. \(2015\). Anticipating subnational depopulation](#)
- [Future Fertility Fantasies](#)
- [Boomers & babies – our population transforms](#)