

# Break O'Day Local Government Area: Profiling the population and change 2004 to 2034

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A REPORT AND PRESENTATION FOR THE BREAK O'DAY COUNCIL PREPARED BY

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# Overview

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Understanding population change

Population change in Tasmania

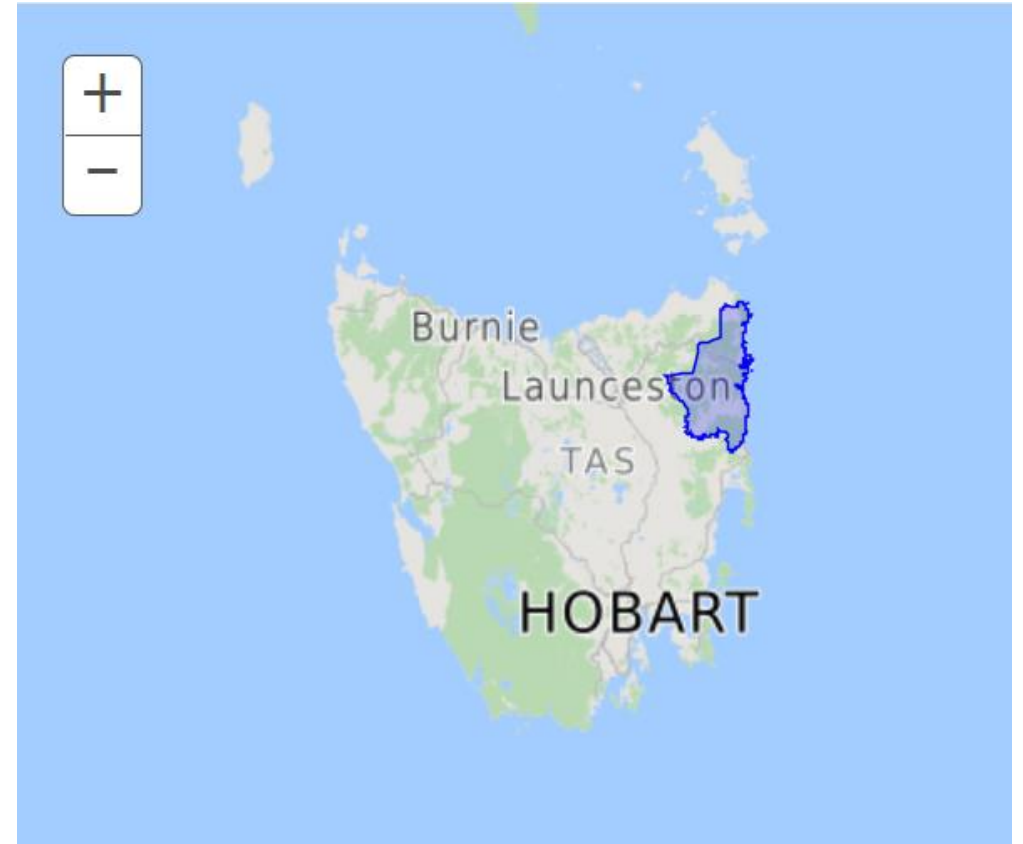
Break O'Day Local Government Area profile

- Population change
- Population projections
- ABS 2016 Census snapshot
- ABS 2016 Census profile of movers and leavers

COVID-19 and population change

Policy responses to population ageing and projected population decline

Economic opportunities and population ageing



# Population change: the process

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Population change is a function of:

- 1) the population age structure
- 2) migration

The balance between births and deaths is an indicator of future demographic development.

Size and age structure of a region is largely a function of migratory movements.

The age profile of migrants can aggravate demographic imbalances.

Population change is driven by individual decisions:

- 1) whether to have a child (and how many to have)
- 2) whether to relocate

These decisions are underpinned by economic opportunity and lifestyle choice.



# Types of population change: growth trajectory

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## Natural increase – more births than deaths

- ❖ Better able to predict demand for infrastructure, services and amenities
- ❖ Enables greater longer term planning and fiscal sustainability

## Migration-led growth

- Many contributors – internal, overseas (students, skilled, family, NZs)
- Unpredictable, higher risk, uncertain, more volatile
- Increased demand on infrastructure, services and amenities
- Difficult to plan for
- Harder to project future population size and structure

## Sustainable growth

- Balance between natural increase and migration (40/60)
- A rate of growth which is maintainable over the long term, better able to be planned for and serviced appropriately without negative impact; fiscal, environmental, social and so forth



# Types of population change – decline trajectory

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**Decline – ‘old’ depopulation** - Natural increase is less than net migration loss

- ❖ possible to reverse depending on age structure and with right policy intervention
- ❖ policy needs to adapt to changing needs of population

**Decline – ‘new’ depopulation** - Natural decline is greater than migration gains

- unlikely to ever achieve longer term growth
- policy approach needs to cater to shrinking population and changing needs

**Absolute decline** - Natural decline and net migration loss

- unlikely to ever reverse or achieve population growth
- policy approach needs to cater to shrinking population and revenue base and changing needs

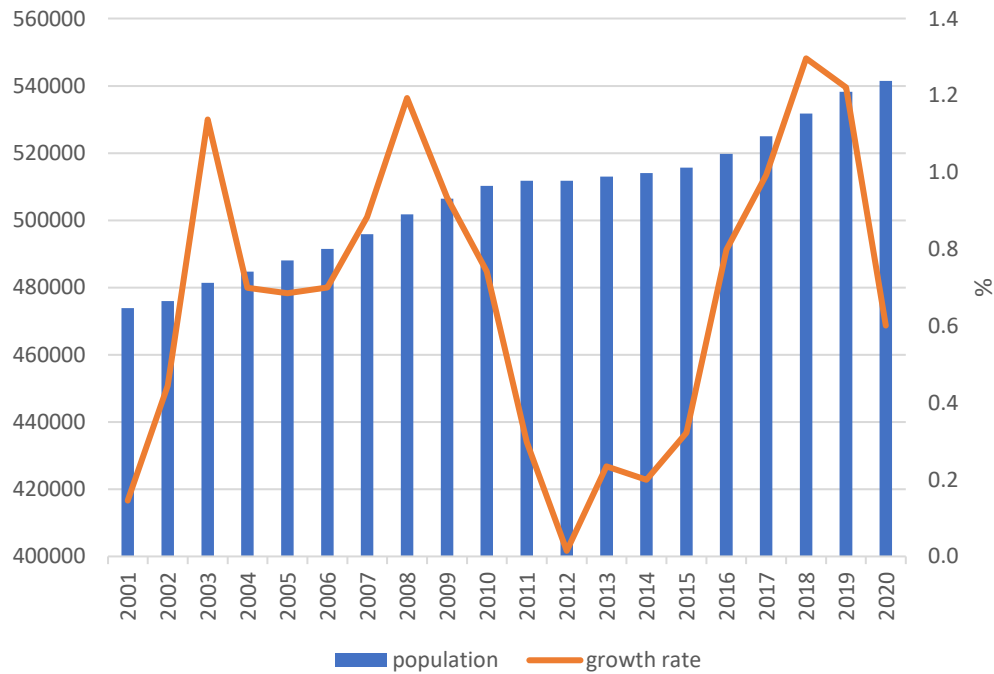
## **Cusp of Decline**

Very low rates of population growth, hyper-ageing, natural decline, variable migration

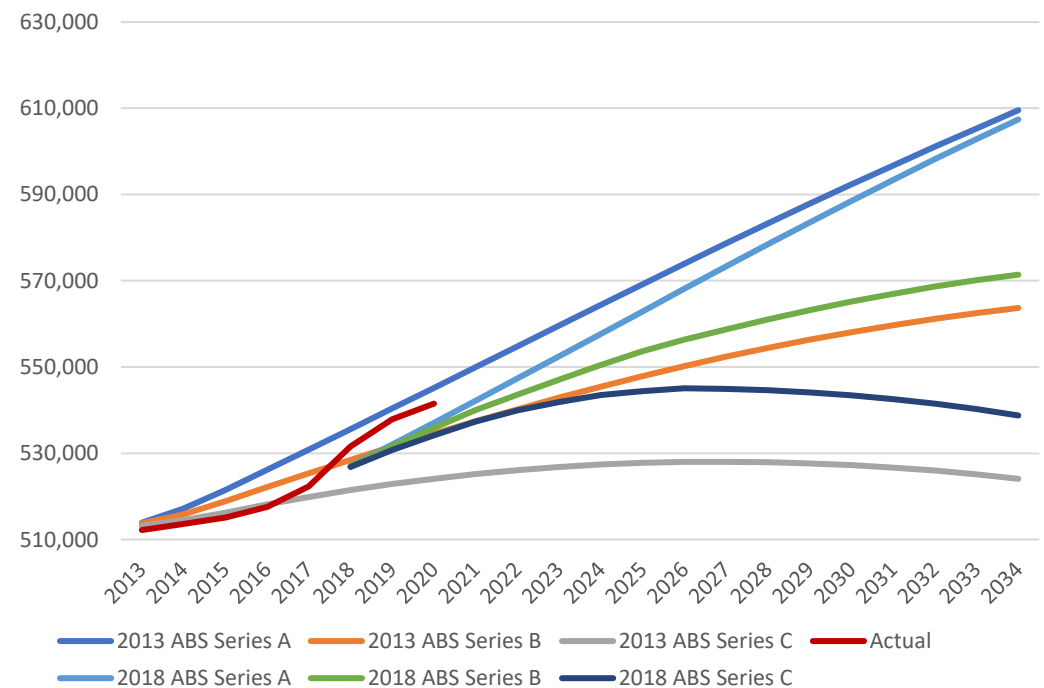
- Policy needs to be place-based with local lens

# Tasmania's population

TO DECEMBER 2020



PROJECTED POPULATION



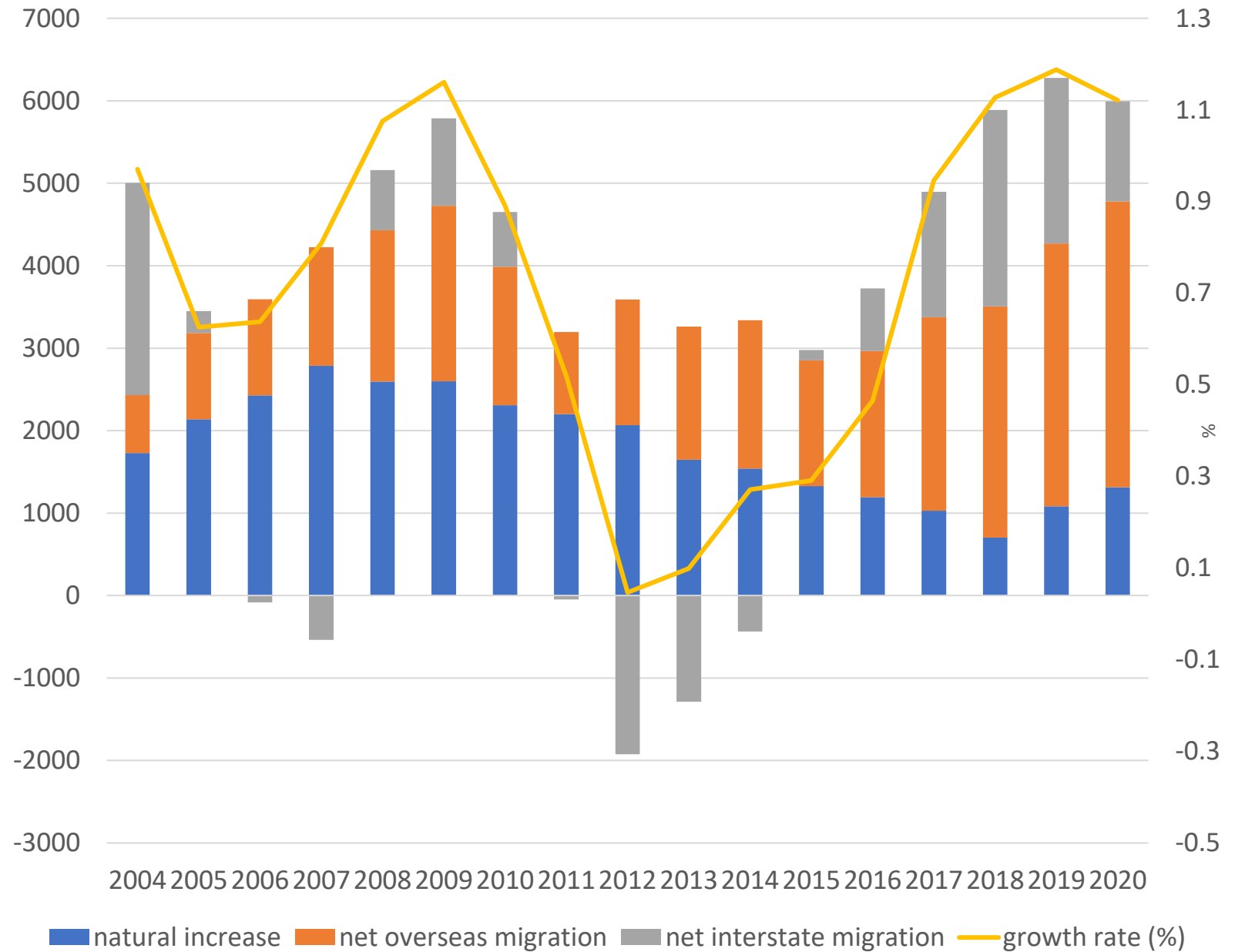
Source: ABS, National, state and territory population, June 2020; ABS Population Projections.

# Tasmania: Components of population change

Tasmania has been experiencing strong population growth rates since 2016, with a slight decline in growth for the year ended 30 June 2020.

Migration contributes the highest proportion to population growth – around 80% for the past 3 years, overseas migration contributing around 60% and interstate migration around 20%.

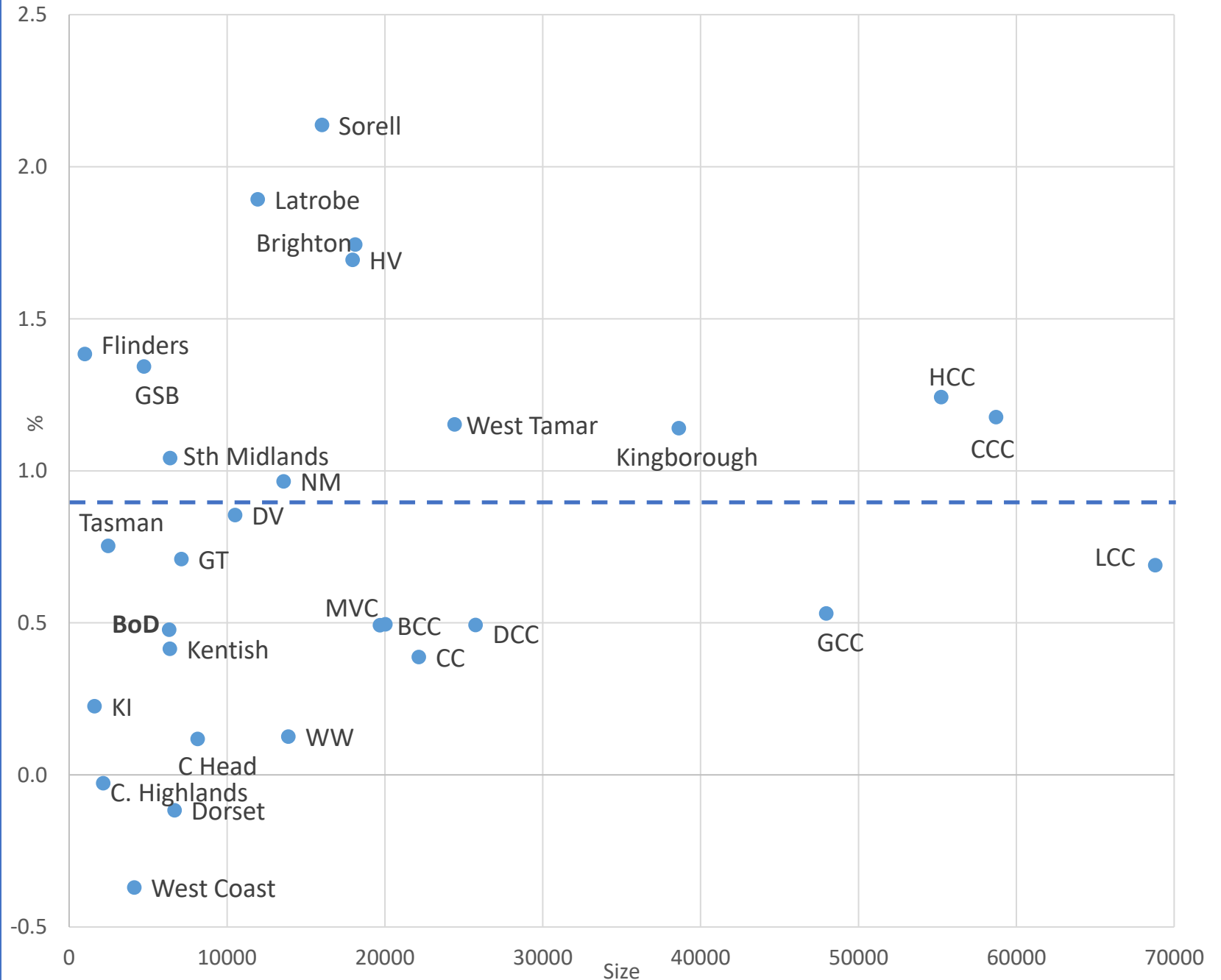
Natural increase (more births than deaths) contributed around 20% for the year and has been increasing since 2018, reflecting a slight change in the age profile of migrants to the state with higher gains of those aged 25 to 44 years.



Source: ABS, National, state and territory population, June 2020.

# Population Change by LGA to FY 2020 – 5 year average (%)

- Tasmanian average growth rate 0.9% p/a
- 3 LGAs declined over the year to 2020
- 3 LGAs in decline 5 year average
- 10 LGAs in decline 10 year average
- Break O-Day
  - 0.9% to 2020
  - 0.5% p/a 5 year average
  - -0.2% p/a 10 year average



Source: ABS, Regional population, 2019/20.



# Population ageing

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- Population ageing is a global phenomenon caused by lower fertility rates and longer life expectancy
- At a regional level, population ageing is also caused by migration – the age profile of those leaving a region and those arriving in a region
- Population ageing heralds the end of population growth and the start of depopulation.
- A region can be growing and ageing at the same time
- The tipping point is when ‘hyper-ageing’ is reached
  - When more than 20% of the population is aged over 65
  - Considered the point of no return in terms of growth
- Depopulation occurs first at a regional level before becoming a state and then national issue.
- Eventually, population decline will be unavoidable

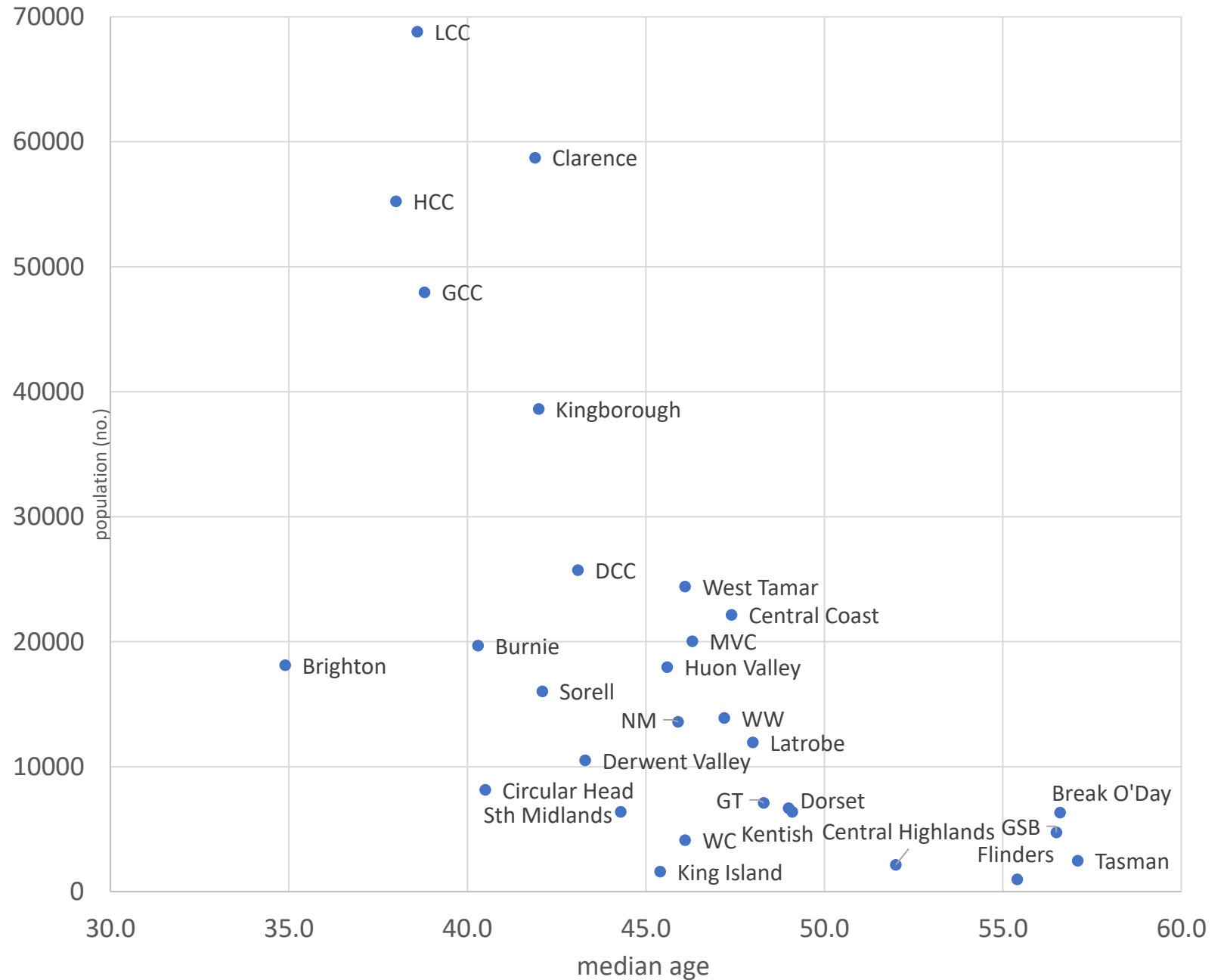


# Population Ageing

Tasmania's median age – 42.3 years

Break O'Day

- Median age 56.6 years
- Second oldest LGA
  - jumped from third oldest in 2019
- Fourth fastest ageing (5 year average)
  - Jumped from fifth fastest in 2019
- Will be oldest LGA by 2024 if same rate of ageing continues
  - Based on 2019 average rates of ageing, Break O'Day would have been the oldest by 2026



Source: ABS, Regional population by age and sex, August 2021.

# Break O'Day ABS 2016 Census snapshot

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- Over half the population lived in 3 towns; St Helens (33.8%), St Marys (11.2%) and Scamander (10.5%)
- Over half were couple families without children (57.4%)
- Over a quarter were couple families with children (28.1%)
- 921 people lived alone (35.5% of all households)
- Around 3 in 5 private dwellings were the usual place of residence for ratepayers
- 2 in 5 people aged over 15 worked or were looking for work (41.4%)
  - Of those working, 2 in 5 worked full time (41.1%)
  - 8.7% worked from home (168 people)

## Top 3 industry sectors

1. Accommodation and Food Services
2. Retail
3. Health Care and Social Assistance

Top 5 employing industry sub sectors: pre-school and school education; agriculture; accommodation; food and beverage services; food retailing

## Top 6 occupations:

1. sales assistants
2. hospitality
3. retail and service managers
4. carers and aides
5. farmers and farm managers
6. education professionals

# Break O'Day: Population profile

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- The population has returned to growth trajectory since 2016 after a period of decline from 2011
- Migration, predominantly internal, is the source of growth, with natural decline (more deaths than births) offsetting growth
- The 65 to 84 years age group has been growing over 4% per annum for past 10 years, all other age groups declined in size, except those 85+
- Second oldest LGA (median age of 56.6) and fourth fastest ageing LGA in Tasmania, projected to be oldest by 2024
- Experiencing hyper-ageing – 31.9% aged over 65
- Projected to be in absolute decline by 2034
- By 2034, 47% of the population will be aged 65+



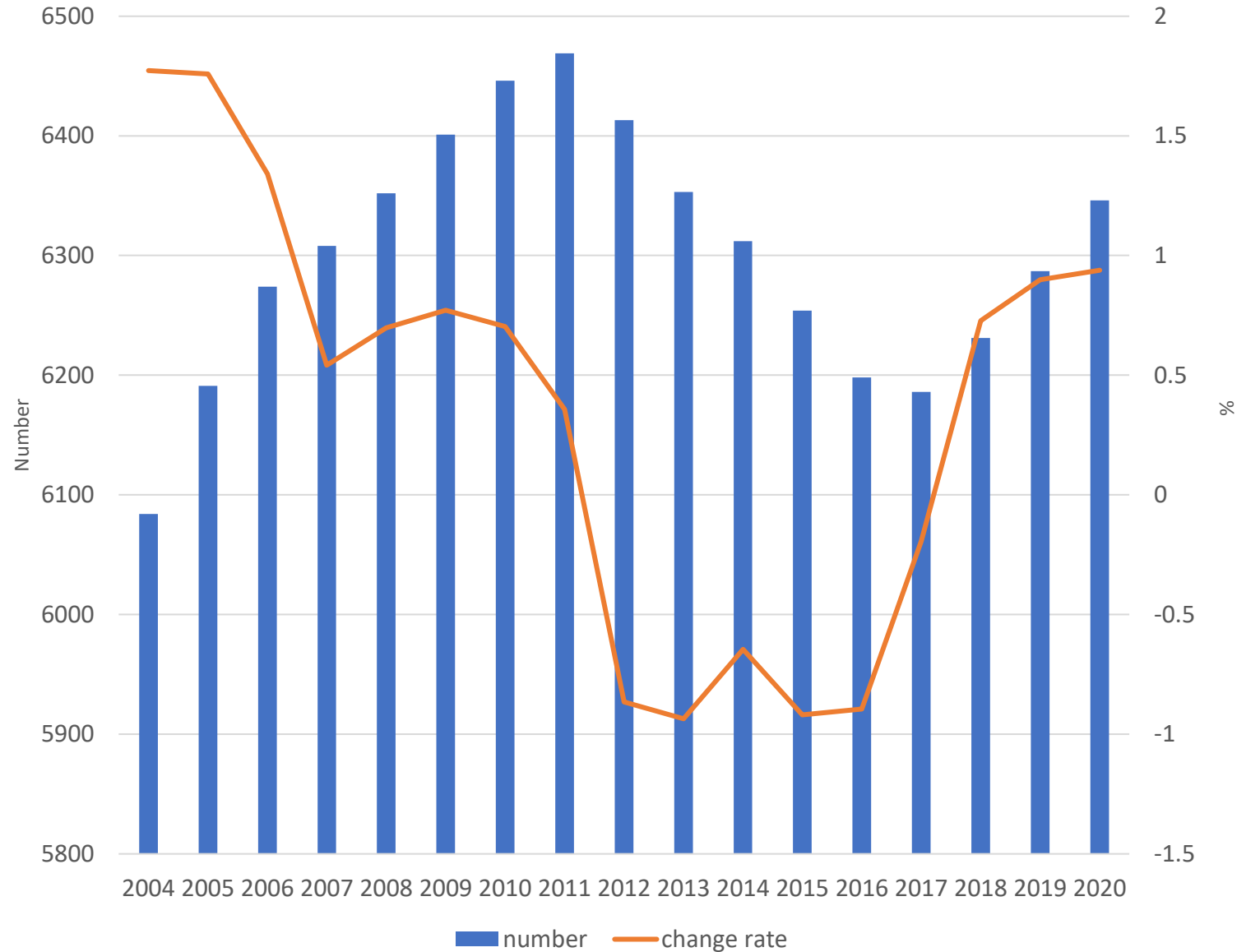
# Break O'Day Population

The population has resumed a growth trajectory since 2017 after a period of decline from 2011 to 2016.

The growth rate for the year to 2020 was 0.9%, the highest since 2006.

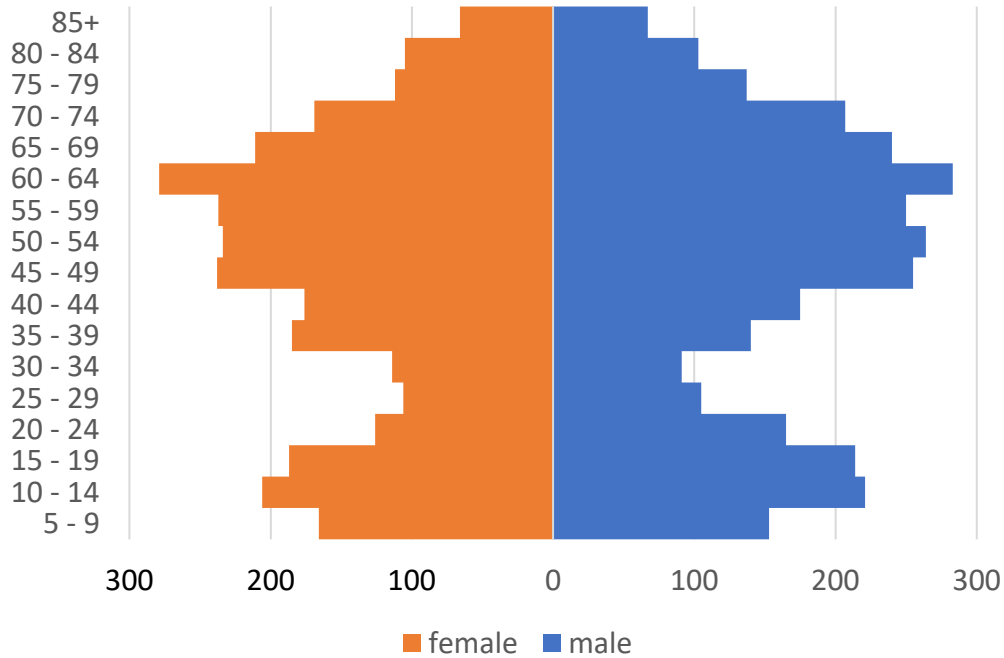
Two factors contribute to population change:

- 1) Population age structure (distribution of the population by age and sex)
  - Influences number of births and deaths – natural increase/decline
- 2) Migration – inward and outward by age and sex
  - Influences the shape of the age structure

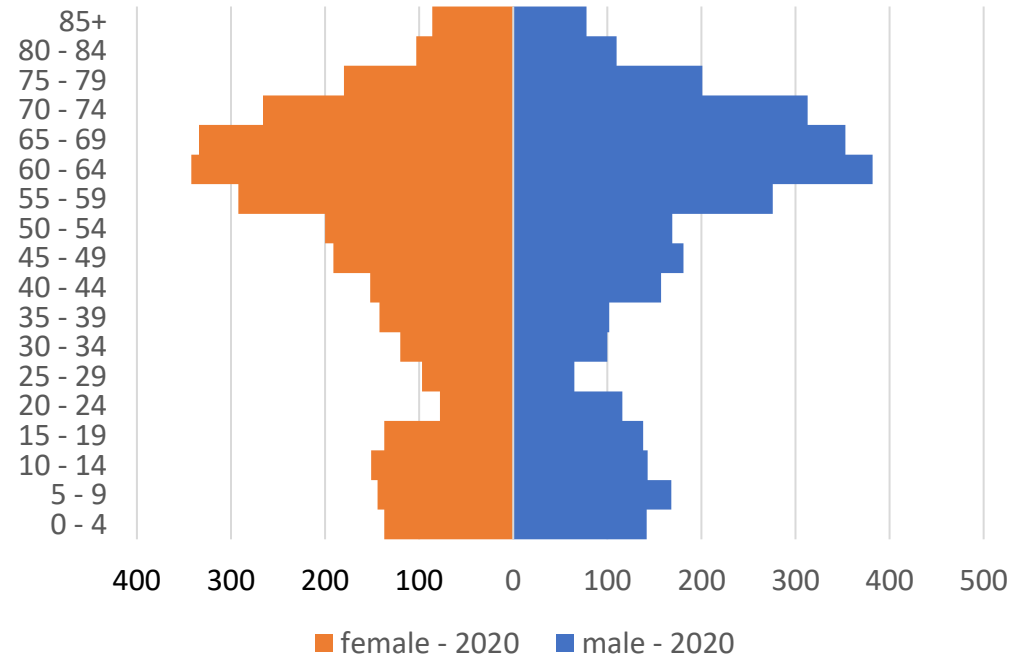


# Population age structure

2004 (NO. 6,084)



2020 (NO. 6,346)



Source: ABS, Regional population by age and sex, August 2020.

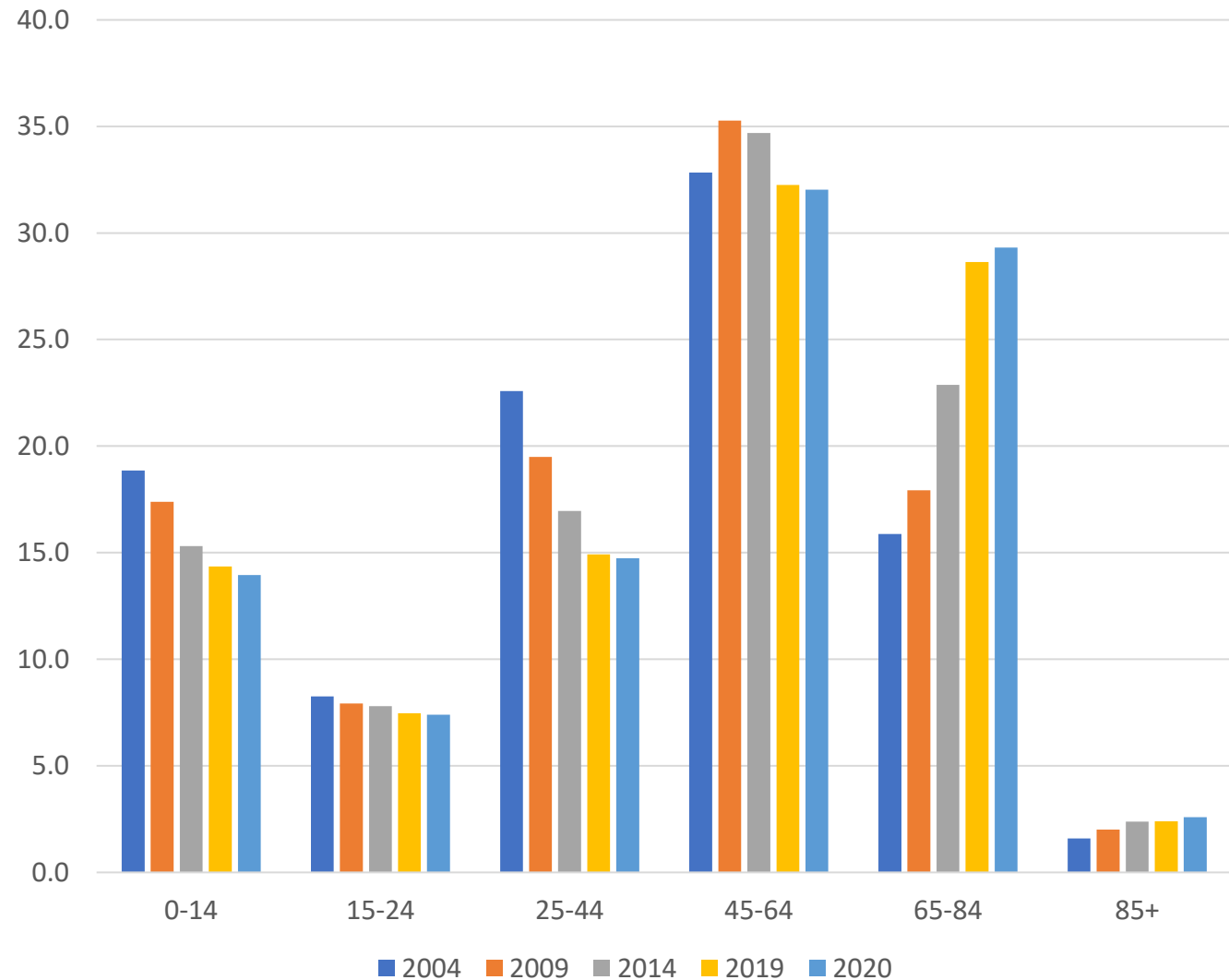
# Proportion of the population by age group

Since 2004, the proportions of the population aged 0 to 14, 15 to 24 and 25 to 44 have been declining.

The largest cohort is those aged 45 to 64 years of age, making up around a third of the total population for each period.

The cohort aged 65 to 84 years of age has increased from 16% of the population in 2004 to 29% in 2020.

32% of the population is aged over 65, indicating Break O'Day is experiencing hyper-ageing.



# Percentage change in the size of age cohorts

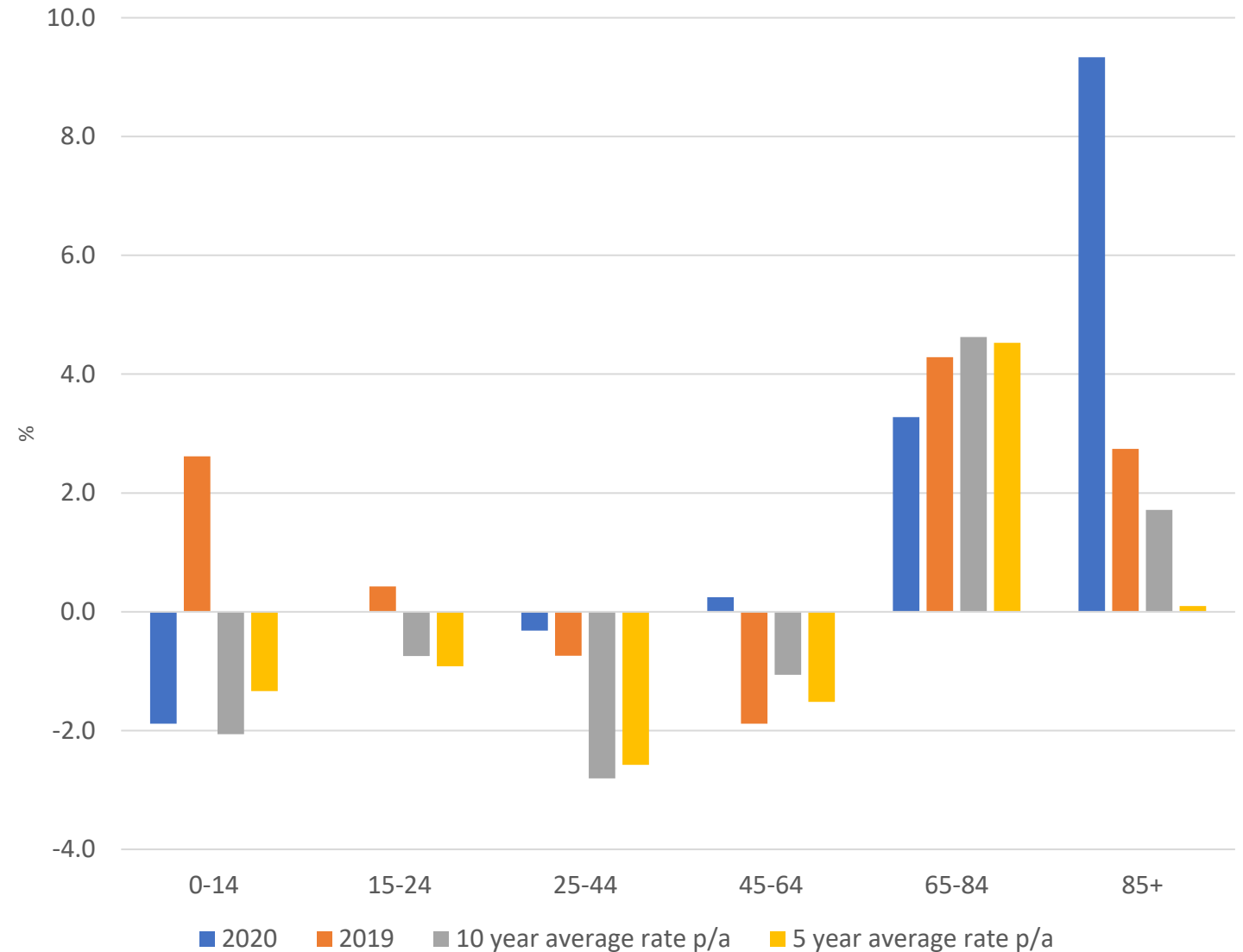
- Influenced by migration (inward and outward)
- Size of the previous period cohort
- Mortality rates

The number of people aged between 65 and 84 years of age has been increasing by over 4% each year for the past 10 years.

2019 (pre-COVID) appears as an anomaly across the age groups and suggests a change in migration trends to the area which may or may not be continued. However, it does reflect increasing anecdotal evidence of lifestyle migration to regional areas by younger cohorts and their children.

2020 data also appears as an anomaly given the impacts of COVID-19 and policy decisions.

Given the ongoing nature of the pandemic, it is likely that internal migration movements will be largely unpredictable over the next one to two years.



Source: ABS, Regional population by age and sex.

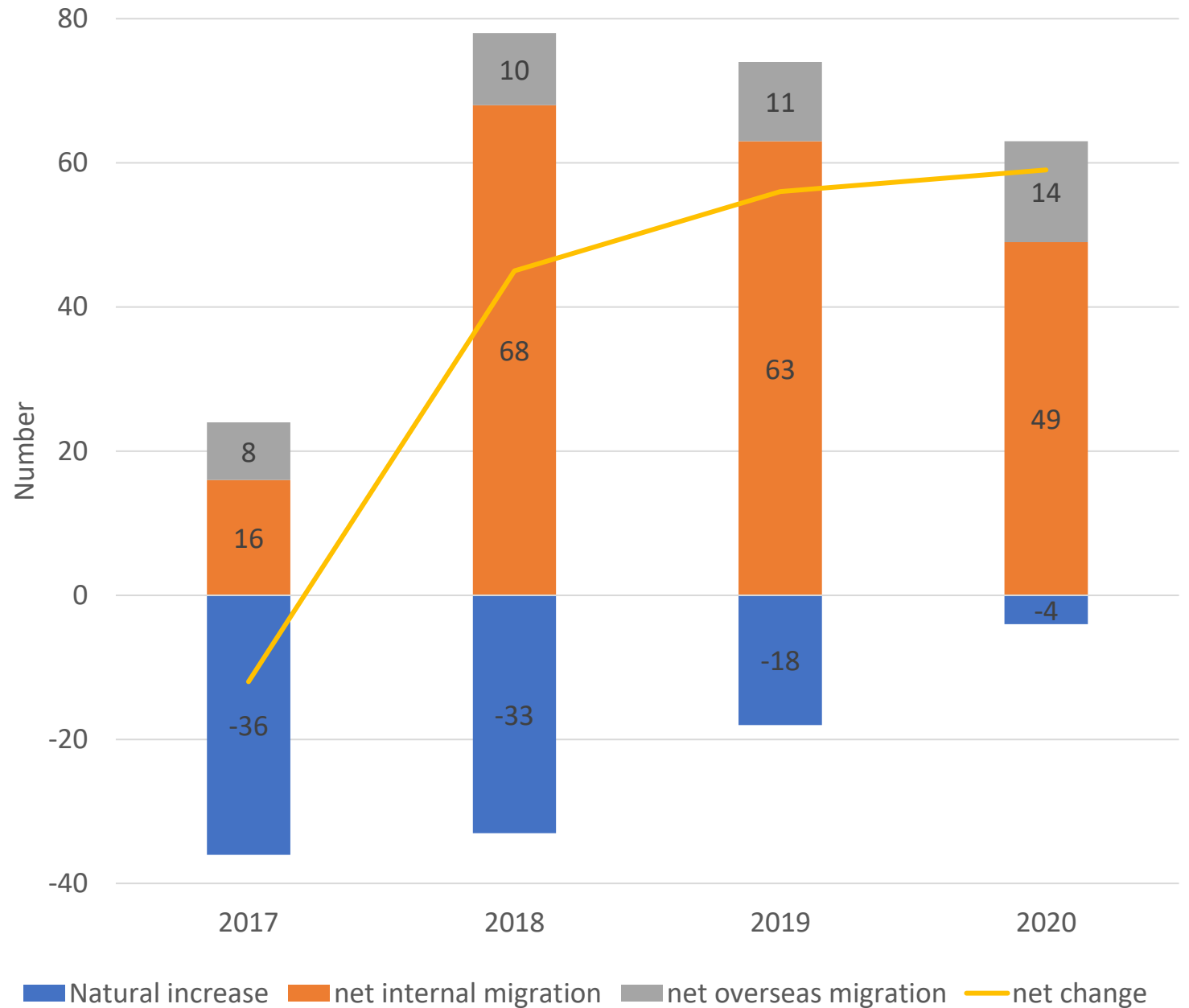


# Break O'Day: Components of population change

Experiencing persistent natural decline – where deaths outnumber births. However, the number has been declining.

- Absolute decline since 2017 ('new' depopulation where natural decline was greater than net migration gains)

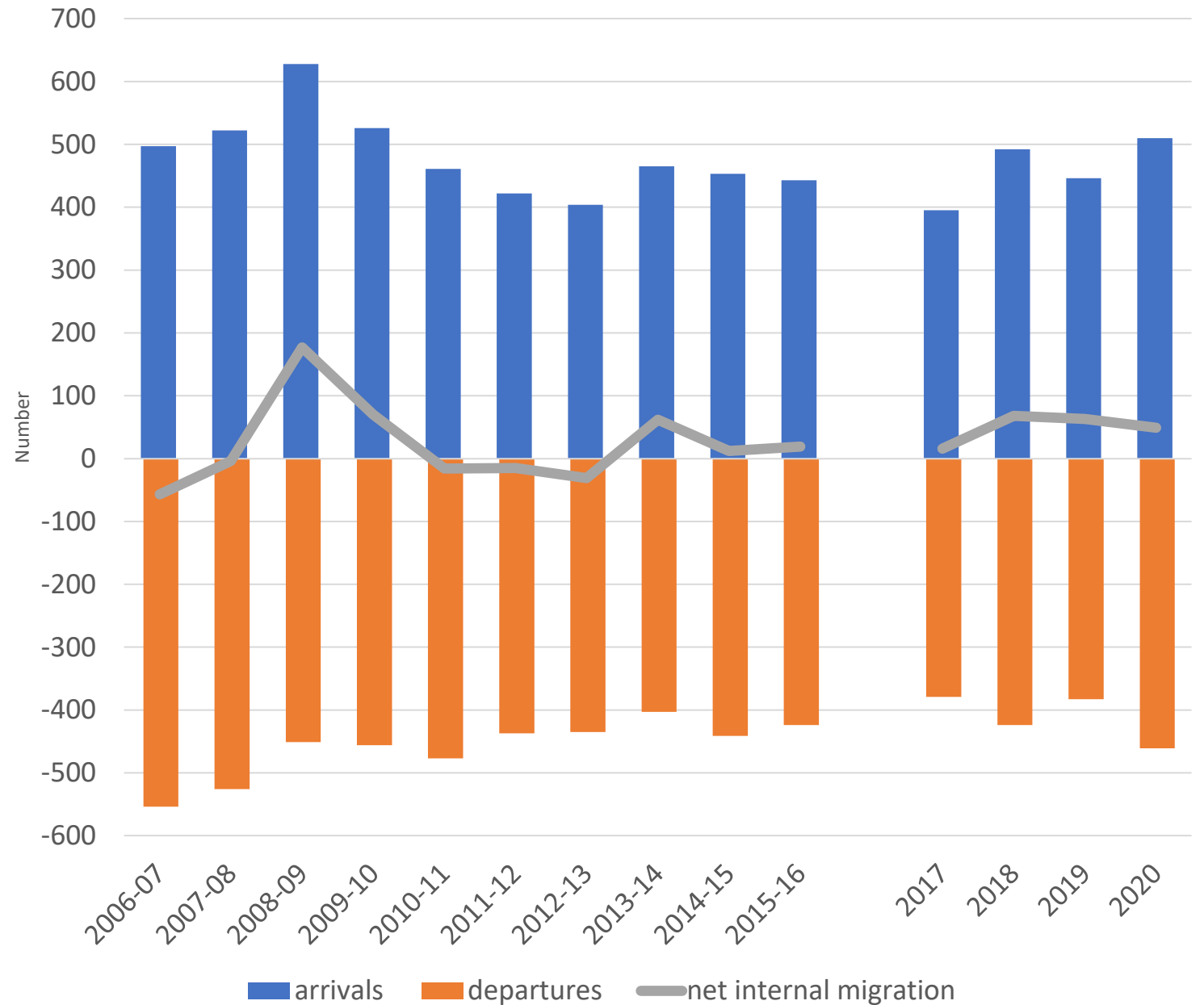
- Migration led growth – internal migration rather than overseas migration – the difference between people leaving the area and people arriving from another LGA in Australia.



# Internal migration

Net internal migration is the difference between arrivals to the area from outside the Break O'Day LGA and departures from the Break O'Day LGA

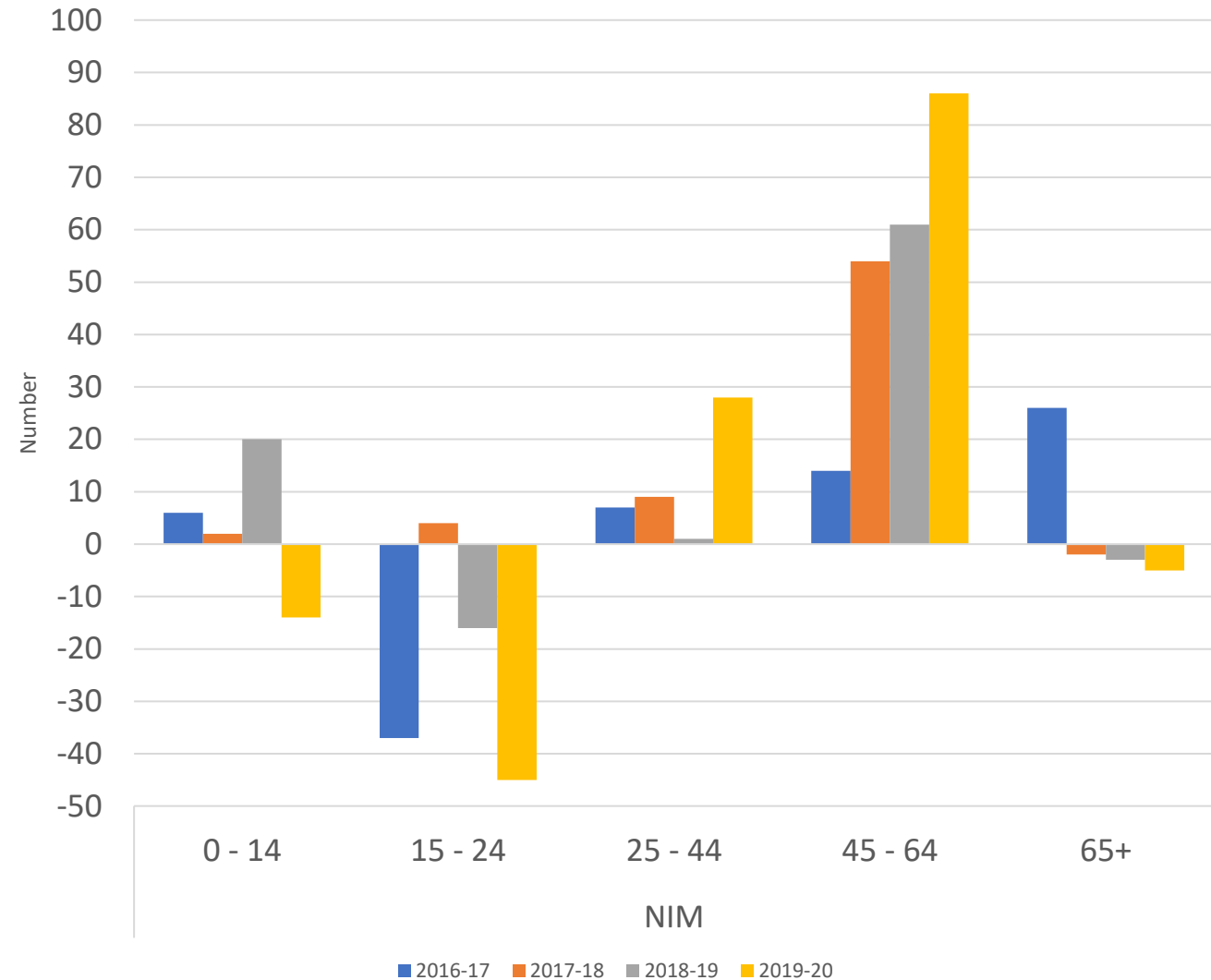
Since 2006/07 average arrivals has been 476 per year and average departures 447 per year, resulting in an average net internal migration gain of 29 per year.



Source: ABS, Regional Internal Migration Estimates.

# Net internal migration by age group: St Helens Scamander

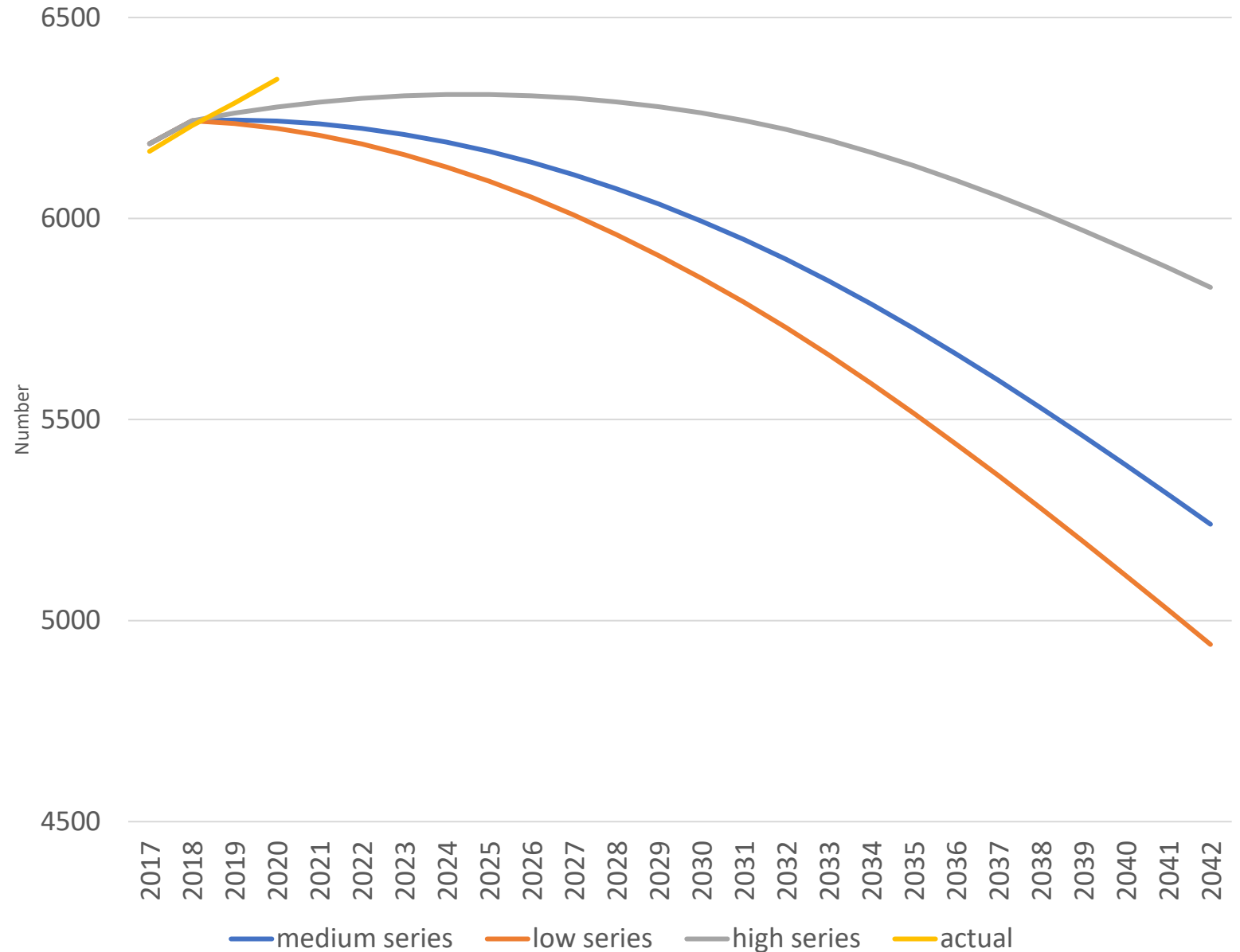
- No internal migration data by age group available at the LGA level
- Only net figures available at the SA2 level for St Helens Scamander
- Proxy for Break O'Day LGA
- Shows an increasing net loss of older people (65+) which is consistent with anecdotal evidence that as people get old old (84+) they leave regional areas to be closer to services and/or family
- BUT this is a net figure (difference between arrivals and departures) and includes all ages 65 and older when we also know 65 to 80 year olds actively move to regional areas - so be cautious



# Projected Population change to 2042

While actual population change (growth) is exceeding all series within the Tasmanian Department of Treasury and Finance population projections, the population age structure is the primary determinant of future population size and growth rates.

Unlikely that the growth trajectory will continue in the medium term.



Source: Tasmanian Department of Treasury and Finance, Population Projections, medium series, 2017 to 2042; ABS, Regional Population, various years

# Projected population 2034

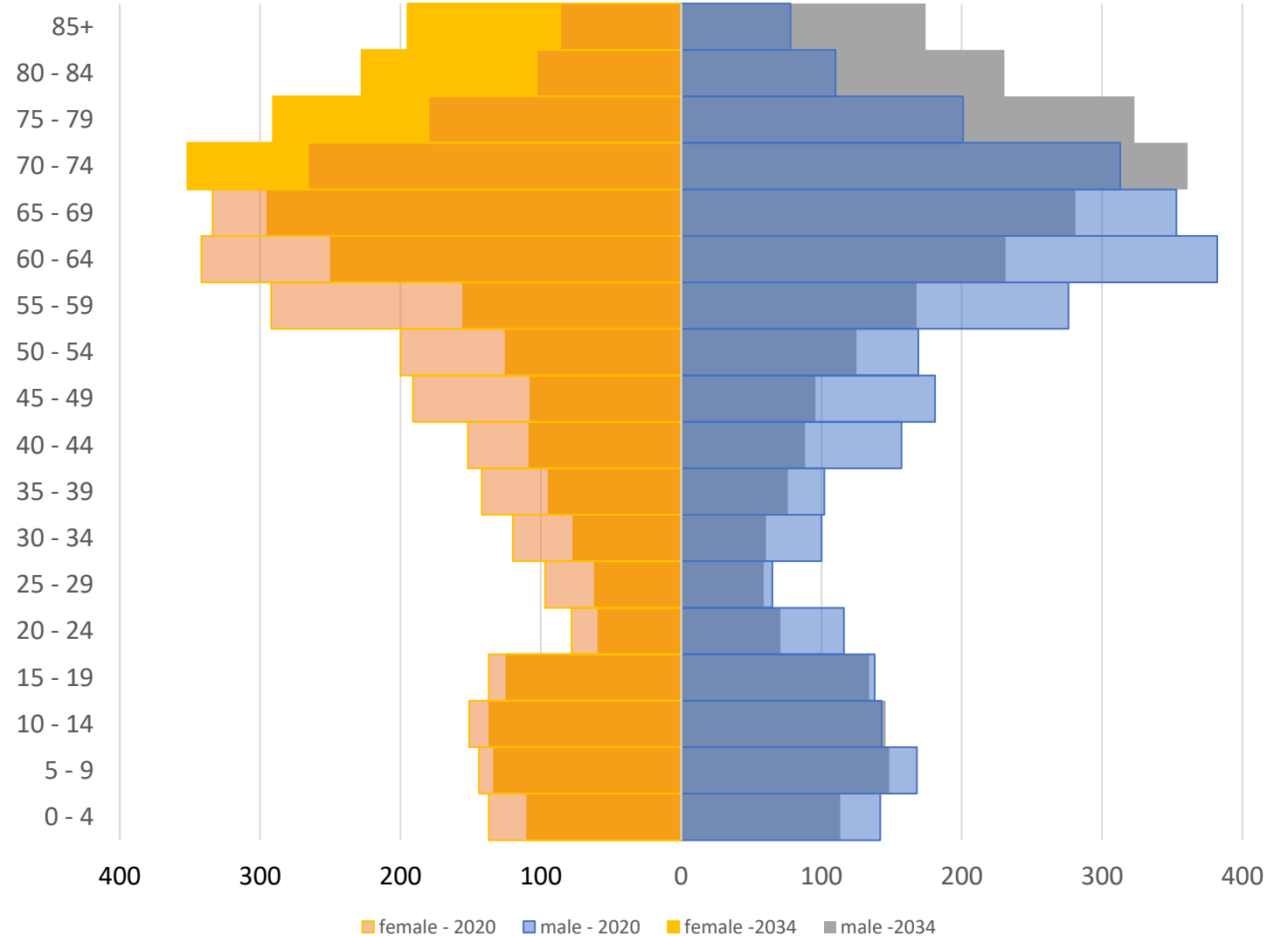
Over the 15 years to 2034, the Break O'Day population is projected to decline by 501 (8%) to 5,787 persons.

Nearly half (47.2%) of the population will be aged over 65 years.

The number of people aged over 85 is projected to increase 146% to 369 people.

The number aged 65 to 84 years is projected to increase by 31% (560) to 2,361 people.

All other age groups are projected to decline; by 38% for the 45 to 64 age group, 33% for the 25 to 44 age group, 17% for the 15 to 24 age group and 13% for the 0 to 14 age group.



Source: Tasmanian Department of Treasury and Finance, Population Projections, medium series, 2017 to 2042

# Movers to Break O'Day

Around 407 people moved to the Break O'Day LGA in the year prior to the 2016 ABS Census

- Around 55% were female
- Over half (55%) moved from other LGAs in Tasmania
- Almost 1 in 5 (18%) moved from the Launceston LGA
- 55 people moved from NSW, followed by Queensland, Victoria and Western Australia

Around 1,061 people lived in an LGA other than Break O'Day five years prior to the 2016 ABS Census

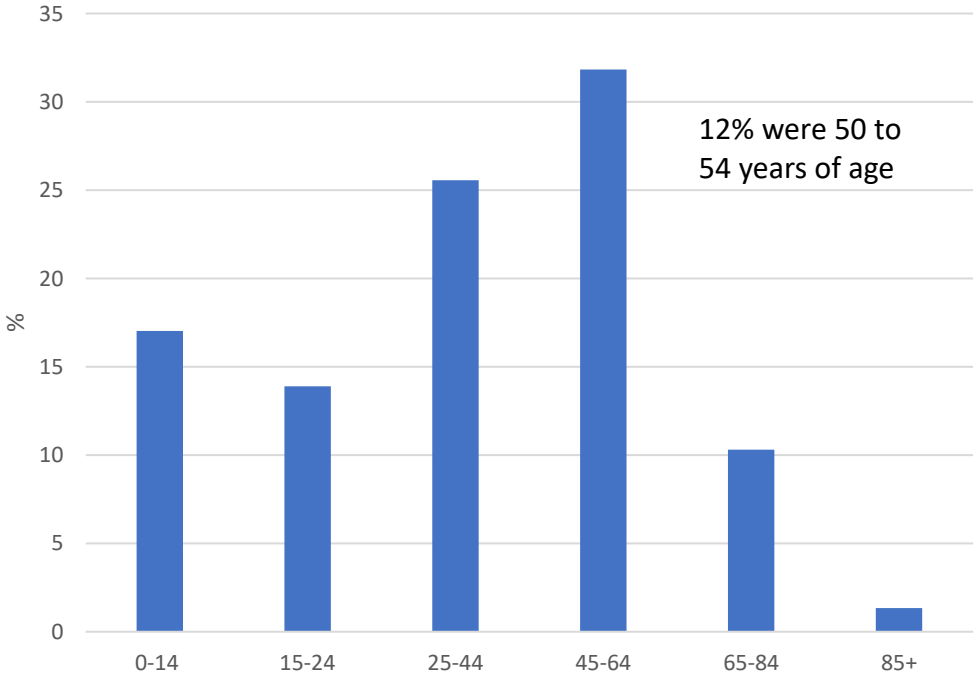
- over half (51%) lived in other LGAs in Tasmania
- others lived predominantly in NSW (157), Queensland or Victoria

Source: ABS Census of Population and Housing, 2016

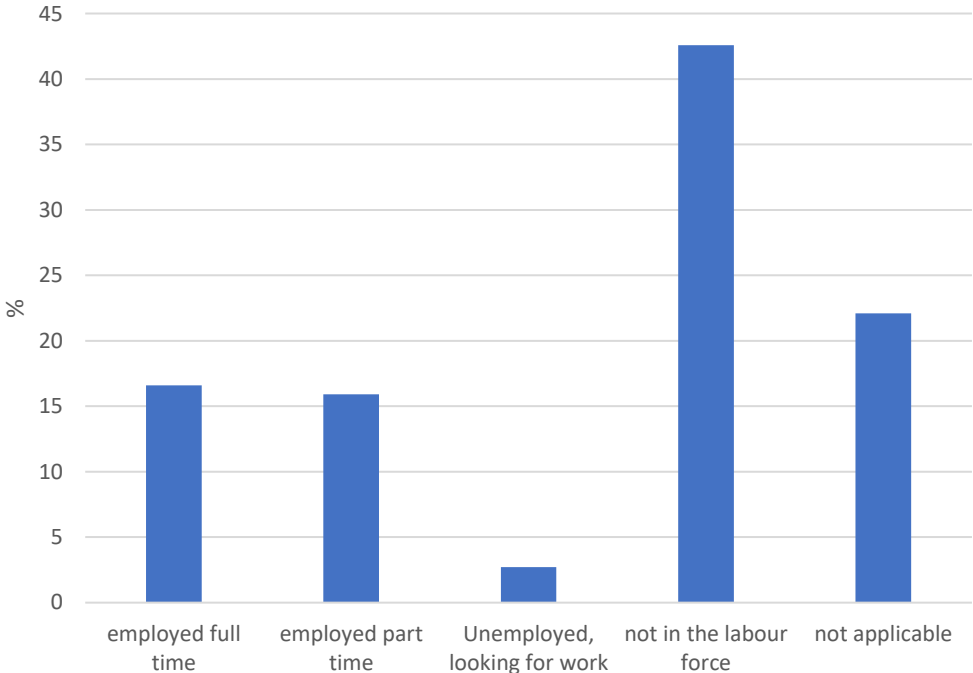
Top 15 Local Government Areas one year prior	% of movers
Launceston	17.7
Kingborough	5.2
Hobart	4.4
Meander Valley	4.4
Brighton	4.1
Dorset	3.6
Glamorgan/Spring Bay	3.6
Northern Midlands	3.6
Campbelltown (NSW)	3.0
Huon Valley	3.0
Overseas	3.0
Cairns	2.5
Glenorchy	2.5
Gladstone	2.2
Mount Barker	2.2

# Profile of Movers to Break O'Day LGA

## AGE



## LABOUR FORCE STATUS



Source: ABS Census of Population and Housing, 2016

# Profile of Break O'Day leavers

Around 304 people left the Break O'Day LGA in the year prior to the 2016 ABS Census

- Around 55% were female
- More than 7 in 10 (72%) moved to other LGAs in Tasmania
- Almost 3 in 10 (29%) moved to the Launceston LGA
- the age profile and labour force data suggests many leavers were school students
- no one older than 75 left the area

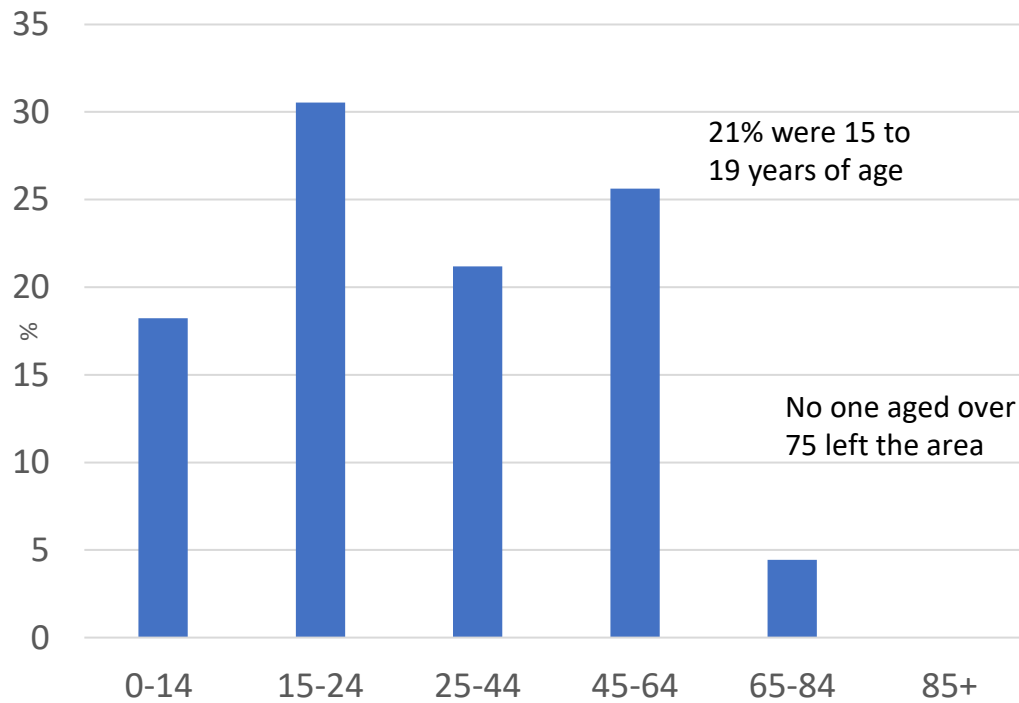
NB relocations to international destinations are not captured in the Census

Top 10 Local Government Area destinations	% of movers
Launceston	28.5
Northern Midlands	6.6
Meander Valley	6.6
Central Coast	5.6
Glenorchy	5.6
Devonport	3.9
West Tamar	3.6
Townsville	3.6
Lake Macquarie	2.6
Glamorgan Spring Bay	2.3

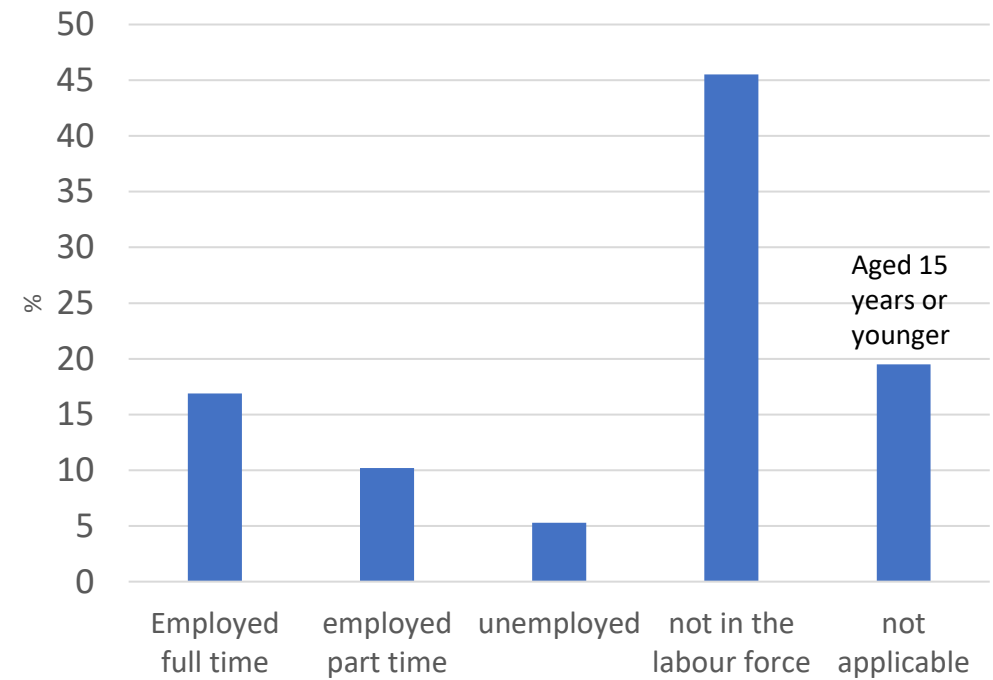


# Profile of leavers

## AGE



## LABOUR FORCE STATUS (AT LGA DESTINATION)

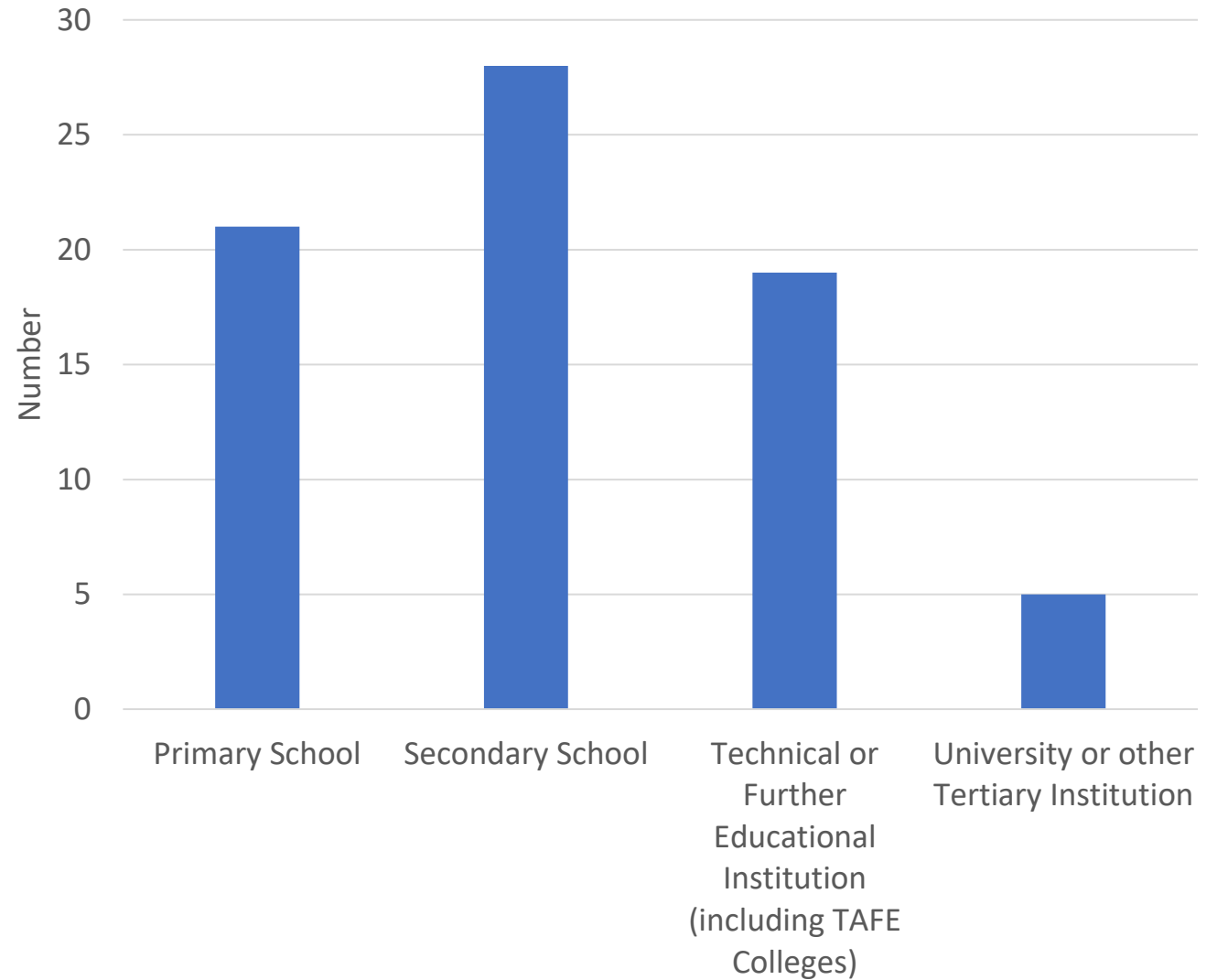


Source: ABS Census of Population and Housing, 2016

# Profile of Leavers - education enrolment

Of those who lived in the Break O'Day LGA one year prior to the 2016 Census, 77 were enrolled in an educational institution.

The majority were enrolled in secondary school in Launceston, followed by primary school and then vocational education and training.



Source: ABS Census of Population and Housing, 2016

# Post COVID-19 and population change

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## Since March 2020:

- Overseas migration has all but ceased, including international students
- Internal migration with Australia declined considerably during 2020, however, has recuperated to near pre-pandemic levels during the December 2020 and March 2021 quarters.
- Considerable movement out of capital cities continues
- Gains recorded in regional areas were initially due to less people leaving the area not more arrivals, however, for Tasmania, both departures and arrivals have increased considerably in the past 2 quarters to be at historically high levels
- in March 2021, net interstate migration to Tasmania was 9% lower than the previous year, and 27.1% lower than the pre-COVID five year average, led by increasing departures in the last two quarters of the year.

## Prior to COVID-19:

- interstate migration to Tasmania had started to slow from 2018 first due to increasing departures and then declining arrivals
- increasing evidence that lifestyle, climate and the environment were key influences in the decision making process to move to regional Tasmania, not just for retirees seeking a sea change, but also for younger couples and families.
- increasing evidence that people were being 'pushed out' of cities – affordability, heat, congestion, lifestyle
- increasing evidence that housing affordability and availability was impacting migration decisions
- overseas migration, particularly international students, was contributing to slowing the rate of population ageing in Tasmania



# Policy responses: ageing and projected population decline

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## COUNTERING

Strategic intervention to mitigate/reverse depopulation, usually in response to fiscal challenges associated with ageing, as opposed to strategic policy intervention in relation to the impacts and consequences of population ageing.

Aimed at stimulating growth – economic and population - without regard for the age structure.

Often with a focus on migration – people and investment – and the increase of spending (consumption) to increase demand.

Implications:

- Uneven population change between and within regions
- Potential to exacerbate population ageing
- Unexpected growth rates = infrastructure and services pressures
- Fails to consider needs of or impact on community – access to infrastructure and services; type and age-appropriateness

## ACCEPTING

Strategic policy development aimed at managing population decline and its consequences, preferably retaining the population by appropriately servicing population with infrastructure and services.

- Focus on increasing quality of life of older people and their engagement with the economy and society.
- Strategic downsizing and restructuring of services provision to increase efficiency and changing demand.
- Revitalising and repurposing the built environment - right-sizing of public and private infrastructure, services, amenities and housing to meet the needs of changing populations.
- Multiuse and flexibility of facilities e.g. schools, childcare, libraries
- Reforming aged care and social care
- e-health solutions
- Logistics and transport solutions to services
- Often requires changed governance framework to be effective
- Can be considered to be self-prophesizing

Best approach: a combination of countering and accepting strategies

# Economic opportunities – population ageing

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## SILVER ECONOMY

Predominant approach to capturing economic opportunities associated with older population through the provision of goods and services for consumption:

- focus on leisure, recreation, entertainment, tourism
- active ageing, retirees, grey nomads, SKI holidays (spend the kid's inheritance)
- healthcare products (e.g. glasses, vitamins, incontinence support, mobility scooters, assisted living etc)
- education and training for older workforces and volunteers
- mainly targets the pre-old old (85+ ages)
  - Probably because large numbers of 85 and older populations are only just emerging

## WHITE ECONOMY

Extends the silver economy beyond consumption based products and services for older populations to be all-encompassing:

- existential needs of older people
- needs of older consumers
- needs of older employees
- needs of employers/organisations providing and servicing older people's needs

Extends beyond just the provision of health-related services, to transport and logistics, new product development and manufacturing, research and development, innovation and technological advancements such as telemedicine, remote monitoring and rehabilitation.

Essential to the white economy are the innovative technologies that have emerged as creative solutions to address the needs during the ageing process and the elderly themselves.

# Summary and issues to consider

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- While the resident population is growing, it is ageing rapidly and is projected to be the oldest LGA in Tasmania by 2024
- Growth is sourced from internal migration, predominantly from within Tasmania and in older age cohorts
- Growth from migration is offset by natural decline (more deaths than births)
- Projected to start to decline within next 10 years
- Experiencing hyper-ageing - 32% aged over 65
- By 2034, 47% of the population will be aged 65+

## **Conflicting needs within the four key stakeholder groups:**

- Permanent resident rate-payers are ageing rapidly
- For 2 in 5 rate-payers (private dwelling owners) Break O'Day is not their usual place of residence
- The area is increasingly dependent on economic activity and employment from tourists (non-ratepayers)
- Business owners (rate payers)

## Issues to consider:

- What are stakeholder priorities?
- How does the Council cater for different, competing needs?
- What is the best mix of infrastructure, services, amenities and economic activity to support the area?
- How to maintain, grow or manage decline of the population?
- Will rate revenue decline with a declining population?
- Will dwelling values be maintained?
- What is the best mix of economic activity to support the population?
- What other un-tapped economic opportunities exist?

# Opportunities for Break O'Day

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- This analysis shows that people move to the Break O'Day area for reasons other than employment, presumably lifestyle reasons (and also leave for other reasons).
- The extension of schooling to year 11 and 12 may reduce the number of leavers, however this may not change given the prior existence of District High Schools in the area. The 2021 ABS Census data may reveal a change BUT COVID-19 affected.
- The projected decline in the number of people of school age will reduce demand for education services, infrastructure and teachers – one of the largest employing sub-sectors.
- The rapidly ageing population will increase demand for health and care related services and create employment opportunities.
- Expansion of adventure tourism also increases demand for health and medical services
- Efforts to attract people to Break O'Day will need to balance the lifestyle needs and expectations of employment.
- Education and training pathways will need to be well-matched to opportunities in the area to encourage people to stay or move to the place – health, care, agriculture, aquaculture, fishing and tourism.
- Identify, prioritise, streamline and invest in targeted health and social services based on community need
  - Include the provision of transport and logistics solutions to access services outside the LGA
- Revitalise and repurpose the built environment in town centres
  - Address degradation, fragmented and under-utilised spatial structure
  - Ensure fit-for-purpose infrastructure, amenities, service delivery and connectedness within the community
    - Focus on housing, health care and social services to improve standards of living
    - Investment in the cultural and heritage built environment and streetscapes to improve social cohesion, community connectedness and attract people to live in the place
- Diversify economic activity base to reduce dependence on tourism and meet needs of the community
- Target (attract) investment in white economy opportunities
  - Retirement living, assisted living, transport services etc





# Discussion

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## Future data releases:

ABS Regional Population, 2020-21

To be released 29 March 2022

Will provide insight into a full year post COVID-19 impact on regional populations

2021 ABS Census of Population and Housing to be held in August 2021

Data should become available from mid-late 2022

Will provide greater insight into the impact of COVID-19 on population trends at the small area level and with multiple variables

- May not be considered indication of future trends however given the on-going impact of COVID-19