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Introduction

Until recently, people seeking information on New Zealand’s rural population could only access data by ‘rural centre’ or ‘other rural area’. It was difficult to differentiate the complex gradations of rural existence. A rural family living in the remote South Island high country was unlikely to have much in common with a rural family living within driving distance of Christchurch. The latter may even work in the city and consequently enjoy a mix of urban and rural lifestyles.

People wanting data about smaller urban areas faced similar problems. The existing classification grouped urban areas by population size, regardless of their proximity to New Zealand’s main cities. Yet proximity to a city does impact on rural populations. For example, a person in a small remote Northland town and a resident of a small town close to Wellington each face different issues regarding access to complex services such as health care, yet both were classified as ‘minor urban areas’.

“New Zealand: An Urban/Rural Profile” answers some questions on these differences and creates a snapshot of urban and rural New Zealand in 2001. This publication explores the diversity of the social and economic characteristics of people living in all areas of the urban-rural spectrum; from the heart of Auckland, our largest city, to the remote areas of the South Island’s West Coast. The project-specific classification developed for this report re-categorises rural areas on the basis of the significance of urban areas as a source of employment. Smaller urban areas are re-categorised according to the proportion of people that work in a main urban area.

"New Zealand: An Urban/Rural Profile" is based on statistics from Statistics New Zealand and other government agencies, including the 2001, 1996 and 1991 Censuses of Population and Dwellings, the New Zealand Income Survey, the Land Transport Safety Authority's Travel Survey and the Ministry of Health's Social Deprivation Index.

Brian Pink
Government Statistician
Defining Urban and Rural New Zealand

"New Zealand: An Urban/Rural Profile" aims to explore the diversity of the social and economic characteristics of people living in all areas of the urban-rural spectrum. The standard urban/rural classification, particularly the rural categorisation, was judged to be inadequate for this purpose. It is based purely on population size. Consultation among users revealed frustration with this measure, as population alone often does not necessarily reflect the characteristics that make places similar, or not. In response, Statistics New Zealand has developed a classification for use specifically in this report that more accurately depicts these characteristics.

The most suitable measure on which to base the classification was found to be a comparison of a person’s usual residence address with their workplace address, using data from the Census of Population and Dwellings. The actual methodology differed slightly between urban and rural areas, and is detailed below.

The Urban/Rural Profile Classification follows the existing Statistics New Zealand urban and rural boundaries, but reclassifies minor and secondary urban areas, and rural areas. Main urban areas remain the same. Rural areas, instead of being treated as the residual category of urban areas, are separately classified according to the varying influence of nearby urban areas. This classification enables more extensive analysis and reporting, particularly between various types of rural areas, and better reflects the areas' heterogeneity.

Urban/Rural Profile Classification

Urban areas

- Main urban areas
- Satellite urban communities
- Independent urban communities
- Rural areas with high urban influence
- Rural areas with moderate urban influence
- Rural areas with low urban influence
- Highly rural/remote areas

Rural areas

Urban areas are statistically defined areas with no administrative or legal basis. This classification is designed to identify concentrated urban settlements, without the distortion of administrative boundaries. Main urban areas represent the most urbanised areas in New Zealand. This part of the classification remains consistent with the standard urban areas classification. Main urban areas are very large and centred on a city or main urban centre. They have a minimum population of 30,000.
Urban areas in the main conurbations have been divided into urban zones, with each urban zone defined as a separate urban area. Population size is also used to define secondary and minor urban areas in the standard urban area classification. But population size alone cannot adequately describe the characteristics of different urban areas. A minor urban area such as Rolleston, which is close to Christchurch, has different structures and needs to Westport, which is fairly remote from a large urban area. Yet both centres have similar-sized populations and are grouped together as minor urban areas. These differences are taken into account by government policy agencies; for example, the Ministry of Education when calculating their isolation index, a measure used for the distribution of educational resources.

Urban areas previously defined as secondary and minor urban areas in the standard classification, were redefined on the basis of proximity to and dependence upon main urban areas. This dependence was determined using people’s address of usual residence and workplace address. Workplace address provides a simple but effective defining variable since it acts as a proxy for some of the six criteria used when defining existing urban boundaries. The six criteria for including an area within an urban boundary are: 1) strong economic ties; 2) cultural and recreational interaction; 3) serviced from the core for major business and professional activities; 4) an integrated public transport network; 5) significant workplace commuting to and from the central core; 6) planned development with the next twenty years, as a dormitory area to, or an extension of, the central core. Having a workplace address in a main urban area certainly satisfies 1) and 5) and implies at least some fulfilment of 2) and 3).

Main urban area
This is the same as the standard 2001 pattern for main urban centres and includes: Whangarei, Auckland, Hamilton, Tauranga, Rotorua, Gisborne, Napier-Hastings, New Plymouth, Wanganui, Palmerston North, Kapiti, Wellington, Nelson, Christchurch, Dunedin and Invercargill.

Satellite urban community
This category identifies towns and settlements with strong links to main urban centres. This connection is through employment location. Satellite urban communities are defined as urban areas (other than main urban areas) where 20 percent or more of the usually resident employed population's workplace address is in a main urban area.

Independent urban community
This category identifies towns and settlements without significant dependence on main urban centres. Again, employment location is the defining variable. Independent urban communities are urban areas (other than main urban areas) where less than 20 percent of the usually resident employed population's workplace address is in a main urban area. Westport fits this category.
**Rural areas**

There is no internationally recognised definition of a ‘rural’ area. Rural areas have traditionally been residual areas not included in the urban definition. The 1983 Rural Profile identified differences present between rural areas of New Zealand but could not define them, arguing that:

> Although it may have been tenable in the past to regard the rural population as homogeneous, recent trends in migration have changed the character of this group. Included under the rural umbrella today are a diversity of groups – farmers and farm workers, forestry workers, 'alternative lifestylers' and craftspeople, among others ... it would be useful to divide the rural population into groups which reflect this diversity.

There is a huge difference between a rural community based on rural livelihoods and one where a large proportion of the population works in an urban area (particularly a main urban area), but happens to live in a rural area. The urban area provides a significant focus for the latter community. These commuter populations have ready access to urban services: recreational, economic or health. Communities that are rurally focused tend to be further from urban centres, particularly main urban centres, and have poorer access to services. Health services are seen as a crucial resource that is lacking in many rural areas.

The standard urban area classification has two categories of rural areas: rural centres and other rural. Rural centres are defined by population size, having a population of 300 to 999 in a reasonably compact area that services surrounding rural areas (district territory). They have a defined statistical boundary (an area unit) but no legal status. 'Other rural' is the urban area classification residual category and includes all area units not in urban areas or rural centres. This category includes inlets, islands, inland waters, and oceanic waters outside urban areas. Statistics New Zealand identified a need to develop a classification of rural areas that allowed the distinct rural communities present in New Zealand to be identified.

The best option for defining distinct rural communities was to use workplace compared with address of usual residence as a proxy for both distance from, and the need to travel to, an urban area for employment. This option also helps answer questions raised in the 1983 report in which occupation was identified as defining distinct rural communities. The result is an index that measures degrees of ‘rurality’.

Using workplace area, meshblocks in rural areas are allocated to one of four categories, based on their dependence on urban areas. Again, employment location is the defining variable. The allocation is based on a weighted percentage of resident employed adults of a rural meshblock who work in the three standard categories of urban area (for simplicity the methodology uses main, secondary and minor urban area). The percentages working in each urban area were weighted through the use of multipliers. The multipliers allowed for the increasing urbanisation of different sized urban areas. For example, the percentage of rural people working in a main urban area had double the impact of the same percentage working in a minor urban area. This weighting acknowledges the impact that a large urban centre has on its surrounding area. It is also consistent with other methodology, such as the Ministry of Education’s
isolation index. The weighting ensures that, for example, rural areas surrounding the secondary urban area of Gore are acknowledged as being very different from rural areas outside the main urban area of Christchurch (the latter would be included in the category rural area with high urban influence).

Rural area with high urban influence
This category identifies rural areas that form a transition between the main urban areas and rural areas, although meshblocks are not necessarily contiguous with main urban centres. The index allows for a meshblock to be included in this category only if a significant proportion of the resident employed population work in a main urban area.

Rural area with moderate urban influence
This category identifies rural areas with a significant, but not exclusively, main urban area influence. A meshblock can be included in this category: (1) if a large percentage of the resident employed population works in a minor or secondary urban area, or (2) if a significant percentage work in a main urban area. However, if the percentage working in a main urban area is too substantial, the meshblock will be included in the high urban influence category.

Rural area with low urban influence
This category identifies rural areas with a strong rural focus. The majority of the population in these areas works in a rural area. Due to the impact of the weighting system, it is unlikely meshblocks in this category will have many people employed in a main urban area, although a number may work in a minor urban area.

Highly rural/remote area
These are rural areas where there is minimal dependence on urban areas in terms of employment, or where there is a very small employed population.
Urban/Rural Profile Maps

National Urban/Rural Profile Categories

- North Island
- South Island

Regional Urban/Rural Profile Categories

- Northland
- Auckland
- Waikato
- Bay of Plenty
- Gisborne
- Hawke's Bay
- Taranaki
- Manawatu/Wanganui
- Wellington
- Nelson and Tasman
- Marlborough
- West Coast
- Canterbury
- Otago
- Southland
Historical Context

New Zealand in 2001

In 2002 the New Zealand Official Yearbook 2002 recorded Aotearoa/New Zealand as one of the most highly urbanised countries in the world, with 85.7 percent of its population living in urban areas. Rates of urbanisation were similar in Australia (85 percent) but higher in the United Kingdom (90 percent). In contrast, the United States and Europe had lower levels of urbanisation (77 percent and 75 percent, respectively). Comparisons between countries are difficult because of the lack of an international standard definition of urban and rural areas. Many European countries use population density as a definition, while others use population size. The United States defines settlements of 2,500 people or more as urban. This contrasts with New Zealand, Australian and United Kingdom definitions, which use a population size of 1,000 or more people. There is also a lack of consistency between New Zealand and Australia, with New Zealand defining main urban areas as having 30,000 or more people, while the Australian definition lists a population centre of 100,000 or more people as a main urban area.

Changing urban/rural composition of New Zealand

In 1881, New Zealand was firmly a rural country, with just under 60 percent of the population living in a rural area. New Zealand sold itself as a rural paradise in the late nineteenth century, with such volumes as Pictorial New Zealand and the New Zealand Cyclopaedia. These books promoted New Zealand to the wider, though still largely British, world with images of lush countryside and towering mountains. They also, however, included a celebration of urban development by promoting the progress of newly established towns and cities, with roads, horses, trams and trains. Rural and urban New Zealand coexisted.

By the early twentieth century, however, there was a sense of dismay that the population was no longer predominantly rural. Newspapers raised fears about urban corruption and decay as the population lost their hardy pioneering spirit and became softened by the experience of urban living. In 1923, the prominent educationalist, Professor James Shelley, wrote that children “should not be educated in the town . . . I do not think you realise how destructive it is”.[1] In response, sports such as rugby increased in popularity as a suitable medium to toughen young men and inculcate them with suitable values. None of these fears slowed the inexorable march towards an increasingly urbanised and eventually sophisticated nation but they influenced the form of cities and shaped the values that the nation espoused.

New Zealand cities became shaped around the suburban rather than purely urban forms, copying the sprawl of cities in Australia and the United States. Features of European cities such as narrow streets, terrace housing, and high population density seemed alien to the New Zealand ethos, although pockets did develop in areas such as Dunedin’s Dundas Street, where they became a curiosity rather than the norm.

Ruralism influenced education and housing policies. The New Zealand Prime Minister, Peter Fraser, when looking at models for state housing in the 1940s, was dismayed when shown a multi-block apartment in Lower Hutt, declaring ‘I hope it will be the last’. (2) The comprehensive development of apartment building has been a fairly recent phenomenon, developing as a result of pressure on space and high land values in the main cities.

Between 1881 and 2001 the balance of the population moved from rural to urban areas. During this period, the population of urban New Zealand increased by over 1,500 percent, compared with an increase in rural areas of 83 percent. (3)

**Proportion of People Living in Urban and Rural Areas**

1886–2001 Censuses of Population and Dwellings


[3] From 1881–1921, ‘urban’ was based on boroughs and cities, ‘rural’ was based on counties (including town districts). From 1926–2001, ‘urban’ was based on urban areas and towns with populations of more than 1,000, with ‘rural’ the remainder. The figures for 1881–1921 are based on the non-Māori population, which means that the percentage of New Zealanders living in rural areas would have been higher, as Māori were predominantly rural at this time. From 1926, the census figures are based on the total population.
In 1881, the rural population of New Zealand numbered 291,237 (excluding Māori). While the rural population had increased to 532,740 in 2001, it was 501,258 in 1916, so the population of rural areas has increased very little since the early twentieth century.

The shape of rural New Zealand has, however, changed considerably since the nineteenth century. Better roads and bridges, the advent of private cars, and improved services, such as school buses, have considerably reduced the remoteness of most inhabited rural areas. These services have also encouraged the development of the lifestyle block, allowing people to enjoy a rural setting while still working in an urban area.

New Zealand farming followed British patterns initially. British settlers in New Zealand cleared bush to recreate their home landscapes and replaced native plants with introduced grasses and crops. Farming expanded rapidly between 1885 and 1935, with the area of land under cultivation rising from 2.6 million hectares to 7.9 million hectares. Sown grass dominated almost 90 percent of cultivated land. Burgeoning pastures supported an equally rapid rise in livestock numbers. In 1886, 16.6 million sheep grazed New Zealand pastures and numbers increased rapidly in the twentieth century, eventually peaking at 70.2 million in 1982. Cattle numbers increased from 853,000 to almost eight million over the same period.

From 1945 until 1973, when Britain first joined the European Economic Community, New Zealand farming enjoyed considerable prosperity. The Korean War in the early 1950s ensured a boom in wool, and New Zealand’s primary produce received high prices. Government subsidies and minimum prices shored up farming prosperity. As a
result of this agricultural boom, New Zealand enjoyed one of the highest standards of
living in the world.

The 1970s and 1980s marked a change, however, as rural geographer Garth Cant
noted:

The productivity of Canterbury farming continued to increase but the prosperity of
farming was eroded in the 1970s as the terms of trade, globally and nationally, moved
against rural New Zealand... New Zealand lived in an unreal world; the Muldoon
Government introduced substantial price support schemes for farmers [in the 1980s
the government]... committed to a more market approach, to an open economy with a
floating exchange rate and a removal of subsidies. Almost overnight subsidies were
removed and farming was exposed to market forces. Manufacturing by comparison
was given three, four or five years to adjust.\(^4\)

Farmers responded to changing circumstances in a variety of ways. They diversified,
improved efficiency and in some cases subdivided land to make way for lifestyle
blocks.

A study into farming in the 1970s by the New Zealand Planning Council identified a
number of changes occurring.\(^5\) They noted that the number of small holdings (0–10
hectares) had increased substantially. The number of large holdings (200 hectares or
more) had increased slightly but the number of holdings in the 20–199 hectare size-
group had declined. The development of lifestyle blocks increased in the 1980s and
1990s and helped to reverse rural depopulation. The Planning Council noted that:

Instead of depopulation there is probably a change in the location and composition of
the rural population. Counties near urban areas, where, either coincidentally or not
there are a number of small holdings, tend to have increasing populations.\(^6\)

They attributed the population decline in more remote rural areas to the decline in
pastoral farming. The numbers reflect this, with the overall rural population
increasing slightly between 1981 and 2001, after years of consistent slow decline. For
example, between 1976 and 1981 the rural population decreased by 9.9 percent but
increased by 4.6 percent between 1981 and 1986.

Farming has undergone rapid change since the 1970s, although dairy and sheep
farming are still dominant. Total sheep numbers decreased by 20 percent from 1994,
reaching 39.5 million at 30 June 2002, the lowest level since 1955. Contributing
factors include the trend away from sheep farming to dairy farming and forestry.
Dairy cattle increased by more than one-third; from 3.8 million in 1994 to 5.2 million
at 30 June 2002. Deer are being farmed in increasing numbers in New Zealand, with
1.6 million deer as at 30 June 2002, compared with 1.2 million in 1994. Horticulture

\(^4\) Cant, 19 November 2004, 3.
\(^6\) New Zealand Planning Council, 1982, 47.
has become more significant and the crops grown have diversified, reflecting the increasing multiculturalism of New Zealand society. The development of the wine industry has also diversified land use.

Agriculture has continued to play a major part in the New Zealand economy, with agriculture and forestry products still totalling almost half of New Zealand’s exports for the year ended 30 June 2002. The agricultural workforce, however, has contracted, with less than 10 percent of the workforce working as an agriculture, forestry or fishery worker in 2001, compared with just under 20 percent in 1951.

**Percent of Workforce in Agriculture, Forestry and Fishing Occupations (Major Group)**

Census of Population and Dwellings, selected years 1886–2001

![Graph showing percentage of workforce in agriculture, forestry, and fishing occupations from 1886 to 2001.]

(1) Definitions have changed slightly during this period, so figures must be taken as a guide only.

Note: Figures for 1886 are the most problematic. The 1886 figures used here are for people over 20 years, as figures for people under 20 years included children and are therefore not comparable with later years. The definition included: “not only pursuits incidental to agriculture and the tillage of the ground, but also all pursuits incidental to dealing with the land and the rearing and maintenance of livestock of all kinds. The class has also been made to include fishermen, as they are employed in catching one kind of living creature, and there is no other class in which they could be suitably placed.”

The 1926 figures are for industry rather than occupation and are for people engaged in primary production: “agricultural and pastoral farming, fishing and trapping, mining and sawmilling”. Mining and sawmilling are excluded from later definitions.
Number of People in Agriculture and Fishery Occupations (Major Group)\(^{(1)}\)
Census of Population and Dwellings, selected years 1886–2001

\[\begin{array}{cccccc}
\text{Year} & 1886 & 1926 & 1951 & 1971 & 1981 & 2001 \\
\text{Number (000)} & 40 & 120 & 140 & 80 & 140 & 160 \\
\end{array}\]

\(^{(1)}\) Definitions have changed slightly during this period, so numbers must be taken as a guide only.

Note: See footnotes for previous graph.

Although the proportion of the population working in primary industries has decreased their productivity has increased. The Ministry of Agriculture and Forestry stated that New Zealand farmers are amongst the most efficient in the world and that their efficiency has been increasing. In 1991, the value of gross domestic product per agricultural worker in current terms was $74,000. In 2001, this had risen to $89,000 per employee.\(^{(7)}\)

The greatest change in rural areas in the last thirty years has been the development of peri-urban areas. The Real Estate Institute of New Zealand stated that in 2003, 276 blocks averaging 3.7 hectares each were sold. It is estimated that there are between 90,000 and 110,000 lifestyle farm units in New Zealand.\(^{(8)}\) As identified by the New Zealand Planning Council in the 1970s, this part of rural New Zealand has experienced the greatest growth proportionately and is likely to increase in population in the future. This development has had some benefits, with an influx of population that has helped to revitalise some rural areas. An article on Swannanoa school in

\[\text{[7] http://www.maf.govt.nz/mafnet/rural-nz/overview/httoc.htm} \quad \text{On 31 July 1995, the Ministry of Agriculture and Fisheries split into two separate ministries to become the Ministry of Fisheries and the Ministry of Agriculture and Forestry (as at December 2004).}
\]

\[\text{[8] http://www.scoop.co.nz/mason/stories/BU0405/S00232.htm} \quad \text{The title of the article celebrated the launching of a new magazine for people in lifestyle blocks: "Lifestyle Block Magazine Helps Lifestyle Farmers Avoid the Pitfalls of the Utopian Dream" (as at December 2004).}\]
Canterbury stated “Rural schools in the Christchurch hinterland were under threat 10 years ago because of falling rolls. Today, with city people moving onto lifestyle blocks, rolls are booming.” Yet the development of peri-urban areas has also led to conflict. For example, a submission by Federated Farmers stated that: “the subsidisation of roads by rates on farm land can support a move to lifestyle blocks by the urban workforce who do not pay the true cost of their commute”.

The proliferation of lifestyle blocks has led to a blurring of boundaries between rural and urban New Zealand, while the development of electronic media and communication has helped to reduce the effects of physical isolation. Rural New Zealand in 2001 is very different from rural New Zealand in 1881.

**Urban New Zealand**

In 1881, urban New Zealanders were a minority, but by 2001 they had been the substantial majority of New Zealanders for some time. This trend is not unique to New Zealand, but rather reflects an international trend towards urbanisation. Worldwide, cities have expanded and swallowed up vast areas of land and population. Main urban areas have grown at the expense of smaller urban communities.

New Zealand has also followed the international phenomenon of urban expansion. In 1901, approximately one-quarter of the urban population (10.1 percent of the total population, excluding Māori) lived in a borough or town district with 25,000 or more people. In 2001, over 80 percent of the urban population (71 percent of the census usually resident population count) lived in a main urban area (an urban area with a population of 30,000 or more). The Auckland urban area is now the largest nationally, increasing by approximately 3,000 percent between 1886 and 2001.


The development of suburbanisation has been concurrent with the development of urbanisation in New Zealand. As New Zealand cities have expanded in population, they have also expanded dramatically in size. At first suburbs developed around public transport routes, then, with advent of the private motor car, urban sprawl increased.

The composition of urban areas has also changed considerably, particularly since 1950. Urban ethnic diversity has increased, first with the urbanisation of Māori beginning in the 1950s, then with the rise of Pacific peoples immigrants in the 1960s and 1970s, and immigrants from Asia in the 1990s.
Note: rural areas include inlet and oceanic areas.

The influx of different cultures has transformed New Zealand cities and enriched urban life. New Zealand cities now offer a wide range of cultural experiences and a variety of ethnic food.

**Māori/rural urban migration**

At the beginning of the twentieth century, Māori were almost mainly rural with 15.6 percent of the population living in an urban area. By the end of the twentieth century, this position had been almost exactly reversed as the following graph shows. This urban/rural migration began after 1945, as the population expanded rapidly and could not be sustained by the land left under Māori ownership.
Percentage of Māori(1) Living in Rural(2) and Urban Areas
1926–2001 Censuses of Population and Dwellings

Up to and including 1976, Māori “comprises persons who specified themselves as half or more Māori, plus those who indicated they were persons of the Māori race of New Zealand, but did not specify the degree of origin”.

Urban population has been defined as all main urban areas, boroughs, town districts, district communities, communities and townships with populations of 1,000 and over. All data 1926-1976 used 1976 boundaries, while data after 1976 used 2001 boundaries.

Note: Excludes people on ships. From 1986, Māori has been calculated using the following definition of ethnicity: “Ethnicity is the ethnic group or groups that people identify with or feel they belong to. Thus, ethnicity is self-perceived and people can belong to more than one ethnic group. Ethnicity is a measure of cultural affiliation, as opposed to race, ancestry, nationality or citizenship.”

**Conclusion**

Over the twentieth century, New Zealand has been transformed from a largely agrarian society to a highly urbanised one. The nature of the economy has also changed, although approximately half of New Zealand’s exports are still of primary produce. Working on the land is no longer a major occupation, with less than 10 percent of the New Zealand workforce (as at the 2001 Census) stating agriculture, forestry or fishing as their occupation. Urban New Zealand has also been transformed, both physically and culturally, from the beginning of the twentieth century. Urban areas expanded dramatically both in population and in physical size as suburban sprawl became the New Zealand norm. Urban and rural boundaries have blurred, with an increasing number of people living in peri-urban areas around cities. Culturally
New Zealand’s cities have also changed to become much more ethnically diverse in the latter years of the twentieth century.

**References**


Standards

Symbols

The interpretation of the symbols used throughout this report is as follows:

- nil or zero
-- amount too small to be expressed
.. figures not available
... not applicable

Confidentiality

The Statistics Act 1975 sets out strict requirements on Statistics New Zealand to protect the confidentiality of information obtained from respondents during the Census of Population and Dwellings and other surveys. All staff who work on the census and other surveys have signed a Declaration of Secrecy. In publishing statistical tables and other aggregated statistics from the census datasets, Statistics New Zealand employs measures such as random rounding to protect the confidentiality of individual information.

Random rounding

Since the 1981 Census, Statistics New Zealand has utilised a confidentiality assurance technique of randomly rounding census statistics to base three. This enables the greatest possible amount of census data to be released without compromising the privacy of individual responses. Under the random rounding process, all table cell values, including row and column totals, are rounded as follows:

1. Zero counts and counts which are already multiples of three are left unchanged.
2. Other counts are rounded to one or other of the two nearest multiples of three.

All rounding, including separate rounding of totals and sub-totals is carried out on the recorded results. The probabilities of rounding up or down are set so that the long run expected value equals the original count. For example, an original count of 17 would be rounded to 15 with a probability of 1/3 and rounded to 18 with a probability of 2/3, since 15 x 1/3 + 18 x 2/3 = 17. The effect of this rounding on the accuracy of census statistics for practically any proposed use is insignificant.

Rounding procedures

On occasions, figures or percentages have been rounded off to the nearest unit or decimal point. This may result in a total disagreeing with the total of the individual items as shown in tables.
**Calculation of ratios**

Unless otherwise stated, the 'not stated' category has been excluded from the denominator in calculation of ratios and percentages.

**Household calculations**

Unless otherwise stated, the calculations in this report have been performed for households in private occupied dwellings.
Acknowledgements

Statistics New Zealand would like to acknowledge the role a number of people played in the production of this report.

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Main Urban Areas

**Highlights**

- Approximately 70 percent of New Zealand’s 2001 Census usually resident population count (2,654,850 people) lived in main urban areas.
- Main urban areas had the highest population density, 522.8 people per square kilometre, compared with 14.2 nationally.
- Highest percentage of people aged between 15 and 24 years.
- Highest percentage of professionals, technicians and clerks of any profile area.

**Introduction**

At the beginning of the 19th century, Aotearoa/New Zealand consisted of small rural settlements located around food resources. The majority of Māori lived in the warmer North Island (Te Ika-a-Maui), which suited their crops, although they also established permanent and temporary settlements throughout the country. The first European arrivals settled around primary resources, to gain access to whales, seals and flax. Initially, prospective colonists saw New Zealand as a rural paradise. In the years following the arrival of European settlers, the rural focus changed and New Zealand urbanised rapidly. Māori were predominantly rural until the 1950s, when a combination of factors such as population growth, inadequate land resources and the attractions of city life transformed the Māori population from being predominantly rural to predominately urban. At the beginning of the 21st century more than 80 percent of New Zealanders live in an urban settlement.

Many of today’s urban areas were settled in the 19th century as part of a deliberate pattern of settlement. Wellington, Wanganui, Nelson, and New Plymouth were part of the first wave of settlement by the controversial coloniser, Edward Gibbon Wakefield in 1839/1840. Dunedin and Christchurch were planned settlements under the auspices of church groups and the New Zealand Company (Wakefield’s colonising company). In contrast, Auckland grew because its location on the Auckland isthmus made it an important centre of trade. The other main urban areas developed as a result of their location on trade routes, proximity to natural resources and favourable climates.

Throughout the 20th century, the nature of urban areas in New Zealand changed. Main urban areas grew rapidly in size and often assimilated smaller centres around them. There was a shift in population from the South to the North Island. In 1878, for example, Dunedin was the largest city in New Zealand with 22,525 people, compared with 18,953 in Wellington and 13,758 in Auckland. By the beginning of the 21st century, the population of Auckland urban area had multiplied rapidly and the built-up area had expanded dramatically, spreading out to incorporate the surrounding countryside. By 2001, the population of Auckland urban area was approximately 78 times larger than in 1878 (1878 figures excluded Māori). In contrast, the Dunedin urban area has not changed significantly. Its population was approximately five times larger in 2001 (these figures are approximate as boundaries have changed within this
time period). By the end of the 20th century, 16 of 20 main urban areas were situated in the North Island. Larger main urban areas such as Auckland and Wellington have been separated into different zones and the four Auckland urban zones have become the powerhouse of the national economy. The zones have distinctive characteristics and are examined in this report. This profile also explores some differences between main urban areas.

Land and environment

Main urban areas cover 5,078 square kilometres, 1.9 percent of New Zealand’s land area. Almost 80 percent (3,945 square kilometres) is in the North Island. Between 1971 and 2000, the mean temperature for main urban areas varied between 12 and 16°C in the North Island, and 9 and 13°C in the South Island. Christchurch urban area recorded the highest temperature for an urban area, 41.6°C. Hamilton urban area, in the North Island, recorded the lowest temperature in this period, -9.9°C. Nelson recorded the highest sunshine hours, with an annual mean of 2,405 hours between 1971 and 2000; Dunedin recorded the lowest, averaging 1,585 sunshine hours. Christchurch consistently had the lowest mean rainfall, an average of 648mm per year, while Whangarei averaged the highest, at 1,490mm per year.

People

Main urban areas were home to 2,654,850 New Zealanders at the time of the 2001 Census of Population and Dwellings, 71.0 percent of New Zealand’s census usually resident population count. The population of this profile area grew by 13.0 percent between March 1991 and March 2001, faster than the national average of 10.8 percent.
The majority of the population in main urban areas lived in the North Island (2,113,662 people), with 541,188 people in the South Island.
Main Urban Areas Usually Resident Population
Census of Population and Dwellings, 2001

<table>
<thead>
<tr>
<th>Main urban area (not including zones)</th>
<th>Population</th>
<th>Population density</th>
<th>Percentage of New Zealand's resident population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whangarei</td>
<td>46,047</td>
<td>347.3</td>
<td>1.2</td>
</tr>
<tr>
<td>Auckland</td>
<td>1,074,507</td>
<td>989.1</td>
<td>28.8</td>
</tr>
<tr>
<td>Hamilton</td>
<td>166,128</td>
<td>151.0</td>
<td>4.4</td>
</tr>
<tr>
<td>Tauranga</td>
<td>95,694</td>
<td>536.9</td>
<td>2.6</td>
</tr>
<tr>
<td>Rotorua</td>
<td>52,605</td>
<td>593.0</td>
<td>1.4</td>
</tr>
<tr>
<td>Gisborne</td>
<td>31,719</td>
<td>373.4</td>
<td>0.8</td>
</tr>
<tr>
<td>Napier-Hastings</td>
<td>113,673</td>
<td>302.8</td>
<td>3.0</td>
</tr>
<tr>
<td>New Plymouth</td>
<td>47,763</td>
<td>424.9</td>
<td>1.3</td>
</tr>
<tr>
<td>Wanganui</td>
<td>39,423</td>
<td>375.9</td>
<td>1.1</td>
</tr>
<tr>
<td>Palmerston North</td>
<td>72,681</td>
<td>407.5</td>
<td>1.9</td>
</tr>
<tr>
<td>Kapiti</td>
<td>33,669</td>
<td>563.4</td>
<td>0.9</td>
</tr>
<tr>
<td>Wellington</td>
<td>339,747</td>
<td>765.4</td>
<td>9.1</td>
</tr>
<tr>
<td>Nelson</td>
<td>53,685</td>
<td>367.2</td>
<td>1.4</td>
</tr>
<tr>
<td>Christchurch</td>
<td>334,104</td>
<td>549.2</td>
<td>8.9</td>
</tr>
<tr>
<td>Dunedin</td>
<td>107,088</td>
<td>419.7</td>
<td>2.9</td>
</tr>
<tr>
<td>Invercargill</td>
<td>46,305</td>
<td>377.0</td>
<td>1.2</td>
</tr>
<tr>
<td>Total Main urban areas</td>
<td>2,654,850</td>
<td>522.8</td>
<td>71.0</td>
</tr>
</tbody>
</table>

Main urban areas had a population density of 522.8 people per km², more than twice that of satellite urban areas, and considerably above the national average of 14.2 people per km². There were considerable differences between main urban areas. Central Auckland zone had the highest population density, approximately four times the average for main urban areas (2,326.2 people per km²). The large number of residential apartment developments concentrated people in this area. Hamilton urban area had a larger land area (1,100 square kilometres), compared with Auckland urban area (1,086 square kilometres), but had a much smaller population than Auckland. The Hamilton urban area includes some surrounding semi-urban areas beyond the boundary of Hamilton City. As a result, of any main urban area, Hamilton urban area had the lowest population density (151.0 people per km²).

Main urban areas had the highest proportion of women of any profile area. The male/female ratio in these areas was 93.3 males to 100 females, compared with a national average of 95.2 males to 100 females. Kapiti, an urban area with a high concentration of older people, had the lowest proportion of males (87.2 to 100), while Upper Hutt zone had the most even ratio (98.9 to 100).

The population of main urban areas has been growing faster than the national average. According to population estimates, the resident population of main urban areas increased by 113,600 people (4.1 percent) between June 2001 and June 2003. This compares with an average increase of 3.3 percent nationally.
The population of main urban areas is projected to increase by 20 percent between 2001 and 2021 (medium projection series), compared with a national increase of 16 percent. As a result, it is likely that a higher proportion of people will dwell in main urban areas in the future. Projections suggest that 74 percent of the 2021 population will live in main urban areas, compared with 71 percent at the time of the 2001 Census.
Projected Population Change for Five Highest and Five Lowest Ranking Main Urban Areas
2001 (base)–2021

In 2001, main urban areas had the highest proportion of young adults (people aged 15–29 years) but a lower proportion of children. There were proportionately fewer people aged 65 years and over than for the national average and other urban areas. There were, however, a higher proportion of people aged over 80 years. Those in this group are more likely to move to main urban areas to access care facilities. As a result of this age structure, main urban areas had the lowest median age of all profile areas (33.9 years, compared with 34.8 years nationally). The proportion of people of working age (66.2 percent) was the second-highest of any profile area, and higher than the national average of 65.3 percent recorded at the 2001 Census. Porirua zone had the highest proportion of children aged under five years (9.6 percent), and Dunedin the lowest proportion (5.6 percent), compared with an average of 7.2 percent for main urban areas.
In 2001, main urban areas had the second-lowest dependency ratio of all profile areas, with 51.0 dependents per 100 adults of working age, compared with a national average of 53.2. The proportion of dependent children per 100 adults was the lowest of any area (33.4, compared with an average of 34.8).

**Highest and Lowest Ranked Main Urban Areas**
By dependency ratio, Census of Population and Dwellings, 2001

<table>
<thead>
<tr>
<th>Main urban area (including zones)</th>
<th>Child dependency ratio</th>
<th>65 years and over dependency ratio</th>
<th>Total dependency ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wellington zone</td>
<td>25.4</td>
<td>11.8</td>
<td>37.2</td>
</tr>
<tr>
<td>Central Auckland zone</td>
<td>28.1</td>
<td>14.6</td>
<td>42.7</td>
</tr>
<tr>
<td>Wellington</td>
<td>31.7</td>
<td>13.5</td>
<td>45.2</td>
</tr>
<tr>
<td>Dunedin</td>
<td>26.5</td>
<td>19.7</td>
<td>46.1</td>
</tr>
<tr>
<td>Palmerston North</td>
<td>31.4</td>
<td>16.6</td>
<td>48.1</td>
</tr>
<tr>
<td>Whangarei</td>
<td>39.4</td>
<td>25.0</td>
<td>64.3</td>
</tr>
<tr>
<td>Te Awamutu zone</td>
<td>39.0</td>
<td>25.8</td>
<td>64.8</td>
</tr>
<tr>
<td>Gisborne</td>
<td>44.4</td>
<td>22.1</td>
<td>66.5</td>
</tr>
<tr>
<td>Wanganui</td>
<td>38.8</td>
<td>28.1</td>
<td>66.9</td>
</tr>
<tr>
<td>Kapiti</td>
<td>36.5</td>
<td>41.4</td>
<td>77.9</td>
</tr>
</tbody>
</table>
The majority of New Zealanders live in main urban areas, which means that national figures will often reflect patterns in main urban areas. Main urban areas had similar birth and death rates to those for the national population. There were 15.4 births per 1,000 people in these areas, compared with 15.1 births nationally (annual average for 1999–2003). The death rate was close to the national average, 7.3 deaths per 1,000 people, compared with 7.5 nationally. For more details on possible causal factors in regional death rates see the New Zealand Life Tables.

The infant mortality rate (an average of 5.2 deaths per 1,000 live births for the years 1999–2003), was similar to the national average of 5.5 infant deaths.

Main urban areas had the greatest ethnic diversity of all profile areas. They had the lowest proportion of people who specified European ethnicity and the highest proportion identifying with the Pacific peoples, Asian and/or Other ethnic groups. Main urban areas also had the second-lowest proportion of people specifying Māori ethnicity (13.1 percent, compared with 14.7 percent nationally). People identifying with European ethnic groups were the most numerous, accounting for almost 8 in 10 people in main urban areas. Thirty percent of people in main urban areas identified with an ethnic group other than European.

**Ethnicity (1)** *(Grouped total responses)*  
Census of Population and Dwellings, 2001

(1) As people may specify more than one ethnic group, the sum may be more than 100 percent.

Considerable variation in ethnicity existed between main urban areas. North Island urban areas, especially Auckland, showed greater ethnic diversity. Almost 1 in 5 people (19.0 percent) in Central Auckland zone identified with an Asian ethnic group.
in 2001, compared with approximately 1 in 100 people in Invercargill. Approximately 1 in 4 people in Porirua and Southern Auckland identified with the Pacific peoples ethnic group. Gisborne and Rotorua urban areas had the highest proportion of Māori (41.6 percent and 37.5 percent, respectively). In Kapiti and Nelson over 94.0 percent of people identified with European ethnic groups, the highest proportion of any main urban area, compared with only 54.1 percent of people in Southern Auckland zone.

Ethnicity (1) (Grouped total responses) by Main Urban Areas
Census of Population and Dwellings, 2001

<table>
<thead>
<tr>
<th>Main urban area (not including zones)</th>
<th>European</th>
<th>Māori</th>
<th>Pacific peoples</th>
<th>Asian</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whangarei</td>
<td>80.0</td>
<td>27.7</td>
<td>2.4</td>
<td>2.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Auckland</td>
<td>66.9</td>
<td>11.5</td>
<td>14.9</td>
<td>14.6</td>
<td>1.3</td>
</tr>
<tr>
<td>Hamilton</td>
<td>80.8</td>
<td>19.2</td>
<td>2.9</td>
<td>5.6</td>
<td>0.9</td>
</tr>
<tr>
<td>Tauranga</td>
<td>87.8</td>
<td>16.0</td>
<td>1.6</td>
<td>2.4</td>
<td>0.2</td>
</tr>
<tr>
<td>Rotorua</td>
<td>69.6</td>
<td>37.5</td>
<td>4.6</td>
<td>3.7</td>
<td>0.3</td>
</tr>
<tr>
<td>Gisborne</td>
<td>67.2</td>
<td>41.6</td>
<td>3.2</td>
<td>1.7</td>
<td>0.2</td>
</tr>
<tr>
<td>Napier-Hastings</td>
<td>80.7</td>
<td>21.4</td>
<td>3.9</td>
<td>2.5</td>
<td>0.3</td>
</tr>
<tr>
<td>New Plymouth</td>
<td>91.5</td>
<td>11.6</td>
<td>1.4</td>
<td>2.4</td>
<td>0.3</td>
</tr>
<tr>
<td>Wanganui</td>
<td>84.3</td>
<td>20.8</td>
<td>2.2</td>
<td>1.8</td>
<td>0.3</td>
</tr>
<tr>
<td>Palmerston North</td>
<td>85.2</td>
<td>13.6</td>
<td>3.2</td>
<td>6.2</td>
<td>0.8</td>
</tr>
<tr>
<td>Kapiti</td>
<td>94.6</td>
<td>9.0</td>
<td>1.7</td>
<td>1.7</td>
<td>0.2</td>
</tr>
<tr>
<td>Wellington</td>
<td>78.3</td>
<td>12.4</td>
<td>9.3</td>
<td>8.0</td>
<td>1.1</td>
</tr>
<tr>
<td>Nelson</td>
<td>94.4</td>
<td>7.3</td>
<td>1.3</td>
<td>1.9</td>
<td>0.2</td>
</tr>
<tr>
<td>Christchurch</td>
<td>89.8</td>
<td>7.2</td>
<td>2.4</td>
<td>5.5</td>
<td>0.6</td>
</tr>
<tr>
<td>Dunedin</td>
<td>92.4</td>
<td>5.8</td>
<td>2.1</td>
<td>4.3</td>
<td>0.7</td>
</tr>
<tr>
<td>Invercargill</td>
<td>92.6</td>
<td>12.1</td>
<td>2.1</td>
<td>1.2</td>
<td>0.1</td>
</tr>
<tr>
<td>Total Main urban areas</td>
<td>77.4</td>
<td>13.1</td>
<td>8.4</td>
<td>8.7</td>
<td>0.9</td>
</tr>
</tbody>
</table>

(1) As people may specify more than one ethnic group, the sum may be more than 100 percent.

Main urban areas had the highest proportion of people in any profile area who were born overseas (590,964 people or 23.1 percent of the population). More than a third of those in Central Auckland zone at the time of the 2001 Census were born overseas. The largest group was those who were born in Asia (46,533 people or 13.7 percent).

This cultural diversity also emerges in language. While most people living in main urban areas spoke English (95.5 percent, compared with 96.1 percent nationally) there was a far greater diversity of other languages at the time of the 2001 Census than in other profile areas. Approximately 1 in 5 people in a main urban area could speak a language other than English. Gisborne and Rotorua urban areas had the highest proportion of Māori speakers (13.3 percent and 12.4 percent, respectively), which is consistent with the areas’ ethnic composition. Auckland, which has the largest population of people identifying with the Pacific peoples ethnicity, also had the highest proportion of people speaking Samoan (5.3 percent, compared with 2.3 percent nationally).
The cultural diversity of main urban areas is reinforced by the variation in religious affiliation. At the time of the 2001 Census, 62.5 percent of people in main urban areas affiliated with the Christian religion, compared with 63.3 percent nationally. These areas had the highest percentage of people affiliating with a non-Christian religion (5.5 percent, compared with 4.4 percent nationally). Auckland had the greatest diversity, with Central Auckland Zone having the highest proportion of people affiliating with the Hindu (4.1 percent, compared with 1.2 percent nationally), Buddhist (3.0 percent, compared with 1.3 percent nationally) and Islam religions (2.6 percent, compared with 0.7 percent nationally). Invercargill had the highest proportion of people affiliating with Christianity (69.5 percent).
Social conditions

In 2001, households in main urban areas had an average of 2.7 people per household, the same as the national average. These areas had the second-lowest proportion of households with only one family (68.0 percent, compared with 69.1 percent nationally) and the highest proportion of multi-person households (6.2 percent, compared with 5.4 percent nationally). The high proportion of multi-person households is probably related to the population’s age structure as main urban areas have a high proportion of people aged 15 to 24 years, who are likely to be in a flatting situation.

Urban areas generally had lower proportions of married people and higher proportions of the never-married. Main urban areas had the lowest proportion of married people, 47.7 percent, compared with 49.7 percent nationally. The age structure is probably a factor in the high proportion of never-married people (34.9 percent, compared with 32.8 percent nationally). At the time of the 2001 Census, 95.6 percent of New Zealanders aged between 15 and 24 years had never been married, compared with 42.6 percent of people aged between 25 and 39 years.

Families in main urban areas tended to be slightly smaller on average than in other profile areas. The proportion of two-parent families in main urban areas was similar to the national average (42.5 percent, compared with 42.1 percent nationally). There were fewer couples without children (37.5 percent, compared with 39.0 percent nationally). Families with children in main urban areas had fewer dependent children than the national average. In main urban areas, 19.7 percent of families had no dependent children, compared with 18.6 percent nationally, and fewer families had three or more dependent children (17.5 percent, compared with 18.8 percent nationally). Statistics on fertility from the 1996 Census showed that women living in main urban areas gave birth to 1.8 children on average, compared with 1.9 children nationally.
Crowding categories are based on the difference between the number of bedrooms available and the number required to satisfy the conditions of the Canadian National Occupancy Standard.

Main urban areas had the highest rates of crowding, with 4.3 percent of households requiring one extra bedroom and 1.4 percent of households requiring two or more extra bedrooms, according to the Canadian National Occupancy Standard. Considerable variation existed between main urban areas. Southern Auckland Zone had the highest rate of crowding, with 1 in 8 households having insufficient bedrooms to accommodate their occupants. Invercargill had the lowest rate of crowding, with approximately 1 in 50 households lacking sufficient bedrooms for their occupants.

Main urban areas had a lower than average teenage birth rate (27.0 births per 1,000 females aged 15–19 years, compared with 29.0 nationally) for the period 1999 to 2003. Main urban areas in the North Island had a higher rate than those in the South Island (29.4 and 18.5 births per 1,000 females, respectively). Wellington zone had the
lowest teenage birth rate, with 9.7 births per 1,000 females aged 15 to 19 years, compared with a rate of 56.3 births in the Gisborne urban area.

**Work, knowledge and skills**

Urban areas tend to have lower labour force participation rates than do rural areas. At the time of the 2001 Census, adults in main urban areas had the highest labour force participation rate for any urban area (66.4 percent, compared with the New Zealand figure of 66.7 percent). In contrast, 75.1 percent of adults in rural areas with high urban influence participated in the labour force. The rate for main urban areas was higher in the North Island (67.0 percent) than the South Island (64.2 percent). Kapiti urban area had the lowest labour force participation rate (56.2 percent), probably because of the high proportion of people aged 65 years and over. Wellington zone had the highest labour force participation rate (74.7 percent).

Main urban areas had the second-highest unemployment rate at the time of the 2001 Census (7.9 percent, compared with a national rate of 7.5 percent). At the time of the 2001 Census, Whangarei urban area had the highest unemployment rate (11.2 percent).

**Highest and Lowest Unemployment Rates in Main Urban Areas**
*Census of Population and Dwellings, 2001*

Main urban areas had the most highly qualified population of any profile area in 2001. Less than a quarter of the adult population had no formal qualifications (24.9 percent, compared with 27.6 percent nationally). In contrast with most rural areas, little difference in qualifications emerged between males and females (24.7 percent of males had no formal qualifications, compared with 25.0 percent of females). People
living in Wellington zone were the most qualified, with almost 1 in 3 adults having a bachelor’s degree or higher.

Education and employment opportunities attract younger people (aged between 15 and 24 years), accounting for main urban areas having the largest proportion of people in this age group. These areas had the highest percentage of people studying for 20 or more hours a week.

**Adults Studying 20 or More Hours per Week**  
By profile area, Census of Population and Dwellings, 2001

![Bar chart showing the percentage of adults studying 20 or more hours per week by profile area.]

The traditional university centres of Dunedin and Palmerston North had the highest proportions of students.

**Highest Ranked Main Urban Areas**  
By studying status, Census of Population and Dwellings, 2001

<table>
<thead>
<tr>
<th>Main urban area (including zones)</th>
<th>Population of adults studying 20 or more hours per week</th>
<th>Population of adults receiving student allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent</td>
<td></td>
</tr>
<tr>
<td>Dunedin</td>
<td>16.7</td>
<td>7.5</td>
</tr>
<tr>
<td>Palmerston North</td>
<td>14.0</td>
<td>6.6</td>
</tr>
<tr>
<td>Hamilton zone</td>
<td>10.2</td>
<td>5.1</td>
</tr>
<tr>
<td>Central Auckland zone</td>
<td>10.0</td>
<td>4.1</td>
</tr>
<tr>
<td>Christchurch</td>
<td>9.9</td>
<td>4.0</td>
</tr>
<tr>
<td>Total Main urban areas</td>
<td>9.0</td>
<td>3.4</td>
</tr>
</tbody>
</table>
Main urban areas followed similar employment patterns to those of the national average, but had slightly higher rates of paid employees, and lower rates of employers, than other areas. At the time of the 2001 Census, approximately 80 percent of employed people worked as paid employees.

**Employment Status**  
*Census of Population and Dwellings, 2001*

<table>
<thead>
<tr>
<th>Main urban area (not including zones)</th>
<th>Paid employee</th>
<th>Employer</th>
<th>Self-employed and without employees</th>
<th>Unpaid family worker</th>
</tr>
</thead>
<tbody>
<tr>
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<td>7.1</td>
<td>9.3</td>
<td>1.4</td>
</tr>
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<td>7.9</td>
<td>1.8</td>
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<td>8.9</td>
<td>1.6</td>
</tr>
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<td>10.5</td>
<td>1.4</td>
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<td>1.3</td>
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<td>15.2</td>
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<tr>
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<td>10.3</td>
<td>1.0</td>
</tr>
<tr>
<td>Nelson</td>
<td>79.0</td>
<td>7.8</td>
<td>11.7</td>
<td>1.5</td>
</tr>
<tr>
<td>Christchurch</td>
<td>82.7</td>
<td>6.3</td>
<td>9.9</td>
<td>1.2</td>
</tr>
<tr>
<td>Dunedin</td>
<td>84.8</td>
<td>5.7</td>
<td>8.2</td>
<td>1.3</td>
</tr>
<tr>
<td>Invercargill</td>
<td>85.8</td>
<td>6.4</td>
<td>6.6</td>
<td>1.2</td>
</tr>
<tr>
<td><strong>Total Main urban areas</strong></td>
<td><strong>81.1</strong></td>
<td><strong>6.5</strong></td>
<td><strong>11.1</strong></td>
<td><strong>1.4</strong></td>
</tr>
</tbody>
</table>

Main urban areas followed quite different employment patterns from those for satellite and independent urban areas. Main urban areas had higher proportions of people employed as legislators, managers, professionals and technicians than did the other urban areas. Professionals were the largest occupational group in main urban areas (192,300 people or 16.5 percent of the employed population), followed by service and sales workers (178,713 people or 15.4 percent).

Occupational structure varied between main urban areas reflecting the distinctive character of each centre. Wellington zone had the highest proportion of professionals, which at 26.2 percent was over twice the proportion in Te Awamutu zone (12 percent). Wellington zone also had the highest proportion of technicians and associate professionals (15.9 percent). Central Auckland zone had the highest proportion of legislators, administrators and managers (18.0 percent). These figures are consistent with Wellington zone being a centre of government and Central Auckland the major business centre of New Zealand. Upper Hutt and Lower Hutt zones had the highest proportions of clerks (18.8 and 18.3 percent, respectively) while Te Awamutu zone had the highest proportion of service and sales workers (20.3 percent). Main urban areas had the lowest proportion of agriculture and fishery workers of any profile area (3.0 percent) but considerable variation emerged. In Wellington zone, less than 1.0 percent of the employed population worked in this occupation, compared with Hastings zone where the proportion of agriculture and fishery workers was 13.7 percent. Wellington zone had the lowest proportion of trades workers (5.3 percent),
Occupation (Major group) for Selected Main Urban Areas  
Census of Population and Dwellings, 2001

**Economic standard of living**

Standard of living involves a complex combination of factors such as income, living costs, and household size and composition. For example, if incomes in a particular area are below the national average but living costs (housing, food etc) are also below the average, then the standard of living might be higher than an area with above average incomes but well above average living costs. The data collected for this study are limited and can only provide a very approximate guide to living standards. People in main urban areas had higher than average incomes and higher than average household expenditure. Since these areas have large populations, median or average figures will mask the heterogeneity of income level and personal circumstances. Main urban areas will therefore often contain greater extremes of wealth and poverty.

People living in main urban areas had higher than average incomes. According to the New Zealand Income Survey (June 2003 quarter), adults in these areas had the third-highest average weekly income, $549, compared with the national average of $539. Total annual median personal incomes from the 2001 Census recorded people in main urban areas as having the second-highest incomes of any profile area ($19,200, compared with $18,500 nationally). People living in Wellington zone had the highest median incomes of any urban area ($27,000), while those living in Dunedin had the...
lowest median incomes ($14,400). The low figure in Dunedin may be explained by the large percentage of students in this urban area. Adults studying 20 hours or more a week in Dunedin had a median income of $4,800 per annum, compared with a median of $17,800 for people who were not studying.

**Annual Median Personal Income in Main Urban Areas**

*Census of Population and Dwellings, 2001*

Main urban areas had the highest proportion of people in any profile area earning income from wages and salaries (58.5 percent, compared with 56.7 percent nationally). The proportion of people receiving incomes from New Zealand superannuation or veterans pension was lower than average (14.6 percent, compared with 15.5 percent nationally), and the lowest of all urban areas. This lower proportion reflects the age structure of main urban areas, which had fewer older people. Main urban areas had the highest proportion of people receiving a student allowance, 3.4 percent compared with 2.9 nationally.
Five Highest Ranked Main Urban Areas
By population receiving New Zealand Superannuation or Veterans Pension
Census of Population and Dwellings, 2001

<table>
<thead>
<tr>
<th>Main urban area (including zones)</th>
<th>New Zealand superannuation or veterans pension</th>
<th>Percentage of adults aged 65 years and over</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kapiti</td>
<td>29.2</td>
<td>29.3</td>
</tr>
<tr>
<td>Tauranga</td>
<td>22.8</td>
<td>22.2</td>
</tr>
<tr>
<td>Wanganui</td>
<td>22.6</td>
<td>21.9</td>
</tr>
<tr>
<td>New Plymouth</td>
<td>21.0</td>
<td>20.4</td>
</tr>
<tr>
<td>Te Awamutu Zone</td>
<td>21.0</td>
<td>20.5</td>
</tr>
</tbody>
</table>

Households in main urban areas had the second-highest average household expenditure of any profile area ($45,075, compared with $43,682 nationally). Housing is usually the major household expenditure; households in main urban areas spent the most on housing ($10,798, compared with $10,159 nationally). The average expenditure on housing varied considerably across main urban areas, with the Auckland urban area having the highest. Households in Northern Auckland had the highest average household expenditure for main urban areas ($53,005) of which an average of $13,865 was spent on housing. Households in Gisborne spent well below the national average ($35,758). Their average expenditure on housing ($7,727) was almost half that of the North Auckland zone.
Considerable levels of deprivation existed within and among main urban areas. Greater variation existed in the North Island. North Island main urban areas were among the most, as well as the least, deprived.

**Most Deprived and Least Deprived Main Urban Areas**
2001

<table>
<thead>
<tr>
<th>Most deprived main urban areas (including zones)</th>
<th>Decile</th>
<th>Weighted average first principal component score</th>
<th>Least deprived main urban areas (including zones)</th>
<th>Decile</th>
<th>Weighted average first principal component score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gisborne</td>
<td>9</td>
<td>1076</td>
<td>Northern Auckland Zone</td>
<td>4</td>
<td>944</td>
</tr>
<tr>
<td>Whangarei</td>
<td>8</td>
<td>1053</td>
<td>Wellington Zone</td>
<td>4</td>
<td>953</td>
</tr>
<tr>
<td>Wanganui</td>
<td>8</td>
<td>1050</td>
<td>Cambridge zone</td>
<td>5</td>
<td>959</td>
</tr>
<tr>
<td>Porirua zone</td>
<td>8</td>
<td>1047</td>
<td>Kapiti</td>
<td>5</td>
<td>967</td>
</tr>
<tr>
<td>Rotorua</td>
<td>8</td>
<td>1044</td>
<td>Upper Hutt zone</td>
<td>5</td>
<td>969</td>
</tr>
</tbody>
</table>

Note: 1 is the least deprived and 10 is the most deprived.
Urban communities had distinctive housing patterns when compared with rural areas. Households in urban areas were less likely to live in separate houses and generally had lower rates of home ownership than those in rural areas. Main urban areas were the most distinctive, with a greater proportion of multiple-unit dwellings and generally lower rates of home ownership. In 2001, approximately 7 out of 10 private dwellings (73.0 percent, compared with 75.7 percent nationally) in main urban areas were separate houses. Almost 2 out of 10 private dwellings consisted of two or more units, the highest rate for any profile area.

At the time of the 2001 Census, home ownership rates for households in private occupied dwellings in main urban areas were the lowest of any profile area (65.8 percent, compared with 67.8 percent nationally). This lower rate of home ownership may involve a complex combination of factors. Higher house prices may contribute to lower home ownership rates in main urban areas. Other factors, such as the relationship between income and house prices, are also important. Central Auckland zone had the lowest home ownership rate (55.7 percent) and had very high median dwelling prices (the median for Auckland City averaged $364,800 between January and June 2004). Yet the median personal income for Central Auckland zone ($22,600) was one of the highest for an urban area. Gisborne urban area had the lowest incomes of any main urban area. It also had a relatively low ownership rate (62.8 percent) even though the average median dwelling price for Gisborne City for the first six months of 2004 was $122,700. The age structure of communities is also a significant factor. Home ownership rates rise with age. Kapiti urban area had the highest home ownership rate of any main urban area and also had the highest proportion of people aged 65 years and over.
Main urban areas had the highest rents of any profile area. Just under 20.0 percent of people in main urban areas paid $100 or less a week to rent a dwelling, but 6.3 percent paid $350 or more. In most areas (except rural areas with high urban influence), the percentage of households paying $350 or more to rent a dwelling was less than 2.0 percent. Central Auckland and Wellington zones had the highest proportion of households paying the highest weekly rents (15.8 percent of households paid $350 or more, compared with 5.1 percent nationally).

At the time of the 2001 Census, less than 5.0 percent of households in main urban areas had no access to telecommunication systems (3.2 percent, compared with 3.6 percent nationally. Households in these areas recorded the second-highest levels of access to the Internet (40.4 percent, compared with 37.4 percent nationally).

Urban areas had the highest proportion of households without access to a motor vehicle, possibly because of public transport provisions in urban areas. In main urban areas 10.9 percent of households had no motor vehicle, compared with 2.5 percent of households in rural areas with high urban influence. Northern Auckland zone had the lowest percentage of households in main urban areas with no motor vehicle (7.1 percent), and Wanganui and Dunedin urban areas had the highest percentage (15.0 percent).
Economic development

Main urban areas contain the majority of New Zealand’s businesses. Although these areas had 71.9 percent of New Zealand’s estimated resident population in 2003, they had 73.1 percent of total businesses and 79.3 percent of full-time equivalent workers (FTEs). Main urban areas had an above-average number of businesses per 1000 population (89.2, compared with 86.7 nationally) and the highest proportion of FTEs per business (5.1, compared with 4.7 nationally).

Businesses in Main Urban Areas
As at February 2003

<table>
<thead>
<tr>
<th>Main urban area (not including zones)</th>
<th>Industry (major division)</th>
<th>Agriculture forestry and fishing</th>
<th>Manufacturing</th>
<th>Construction</th>
<th>Wholesale trade</th>
<th>Retail trade</th>
<th>Accommodation cafes and restaurants</th>
<th>Property and business services</th>
<th>Other industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whangarei</td>
<td>Percent</td>
<td>2.1</td>
<td>7.9</td>
<td>12.3</td>
<td>5.6</td>
<td>15.8</td>
<td>3.3</td>
<td>26.3</td>
<td>26.7</td>
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<tr>
<td>Auckland</td>
<td></td>
<td>0.5</td>
<td>7.2</td>
<td>11.3</td>
<td>7.9</td>
<td>11.8</td>
<td>2.6</td>
<td>34.8</td>
<td>23.9</td>
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<tr>
<td>Hamilton</td>
<td></td>
<td>1.8</td>
<td>7.6</td>
<td>12.3</td>
<td>6.6</td>
<td>13.4</td>
<td>2.7</td>
<td>31.1</td>
<td>24.5</td>
</tr>
<tr>
<td>Tauranga</td>
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<td>3.0</td>
<td>7.6</td>
<td>15.2</td>
<td>5.8</td>
<td>13.3</td>
<td>2.9</td>
<td>30.5</td>
<td>21.7</td>
</tr>
<tr>
<td>Rotorua</td>
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<td>3.3</td>
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<td>9.9</td>
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<td>25.9</td>
<td>26.7</td>
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<tr>
<td>Gisborne</td>
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<td>7.1</td>
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<td>11.6</td>
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<td>15.3</td>
<td>3.9</td>
<td>22.6</td>
<td>27.9</td>
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<td>14.0</td>
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<td>28.6</td>
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<td>New Plymouth</td>
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<td>15.2</td>
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<td>7.7</td>
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<td>16.7</td>
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<td>15.4</td>
<td>3.9</td>
<td>27.4</td>
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<td>Kapiti</td>
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<td>2.9</td>
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<tr>
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<td>12.6</td>
<td>4.4</td>
<td>29.6</td>
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<td>3.0</td>
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<td>12.2</td>
<td>3.6</td>
<td>31.2</td>
<td>24.5</td>
</tr>
</tbody>
</table>

(1) Agriculture production (ANZSIC subdivision A01) is excluded from these statistics.

The Auckland urban area had approximately one third of all New Zealand businesses and FTEs at February 2003.

Property and business services employed the most workers in main urban areas (15.3 percent of FTEs, compared with 13.7 percent nationally). Manufacturing was the next most significant industry with 14.9 percent of FTEs. Southern Auckland zone had the highest percentage of people engaged in manufacturing (23.2 percent), while Wellington and Central Auckland zones had the highest percentage engaged in property and business services (22.2 and 22.1 percent, respectively.

Residential building reflects factors such as population characteristics, interest rates, house price inflation and household economic growth. Demographic data show that the estimated resident population count of main urban areas grew by 4.1 percent between 2001 and 2003, slightly more than the national average. There were 20,908 new residential building consents in 2003, compared with 14,264 in 2001. The rate of new residential building consents per 1,000 households was close to the national
average between 2001 and 2003 (22.1 percent, compared with 22.2 percent nationally).

As main urban areas have increased their share of population over the 20th and early 21st centuries, they have come to dominate New Zealand economically, culturally and politically. They have attracted increasing numbers of people because of employment opportunities, entertainment and educational facilities, and because of their social and cultural diversity. This shift in population, however, has not occurred uniformly across all urban areas. As well as increasing urbanisation nationally, there has been a shift of population from the south to the north of both islands. The Auckland urban area has grown hugely since the 19th century and now has approximately one-third of New Zealand’s population. Urbanisation has meant that although the character of New Zealand has changed from the rural paradise envisaged by 19th century colonists, the dream has not died. The increasing popularity of rural areas close to cities has emerged as the new Arcadia in which people hope to acquire the benefits of both urban and rural living.
Satellite Urban Areas

**Highlights**

- Home to 111,036 New Zealanders, 3.0 percent of New Zealand’s 2001 Census usually resident population.
- Population is projected to grow faster than the national average between 2001 and 2021 (19 percent, compared with 16 percent nationally).
- Child dependency ratio is the highest of any profile area.

**Introduction**

At the beginning of the 19th century, Aotearoa/New Zealand consisted of small rural settlements located around food resources. The majority of Māori lived in the warmer North Island (Te Ika-a-Maui), which suited their crops, although they also established permanent and temporary settlements throughout the country. The first European settlers also settled around primary resources, to gain access to whales, seals and flax. Initially, prospective colonists saw New Zealand as a rural paradise. In the years following the arrival of European settlers in New Zealand, the rural focus changed and New Zealand urbanised rapidly. Māori were predominantly rural until the 1950s, when a combination of factors such as population growth, inadequate land resources and the attractions of city life led to rapid urbanisation. At the beginning of the 21st century more than 80 percent of New Zealanders live in an urban area.

Throughout the 20th century, the nature of urban areas in New Zealand changed. Main urban areas grew in size and often assimilated smaller centres around them. The majority of urban dwellers live in main urban centres or urban centres that are linked to main urban areas. Improvements in roads and transportation made this development possible by reducing the time of travelling between centres. Once independent towns became adjuncts to main urban areas. For example, Pukekohe, famed for its potatoes, became a satellite community in which more than 20 percent of its employed population travelled to work in a main urban area. In Canterbury, the towns of Lincoln, Rolleston, Leeston, Woodend, Oxford, Rangiora and Darfield became satellite communities to Christchurch. This profile explores the characteristics of such satellite urban communities.

**Land and environment**

Satellite urban communities are located close to main urban areas in New Zealand. They cover 478 square kilometres, 0.2 percent of New Zealand’s land area. Almost three-quarters of the land area (356 square kilometres) is in the North Island. Mean temperature for satellite urban communities ranges between 12 and 16oC in the North Island and 9 and 13oC in the South Island.
**People**

Satellite urban communities were home to 111,036 New Zealanders at the time of the 2001 Census of Population and Dwellings, 3.0 percent of New Zealand’s usually resident population count. This is an increase of 12.1 percent between March 1991 and March 2001, slightly above the national increase of 10.8 percent. Satellite urban communities had a population density of 232.1 people per square kilometre, the lowest of the three urban categories but much higher than the national average of 14.2 people per square kilometre. The majority of the population in satellite urban communities lived in the North Island, 85,122 people, compared with 25,914 people in the South Island.
### Satellite Urban Communities Usually Resident Population

By region, 2001

<table>
<thead>
<tr>
<th>Satellite urban community</th>
<th>Region</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waiheke Island</td>
<td>Auckland</td>
<td>7,137</td>
</tr>
<tr>
<td>Helensville</td>
<td>Auckland</td>
<td>2,217</td>
</tr>
<tr>
<td>Pukekohe</td>
<td>Auckland/Waikato</td>
<td>18,825</td>
</tr>
<tr>
<td>Waiuku</td>
<td>Auckland/Waikato</td>
<td>6,666</td>
</tr>
<tr>
<td>Huntly</td>
<td>Waikato</td>
<td>6,822</td>
</tr>
<tr>
<td>Raglan</td>
<td>Waikato</td>
<td>2,667</td>
</tr>
<tr>
<td>Te Puke Community</td>
<td>Bay Of Plenty</td>
<td>6,771</td>
</tr>
<tr>
<td>Waitara</td>
<td>Taranaki</td>
<td>6,249</td>
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<tr>
<td>Inglewood</td>
<td>Taranaki</td>
<td>2,928</td>
</tr>
<tr>
<td>Feilding</td>
<td>Manawatu-Wanganui</td>
<td>13,641</td>
</tr>
<tr>
<td>Bulls</td>
<td>Manawatu-Wanganui</td>
<td>1,755</td>
</tr>
<tr>
<td>Woodville</td>
<td>Manawatu-Wanganui</td>
<td>1,476</td>
</tr>
<tr>
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<td>Wellington</td>
<td>5,643</td>
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<td>Leeston</td>
<td>Canterbury</td>
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</tr>
<tr>
<td>Riverton</td>
<td>Southland</td>
<td>1,653</td>
</tr>
</tbody>
</table>

Nine out of 16 regions had people living in satellite urban communities. These communities were located around New Zealand’s major cities. Although Taranaki had the highest percentage of people living in satellite urban communities, Auckland region had the highest actual number of people living in satellite urban communities (29,169, followed by Canterbury with 21,342). Tasman and Southland had the smallest populations living in satellite urban communities.

According to resident population estimates, the population of satellite urban communities increased slightly between June 2001 and June 2003, by 3,400 people or 3.0 percent.
Population projections suggest that main urban centres and satellite urban communities are expected to experience a greater than average increase in population between 2001 and 2021. Rural areas with high and moderate urban influence are also projected to increase between 2001 and 2021. In contrast, independent urban communities and highly rural/remote areas are projected to decrease.
Compared with rural areas, satellite urban communities generally had much higher proportions of females. The male/female ratio in this profile area was 94.2 males to 100 females. Tasman had the highest ratio, 104.6 to 100, and Wellington the lowest, 91.5 to 100.

Satellite urban communities had a greater than average proportion of children but fewer people aged 15–29 years than the national average. These areas also had a higher than average proportion of elderly people. The working age population, at 60.9 percent, was the second lowest of any urban/rural area and much lower than the national average of 65.3 percent recorded at the 2001 Census.
In 2001, satellite urban communities had a slightly higher than average median age of 35.9 years, compared with 34.8 years nationally. These areas had the second-highest dependency ratio, with 64.1 dependents per 100 adults of working age. (Independent urban communities had the highest age dependency ratio.) The number of dependents aged 0-14 years per 100 adults, in satellite urban communities, was the highest of any profile area (40.1, compared with the New Zealand average of 34.8).

The characteristic age structure of satellite urban communities means that birth and death rates in these areas are distinctive. Satellite urban communities had higher birth rates and higher death rates than the national population. The annual average birth rate for 1999 to 2003 in satellite urban communities was the highest for any profile area (16 births per 1,000 population, compared with 15.1 births nationally). These areas had the second-highest death rate of any area with 9.2 deaths per 1,000 people, compared with the national average of 7.5.

The infant mortality rate for satellite urban communities (an average of 6.0 infant deaths per 1,000 live births for 1999 to 2003), was the highest of any area and compares with a national average of 5.5 infant deaths. For more details on possible causal factors in regional death rates see the New Zealand Life Tables.
Satellite urban communities were dominated by two ethnic groups, European and Māori. These areas did, however, have the second-highest proportions of Asian, Pacific peoples, or Other ethnic groups. While European ethnic groups were the most common, with people who specified European ethnicity accounting for over 8 in 10 people, satellite urban communities (along with rural areas with low urban influence) had the second-highest proportion of people identifying with the Māori ethnic group. Almost 1 in 5 people living in satellite urban communities reported having Māori ethnicity at the time of the 2001 Census. In the Waikato region, approximately one third of people living in satellite urban communities specified Māori ethnicity.

**Ethnicity (1)** *(Grouped total responses)*  
Census of Population and Dwellings, 2001

(1) As people may specify more than one ethnic group, the sum of the different ethnic groups may be more than 100 percent.

Satellite urban communities had the second-lowest proportion of New Zealand-born people, although the proportion of New Zealand-born was still higher than the national average (87.6 percent, compared with 80.5 percent nationally).

Satellite urban communities had a higher-than-average proportion of people speaking Māori (5.9 percent, compared with 4.5 percent nationally). In the North Island, 5,913 people, 7.3 percent of the population of satellite urban communities, spoke Māori. This compared with 351 people, 1.4 percent of people in these areas, in the South Island. Almost 1 in 8 people living in satellite urban communities in the Waikato region spoke Māori. Satellite urban communities also had the highest proportion of people in any profile area who could ‘speak’ New Zealand sign language.
Satellite urban communities followed national patterns of religious affiliation closely. At the time of the 2001 Census, 63.1 percent of people in satellite urban communities affiliated with a Christian denomination, compared with 63.3 nationally. Despite the higher-than-average proportion of people with Māori ethnicity, the proportion of people identifying with Māori Christianity was the same as the national average (2.0 percent). These communities had the highest proportion of people in any profile area identifying with the Methodist (5.1 percent, compared with 3.7 percent nationally) and Pentecostal denominations, as well as Spiritualism and New Age religions.

**Social conditions**

Satellite urban areas and independent urban communities had similar characteristics in relation to household composition. In 2001, households in satellite urban communities had a smaller than average household size, 2.6 people per household (compared with 2.7 nationally). Only independent urban communities had smaller households on average. This figure is probably related to the older age structure of these areas as older people are more likely to live in one-person households. These areas had an above-average proportion of households with only one family (69.7 percent, compared with 69.1 percent nationally) and the second-highest proportion of one-person households (25.2 percent, compared with 23.4 percent nationally). Independent urban communities had the highest proportion of one-person households of any profile area.

Urban areas generally had lower proportions of married people and higher proportions of the never married than rural areas. In satellite urban communities 51.3 percent of the adult population was married, compared with a national average of 49.7 percent. Satellite urban communities had the highest percentage of separated and divorced people of any profile area. The older age structure of satellite urban communities is reflected in the higher proportion of widowed people (8.3 percent, compared with 6.5 percent nationally). This figure is second only to independent urban communities.

Satellite urban communities had the second-lowest percentage of two-parent families (39.8 percent, compared with 42.1 percent nationally). They had the highest proportion of one-parent families (20.4 percent, compared with 18.9 nationally). One possible factor could be the attraction of cheaper housing in these areas as one-parent families generally have lower incomes. At the time of the 2001 Census, 4.8 percent of couple with child(ren) only households had an annual income of $20,000 or less, while in one-parent with child(ren) only households, 45.1 percent had an annual income of $20,000 or less.

Families with children in satellite urban communities had more dependent children than the national average. Fewer families had no dependent children (16.9 percent, compared with 18.6 percent nationally), and more families in these areas had two dependent children, or three or more dependent children. Statistics on fertility from the 1996 Census showed that women living in satellite urban communities had given birth to 2.2 children on average, compared with 1.9 nationally.
Satellite urban areas had the second highest rates of crowding, with 3.5 percent of households requiring one extra bedroom and 0.8 percent of households requiring two or more extra bedrooms, according to the Canadian National Occupancy Standard. This rate was slightly below the national average because crowding is concentrated in main urban areas where the majority of the population lives.

Between 1999 and 2003, satellite urban communities had a higher than average teenage birth rate (39.5 births per 1,000 females aged 15-19 years, compared with 29.0 births nationally). Satellite urban communities in the North Island had a rate well above the North Island average (46.2 births per 1,000 females aged 15-19 compared with 32.0 for the whole North Island). In contrast, satellite urban communities in the South Island had a teenage birth rate of 16.2, lower than the South Island average of 19.2 births.

Generally, satellite urban communities had higher proportions of one-parent families, and dependent children. Rates of crowding were higher than in all other profile areas, except main urban areas. These statistics suggest that people living in satellite urban communities face slightly more difficult conditions than people nationally. A significant difference emerges between the North and South Islands. Satellite urban communities in the North Island had almost twice the rate of one-parent families as in the South Island (22.7 percent, compared with 13.4 percent). Five percent of households in satellite urban communities in the North Island required extra bedrooms, compared with just under 2.0 percent of these communities in the South Island.

**Work, knowledge and skills**

At the time of the 2001 Census, satellite urban communities had the second-lowest labour force participation rate for any area (62.8 percent, compared with 66.7 percent nationally). Factors such as age and sex may have influenced this low participation rate, since these areas had a smaller than average proportion of working-age adults and a higher proportion of women (who tend to have lower force participation rates). The rate was higher in the South Island (65.3 percent) than the North Island (62.0 percent). Satellite urban communities in Tasman had the highest labour force participation rate for this profile area, 70.1 percent. In contrast, these areas in Wellington region had the lowest labour force participation rate, 55.2 percent. At the
time of the 2001 Census, satellite urban areas had the highest unemployment rate of any profile area, 8.2 percent, compared with the national rate of 7.5 percent.

In 2001 satellite urban communities had the second-highest proportion of adults without any formal qualifications (36.4 percent, compared with 27.6 percent nationally). There was little difference between males and females (37.2 percent of males had no formal qualifications, compared with 35.7 percent of females). The older age structure of the population in these areas is a relevant factor since almost half of New Zealand adults aged 65 years and over had no qualifications at the time of the 2001 Census.

**Highest Qualification**
Census of Population and Dwellings, 2001

Employment and occupational data reveal that employment in satellite urban communities follows similar patterns to the national average. At the time of the 2001 Census, almost 8 out of 10 employed people worked as paid employees.
Among the three urban profile areas, satellite urban communities and independent urban areas had fairly similar occupational structures. In contrast, main urban areas had distinctly higher proportions employed as legislators, managers, professionals and technicians. Service and sales workers were the largest occupational group in satellite urban communities, totalling 7,059 people at the time of the 2001 Census. Satellite urban communities had the highest proportion of trades workers for any profile area (11 percent, compared with the national average of 8.9 percent). Independent urban communities had the second-highest proportion of trades workers (10.3 percent).
**Economic standard of living**

Standard of living involves a complex combination of factors such as income, living costs, and household size and composition. For example, if incomes in a particular area are below the national average but living costs (housing, food etc) are also below the average, then the standard of living might be higher than for an area with above average incomes but well above average living costs. The data collected for this study is limited and can only provide a very approximate guide to living standards. On average, people in satellite urban communities had lower incomes and lower household expenditure than people in rural areas and main urban areas. Satellite urban areas appeared most similar to independent urban areas. In most regions, except for Tasman and Canterbury, satellite urban communities were among the most deprived areas, particularly in the North Island.

People living in satellite urban communities had lower than average incomes. According to the New Zealand Income Survey (June 2003 quarter), adults in these areas had the lowest average weekly income, $466, compared with the New Zealand average of $539 weekly. The 2001 Census recorded people in satellite urban communities as having the second-lowest median incomes ($16,100, compared with $18,500 nationally). These areas had the second-highest number of people earning
less than $15,001 (47.6 percent) and the second-lowest number of people earning $40,001 or more (13.6 percent).

**Average Weekly Income by Profile Area**
June 2003 quarter

According to the 2001 Census, people living in Tasman satellite urban communities had the highest median income ($17,900), followed by people living in these areas in the Auckland region ($17,800). The small number of people living in Tasman satellite urban communities may distort median figures.
People in satellite urban communities were less likely to earn income from wages and salaries and more likely to receive income from the government. These areas had the highest proportion of people in any profile area receiving income from the domestic purposes benefit (5.0 percent, compared with 3.9 nationally), which is consistent with the high proportion of one-parent families in these areas. Satellite urban communities also had the second-highest proportion of people receiving New Zealand superannuation or veterans pension (19.9 percent, compared with 15.5 percent nationally).

Satellite urban communities in the North Island were, on average, more deprived than those in the South Island. Waikato and Taranaki satellite urban communities scored an average of 9 on the New Zealand Index of Social Deprivation (1 being least deprived and 10 the most deprived). In contrast, Tasman satellite urban communities had the lowest average score of 3, while Canterbury averaged 4.

In the year ended June 2001, households in satellite urban communities had the second-lowest average household expenditure of any area ($40,061, compared with $43,682 nationally). Household size may have been a factor in this lower than average household expenditure, as these areas had the second-smallest average household size of any area. Lower housing costs may be another factor as housing costs are usually the major source of household expenditure. Households in satellite urban communities spent a lower than average proportion of their income on housing ($9,531, compared with $10,159 nationally).
Urban communities had distinctive housing patterns when compared with rural areas. Households in urban areas were less likely to live in separate houses and generally had lower rates of home ownership than in rural areas. A split emerges between urban areas, with satellite and independent urban communities having higher than average rates of home ownership while main urban areas had below average ownership rates. Approximately 8 of 10 private dwellings in satellite urban communities were separate houses at the time of the 2001 Census (81.5 percent, compared with 75.7 percent nationally). Home ownership rates for households in private occupied dwellings were the highest for any urban area (71.5 percent, compared with 67.8 percent nationally). This higher rate of home ownership may be linked to lower house prices in this profile area compared with main urban areas.

Weekly rents in satellite urban communities tended to be lower than in main urban areas. Less than 1.0 percent of households paid $350 or more to rent their home, compared with 4.9 percent nationally.

At the time of the 2001 Census, access to telecommunication systems in satellite urban communities was lower than the national average. Almost 5.0 percent of households had no access to telecommunication systems, compared with 3.6 percent nationally. Households in these areas recorded the second-lowest level of access to the Internet (28.4 percent, compared with 37.4 percent nationally). This significantly lower level of access to the Internet could be due to factors such as lower incomes, educational qualifications and household composition.

Satellite urban communities generally experienced slightly higher levels of deprivation, especially in the North Island, and had lower than average incomes. They
also had lower household expenditure that would partly offset the lower than average
incomes.

**Economic development**

Satellite urban communities have distinctive business patterns that are shaped by the
proximity to, or influence of, a main urban area. They had a below-average number of
businesses per 1000 population (72.0, compared with 86.7 nationally), as at February
2003. This could reflect the close proximity to main urban areas. By definition, 20
percent or more of the employed population of a satellite urban area works in a main
urban area. There were 4.0 full-time equivalent workers per business, below the
national average of 4.7 workers.

**Businesses by Industry (Major division)**

As at February 2003

<table>
<thead>
<tr>
<th>Industry</th>
<th>Satellite urban communities</th>
<th>Total New Zealand</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
</tr>
<tr>
<td>Agriculture, forestry and fishing(1)</td>
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<tr>
<td>Mining</td>
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<tr>
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<td>Construction</td>
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<tr>
<td>Wholesale trade</td>
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<tr>
<td>Accommodation, cafes and restaurants</td>
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<td>Transport and storage</td>
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<td>Communication services</td>
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<tr>
<td>Education</td>
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<tr>
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<tr>
<td>Cultural and recreational services</td>
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<tr>
<td>Personal and other services</td>
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<tr>
<td><strong>Total</strong></td>
<td>7,997</td>
<td>100.0</td>
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</tbody>
</table>

(1) Agriculture production (ANZSIC subdivision A01) is excluded from these
statistics.

Retail trade employed the most workers in satellite urban communities, with 17.8
percent of full-time equivalents, compared with 12.5 percent nationally. Construction
and health, and community services, in this profile area employed a significantly
higher percentage of full-time equivalents than was the national average.

Population data indicates that the estimated resident population of satellite urban
communities grew by 3.0 percent between 2001 and 2003, just under the national
average. The population of these areas is projected to grow faster than the national
average between 2001 and 2021. Building statistics show there were 1,112 new
residential building consents in 2003, compared with 656 in 2001. The rate of
building consents per 1,000 households was close to the national average between
2001 and 2002, but higher than the national average in 2003 (27.2 consents per 1,000
households, compared with 22.2 nationally).
Satellite urban communities have become increasingly linked to main urban areas over the latter part of the 20th and early 21st centuries. As transport and roads have improved, people have been able to determine where to live, by choice rather than proximity to work. This flexibility of residence has splintered the traditionally strong divide between areas. Urban/rural boundaries have blurred, and once independent urban areas are now becoming extensions of main urban areas. However, these communities still retain their independence, and have striven to keep the community ethos that forms part of their lifestyle attraction. In character, satellite urban communities are more similar to independent urban communities than to main urban areas despite their geographical closeness to the latter.
Independent Urban Areas

**Highlights**

- Home to 437,688 New Zealanders, 11.7 percent of New Zealand’s 2001 Census usually resident population count.
- Population is projected to decline between 2001 and 2021.
- Second highest population density of any profile area, 265.9 people per square kilometre, compared with the national average of 14.2 people.
- Highest median age of 38.0 years. Highest proportion of one-person households and smallest average household size.
- Lowest median personal income and lowest average household expenditure of any profile area.

**Introduction**

Prior to European settlement, Aotearoa/New Zealand consisted of small rural settlements located around food resources. The majority of Maori lived in the warmer North Island (Te Ika-a-Maui), which suited their crops, although they also established permanent and temporary settlements throughout the country. The first Europeans settled around primary resources: whales, seals and flax. Initially, prospective colonists saw New Zealand as a rural paradise. In the years following the arrival of European settlers in New Zealand, the rural focus changed and New Zealand urbanised rapidly. Maori were predominantly rural until the 1950s, when a combination of factors such as population growth, inadequate land resources and the attractions of city life led to rapid urbanisation. At the beginning of the 21st century more than 80 percent of New Zealanders live in an urban area.

Throughout the last century, the main urban areas grew in size, often assimilating smaller centres around them. Although the majority of urban dwellers lived in main urban centres, or urban centres that are linked to main urban areas, over 10 percent of New Zealand’s population lived in a series of independent urban communities. These are often remote from main urban areas and have their own distinctive characteristics. In these independent communities less than 20 percent of the employed population worked in a main urban area. There are 89 independent urban communities, 60 in the North Island and 29 in the South Island. North Island communities varied in population size from Russell (population 804, Northland region) and Manaia (population 951, Taranaki region), to Taupo (population 20,307, Waikato region) and Masterton (population 19,500, Wellington region). Canterbury had the smallest (Hanmer Springs, population 660) and largest (Timaru, population 26,745) independent urban communities in the South Island. This profile explores the characteristics of these independent urban communities.

**Land and environment**

Independent urban communities are scattered across New Zealand. They cover 1,646 square kilometres, 0.6 percent of New Zealand’s land area. Just under two-thirds of
the land area (1,013 square kilometres) is in the North Island. The mean temperature for independent urban communities ranges between 11 and 15°C in the North Island and 8 and 12°C in the South Island.

**People**

Independent urban communities were home to 437,688 New Zealanders at the time of the 2001 Census of Population and Dwellings, 11.7 percent of New Zealand’s usually resident population count. These areas had the second-highest population density of any profile area, with 265.9 people per square kilometre, compared with the national average of 14.2 people per square kilometre. The majority of the population in this profile area lived in the North Island, 269,718 people, compared with 167,973 people in the South Island.

**Independent Urban Communities**

*By region, Census of Population and Dwellings, 2001*

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of independent urban communities</th>
<th>Population in independent urban communities</th>
<th>Percentage of people living in independent urban communities</th>
<th>Male/female ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northland</td>
<td>9</td>
<td>25,845</td>
<td>18.5</td>
<td>92.3</td>
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<tr>
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<td>7,620</td>
<td>0.7</td>
<td>91.8</td>
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<td>Waikato</td>
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<td>91,125</td>
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<td>94.0</td>
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<td>37,206</td>
<td>15.5</td>
<td>93.8</td>
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<td>7.1</td>
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<td>Marlborough</td>
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<td>95.3</td>
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<td>58.7</td>
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<td>Canterbury</td>
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<td>56,415</td>
<td>11.7</td>
<td>91.6</td>
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<td>Otago</td>
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<td>39,345</td>
<td>21.7</td>
<td>95.5</td>
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<tr>
<td>Southland</td>
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<td>15,816</td>
<td>17.4</td>
<td>94.7</td>
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<tr>
<td>New Zealand</td>
<td>89</td>
<td>437,688</td>
<td>11.7</td>
<td>93.9</td>
</tr>
</tbody>
</table>

Although Marlborough had the highest percentage of people living in independent urban communities, Waikato had the largest actual number (91,125, followed by Canterbury with 56,415). Two regions, Gisborne and Nelson, had no independent urban communities.

Compared with rural areas, independent urban communities had much higher proportions of females. The male/female ratio in these areas was 93.9 males to 100 females. Tasman had the highest ratio and Canterbury the lowest (97.7 to 100 and 91.6 to 100, respectively).
According to usually resident population estimates, the population of independent urban communities increased slightly between 2001 and 2003, by 1,000 people or 0.2 percent. The national population experienced growth of 3.3 percent.

**Projected Population for Independent Urban Communities**

2001 (base)–2021

Population projections show that the population of independent urban communities is expected to decline by 4 percent between June 2001 and June 2021 (medium projection series), compared with a national increase of 16 percent.
Main urban centres, and rural areas close to main urban centres, are projected to increase in population. In contrast, independent urban communities, and rural areas further away from main urban centres are projected to decrease.

Independent urban communities had an older age structure than the national average. Along with rural areas with moderate urban influence they had the smallest proportion of children under 5 years. There were fewer young adults and a greater proportion of older people than nationally. The working-age population, at 60.3 percent, was the lowest of any profile area and much lower than the national average of 65.3 percent recorded at the 2001 Census.
In 2001, independent urban communities had the highest median age in New Zealand, 38.0 years. The median age for these areas in the North Island, 37.0 years, was almost three years higher than the total North Island median of 34.2 years. In the South Island, the median age for people in independent urban communities was 39.4 years, compared with the total South Island median of 36.8 years.

The older age structure contributed to independent urban communities having the highest dependency ratio of any profile area at the time of the 2001 Census. There were 65.8 dependents per 100 working-age adults. The 65 years and over dependency ratio was the highest of any profile area (28.2, compared with the national average of 18.5).

The characteristic age structure of independent urban communities means that birth and death rates in these areas are distinctive. Independent urban communities had lower birth rates but higher death rates than the national population. The annual average for 1999 to 2003 was 13.9 births per 1,000 population in these areas. The national average was 15.1 births per 1,000 population. Independent urban communities had the highest death rate of any profile area, with 10.8 deaths per 1,000 people, compared with the national average of 7.5 deaths per 1,000. The higher death
rate is probably related to the high proportion of people aged 65 years and over (17.0 percent, compared with 12.1 percent nationally).

The infant mortality rate for independent urban communities (an average of 5.6 deaths per 1,000 live births for 1999 to 2003), was similar to the national average of 5.5 deaths per 1,000 live births. For more details on possible causal factors in regional death rates see the New Zealand Life Tables.

Independent urban communities were dominated by two ethnic groups, European and Māori. The proportions of people specifying Asian, Pacific peoples or Other ethnic groups were very low at the 2001 Census. People identifying with European ethnic groups accounted for over 8 in every 10 people. Independent urban communities had the highest proportion of people specifying Māori ethnicity of any profile area. One in 5 people living in independent urban communities reported having Māori ethnicity at the 2001 Census. In Northland, Bay of Plenty and Hawke’s Bay regions approximately 4 out of 10 people in independent urban communities specified Māori ethnicity. There was a much higher proportion of New Zealand-born people living in independent urban communities (89.6 percent, compared with 80.5 percent nationally).

**Ethnicity**\(^{(1)}\) (Grouped total responses)
Census of Population and Dwellings, 2001

\(^{(1)}\) As people may specify more than one ethnic group, the sum of the different ethnic groups may be more than 100 percent.

Independent urban communities had the highest proportion of Māori speakers in any urban area (6.1 percent, compared with 4.5 percent nationally). In the North Island, 22,185 people, or 8.6 percent of the population of independent urban communities,
spoke Māori. This compares with 3,432 people (2.1 percent) in the South Island independent urban communities. In the North Island, 7.3 percent of people in satellite urban areas stated that they were Māori speakers, compared with 4.4 percent in main urban areas. More than 1 in 7 people living in independent urban communities in the Bay of Plenty spoke Māori.

At the time of the 2001 Census, independent urban communities had the second-highest proportion of people stating an affiliation with a Christian denomination (67.2 percent, compared with 63.3 nationally). Only highly rural/remote areas had a higher proportion. Independent urban communities, particularly in the North Island, reveal the importance of Māori culture, including religion, in many areas. Independent urban communities had the highest proportion of people adhering to Māori Christianity (3.3 percent, compared with 2.0 percent nationally).

**Social conditions**

In 2001, households in independent urban communities had the smallest average household size for any profile area, 2.5 people per household (compared with 2.7 nationally). This figure is probably related to the older age structure of these areas. Older people are more likely to live in one-person households. Independent urban communities had the lowest proportion of households with only one family (67.6 percent, compared with 69.1 percent nationally) and the highest proportion of one-person households (27.5 percent, compared with 23.4 percent nationally).

Urban areas generally had lower proportions of married people and higher percentages of separated or divorced people. While independent urban communities had the second lowest proportion of married people for any profile area (51.2 percent), this figure was higher than the national average (49.7 percent). The older age structure of independent urban communities is probably also a factor in the high proportion of widowed people (9.4 percent compared, with 6.5 percent nationally).

Independent urban communities had the lowest percentage of two-parent families of any profile area (36.7 percent of all families, compared with 42.1 percent nationally). They also had the highest proportion of couple-without-children families. Families with children had the second-lowest proportion of dependent children, although this was still higher than the national average. Independent urban communities had the second-lowest proportion of three or more dependent children (20.9 percent, compared with 18.8 percent nationally). Because over 70 percent of the total population lives in main urban areas, national statistics tend to reflect main urban area patterns, which can obscure the variations of other areas. Statistics on fertility from the 1996 Census showed that women living in independent urban communities recorded having 2.3 live births, on average, compared with 1.9 for women nationally.
Independent urban communities had the highest teenage birth rate of all profile areas, with 44.6 births per 1,000 females aged 15–19 years compared with 29.0 per 1,000 nationally. Independent urban communities in the North Island had 55.1 births per 1,000 females aged 15–19 years, more than twice the rate for these communities in the South Island. The high rate in these areas may result from young rural women moving temporarily to birthing facilities in urban areas. Teenage birth rates are correspondingly lower in rural areas.

**Work, knowledge and skills**

At the time of the 2001 Census, independent urban communities had the lowest labour force participation rate for any profile area (61.4 percent, compared with 66.7 percent nationally). This low rate is probably due to factors such as age and sex structure, since these areas have the smallest proportion of working-age adults and a higher proportion of women (who tend to have lower labour force participation rates than men). The rate was slightly higher in the South Island (63.3 percent) than in the North Island (60.2 percent). Independent urban communities in Otago had the highest labour force participation rate for these areas (65.8 percent). The unemployment rate for independent urban communities, at the time of the 2001 Census was similar to the national rate, 7.6 percent and 7.5 percent, respectively.

In 2001, independent urban communities had the highest proportion of adults without any formal qualifications of any profile area (38.0 percent, compared with 27.6 percent nationally). The older age structure of the population in these areas is a
probable factor in this situation since almost half those aged 65 years and over had no qualifications at the time of the 2001 Census. There was little difference between men and women (38.7 percent of men had no formal qualifications, compared with 37.4 percent of women).

**Highest Qualification**  
Census of Population and Dwellings, 2001

Employment and occupational patterns in independent urban communities are similar to the national pattern. At the time of the 2001 Census, employed adults working in these areas were slightly more likely than the national average to work as paid employees.
Occupationally, independent urban communities followed similar patterns to those for satellite urban areas but ones quite different to those in main urban areas. The latter had higher proportions employed as legislators, managers, professionals and technicians and clerks. Service and sales workers were the largest occupational group in independent urban communities, with 31,896 people (18 percent of the employed population) at the time of the 2001 Census.
**Economic standard of living**

Standard of living involves a complex combination of factors such as income, living costs, and household size and composition. For example, if incomes in a particular area are below the national average but living costs (housing, food etc) are also below the average, then the standard of living might be higher than for an area with above average incomes but well above average living costs. The data collected for this study are limited and can only provide a very approximate guide to living standards. People in independent urban communities generally had lower personal incomes and lower household expenditure than those in rural areas and main urban areas.

People in independent urban communities were slightly less likely to earn income from wages and salaries and more likely to receive income from the government. They had the highest percentage of people receiving community wage – job seeker (7.1 percent) or invalids benefit (3.4 percent). Independent urban communities also had the highest proportion of people in any profile area receiving income from New Zealand Superannuation or Veterans Pension (22.7 percent, compared with 15.5 percent nationally), which is consistent with the older age structure of these areas.
In most regions, independent urban communities were generally among the most deprived areas, particularly in the North Island.
## 2001 New Zealand Index of Social Deprivation *(1)(2)* By region

<table>
<thead>
<tr>
<th>Region</th>
<th>Decile for independent urban communities</th>
<th>Decile for main urban areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northland</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Auckland</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Waikato</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Bay of Plenty</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>Gisborne</td>
<td>...</td>
<td>9</td>
</tr>
<tr>
<td>Hawke’s Bay</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Taranaki</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Manawatu-Wanganui</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Wellington</td>
<td>7</td>
<td>6</td>
</tr>
<tr>
<td>Tasman</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Nelson</td>
<td>...</td>
<td>6</td>
</tr>
<tr>
<td>Marlborough</td>
<td>5</td>
<td>...</td>
</tr>
<tr>
<td>West Coast</td>
<td>7</td>
<td>...</td>
</tr>
<tr>
<td>Canterbury</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Otago</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Southland</td>
<td>6</td>
<td>6</td>
</tr>
</tbody>
</table>

*(1)* For further information regarding the social deprivation index please refer to [http://www.moh.govt.nz/phi/publications](http://www.moh.govt.nz/phi/publications)

*(2)* On this scale, 1 is the least deprived and 10 is the most deprived. First principle component scores and decile ratings have not been calculated for regional totals or for larger geographic areas due to the nature of the Social Deprivation Index. Decile ratings for large geographic areas hide the heterogeneity and can therefore be misleading.

Symbol: … not applicable

People living in independent urban communities had lower than average incomes. According to the New Zealand Income Survey, adults in these areas had the second-lowest average weekly income, $467, compared with the New Zealand average of $539. The 2001 Census recorded people in independent urban communities as having the lowest annual median personal incomes ($15,500, compared with $18,500 nationally). These areas had the highest proportion of people earning less than $15,001 (48.9 percent) and the lowest proportion of people earning $40,001 or more (12.1 percent).
Annual Personal Income for Urban/Rural Profile Areas
Census of Population and Dwellings, 2001

<table>
<thead>
<tr>
<th>Urban/rural profile area</th>
<th>Less than $15,001</th>
<th>$15,001-$40,000</th>
<th>$40,001 and over</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main urban area</td>
<td>42.5</td>
<td>37.7</td>
<td>19.8</td>
</tr>
<tr>
<td>Satellite urban community</td>
<td>47.6</td>
<td>38.8</td>
<td>13.6</td>
</tr>
<tr>
<td>Independent urban community</td>
<td>48.9</td>
<td>39.0</td>
<td>12.1</td>
</tr>
<tr>
<td>Rural area with high urban influence</td>
<td>38.1</td>
<td>38.4</td>
<td>23.5</td>
</tr>
<tr>
<td>Rural area with moderate urban influence</td>
<td>42.1</td>
<td>39.6</td>
<td>18.3</td>
</tr>
<tr>
<td>Rural area with low urban influence</td>
<td>42.6</td>
<td>39.9</td>
<td>17.5</td>
</tr>
<tr>
<td>Highly rural/remote area</td>
<td>42.8</td>
<td>40.2</td>
<td>17.0</td>
</tr>
<tr>
<td>New Zealand</td>
<td>43.3</td>
<td>38.1</td>
<td>18.6</td>
</tr>
</tbody>
</table>

People living in independent urban communities in Otago had the highest median income, $17,800, followed by people in Southland ($17,200). One possible reason for the higher incomes in independent urban communities in Otago could be the vitality of the Queenstown-Lakes District, an area which has attracted many high income earners.

Annual Median Income by Age
Census of Population and Dwellings, 2001

Households in independent urban communities had the lowest average household expenditure of any profile area ($36,837, compared with $43,682 nationally). Part of the reason for this lower-than-average expenditure could be household size. These areas had the highest proportion of one-person households and the smallest average
household size of any area. Housing is usually the major cost for household expenditure; households in independent urban communities spent the lowest proportion of their income on housing of any profile area ($8,013, compared with $10,159 nationally).

**Average Annual Household Expenditure by Group**

Year ended June 2001

Urban communities had distinctive housing patterns when compared with rural areas. In urban areas there was a lower proportion of separate houses and lower rates of home ownership than in rural areas. National percentages are skewed towards main urban areas because most of the population lives in these areas. Approximately 8 out of 10 private dwellings in independent urban communities were separate houses at the time of the 2001 Census (79.2 percent, compared with 75.7 percent nationally). In these areas, home ownership rates for households in private occupied dwellings at the time of the 2001 Census were the second lowest of any profile area, but slightly higher than the national average (69.7 percent, compared with 67.8 percent).

Weekly rents in independent urban communities tended to be lower than for other urban areas. Just over a quarter of households (28.8 percent) paid $100 or less weekly to rent a dwelling, compared with 19.1 percent of people in main urban areas. Less than 1.0 percent of independent urban community households paid $350 or more to rent their home.

At the time of the 2001 Census, access to telecommunication systems in independent urban communities was lower than the national average. Almost 5.0 percent of households had no access to telecommunication systems, compared with 3.6 percent nationally. Households in these areas also recorded the lowest levels of access to the Internet (25.9 percent, compared with 37.4 percent nationally). This significantly
lower level of access to the Internet could be due to factors such as lower incomes, qualifications and household composition.

**Economic development**

Independent urban communities followed national business patterns closely. They had an average number of businesses per 1000 population (86.0, compared with 86.7 nationally) and 4.7 full-time equivalent workers per business (the same as the national average).

**Businesses by Industry (Major division)**

As at February 2003

<table>
<thead>
<tr>
<th>Industry</th>
<th>Independent urban communities</th>
<th>Total New Zealand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry and fishing(1)</td>
<td>1,720</td>
<td>12,804</td>
</tr>
<tr>
<td>Mining</td>
<td>70</td>
<td>537</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2,638</td>
<td>22,569</td>
</tr>
<tr>
<td>Electricity, gas and water supply</td>
<td>92</td>
<td>422</td>
</tr>
<tr>
<td>Construction</td>
<td>4,401</td>
<td>36,764</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>1,629</td>
<td>19,639</td>
</tr>
<tr>
<td>Retail trade</td>
<td>6,224</td>
<td>39,401</td>
</tr>
<tr>
<td>Accommodation, cafes and restaurants</td>
<td>2,355</td>
<td>11,674</td>
</tr>
<tr>
<td>Transport and storage</td>
<td>1,422</td>
<td>11,983</td>
</tr>
<tr>
<td>Communication services</td>
<td>385</td>
<td>3,553</td>
</tr>
<tr>
<td>Finance and insurance</td>
<td>1,008</td>
<td>12,991</td>
</tr>
<tr>
<td>Property and business services</td>
<td>8,810</td>
<td>100,912</td>
</tr>
<tr>
<td>Government administration and defence</td>
<td>443</td>
<td>1,886</td>
</tr>
<tr>
<td>Education</td>
<td>1,116</td>
<td>7,912</td>
</tr>
<tr>
<td>Health and community services</td>
<td>1,993</td>
<td>15,171</td>
</tr>
<tr>
<td>Cultural and recreational services</td>
<td>1,410</td>
<td>11,376</td>
</tr>
<tr>
<td>Personal and other services</td>
<td>1,935</td>
<td>14,245</td>
</tr>
<tr>
<td>Total</td>
<td>37,651</td>
<td>323,839</td>
</tr>
</tbody>
</table>

(1) Agriculture production (ANZSIC subdivision A01) is excluded from these statistics.

Independent urban communities had a higher percentage of businesses engaged in service industries such as retail trade, and accommodation, cafes and restaurants, than did other profile areas. There was a higher than the national average percentage of businesses engaged in education, health and community services; and personal and other services; probably because these communities act as centres for surrounding rural areas.

Residential building reflects factors such as population characteristics, interest rates, house price inflation and household economic growth. Demographic data show that independent urban communities grew only slowly between 2001 and 2003, and are projected to decline between 2001 and 2021. There were 3,048 new residential building consents in 2003, compared with 1,830 in 2001. Although the number of new residential consents increased between 2001 and 2003, a period of buoyant growth in the housing market, the number of new residential consents per 1,000 households was lower than the national average (18.2 consents, compared with 22.2 nationally). Non-residential building consents reflect government spending and business investment. Independent urban communities experienced the highest increase in value (up 40.2
percent, compared with 12.1 percent nationally), and the second-highest increase in
number (up 8.6 percent, compared with a national decrease of 2.8 percent) of non-
residential building consents, for any profile area.

Independent urban communities have traditionally been a proud and significant part
of New Zealand’s heritage. At times they have expanded in response to economic
forces and at other times economic forces have led to a decline in these communities.
Central Otago, for example, has a series of fascinating relics of once vibrant
communities; towns that grew rapidly at the time of the gold-rushes then declined or
disappeared. In the 20th and 21st centuries some independent urban communities
expanded in response to such modern gold-rushes as tourism, grape-growing and
dairying. Others declined following closure of industries such as freezing works. Yet
these communities remain an important part of New Zealand, providing services to
surrounding rural hinterlands, and as part of heartland New Zealand. They face
challenges in the future, with ageing populations and lower incomes. As main urban
areas expand, independent urban communities may lose some of their independence
and become part of the growing number of satellite urban communities.
Rural Areas with High Urban Influence

**Highlights**

- A total of 95,799 people or 2.6 percent of New Zealand’s 2001 Census usually resident population count.
- Population is projected to grow faster than the national average between 2001–2021 (34 percent, compared with 16 percent nationally).
- Population density of 12.9 people per square kilometre.
- Highest median and average income and highest average household expenditure for any profile area.
- Highest proportion of people born in United Kingdom and Ireland.

**Introduction**

When European settlers started arriving in New Zealand in large numbers, in the mid-19th century, many came with a dream of obtaining land and fulfilling an Arcadian vision. But New Zealand urbanised rapidly and by the 1920s the majority of the population was urban rather than rural. New Zealanders carried their dreams of rural life into their cities, resulting in urban sprawl and cities that followed the garden-city models developed in industrial England. Growing population and urban intensification in the late 20th century, however, meant that for many the quarter-acre section became increasingly untenable. The peri-urban phenomenon, where developers subdivide rural land near cities into ‘lifestyle’ blocks, began to occur. These pressures also affected small towns close to cities. Once independent communities became part of a wider commuter belt. The movement of urban commuters into rural areas and small towns has led to a blurring of urban/rural boundaries and a change in the character of small towns close to cities.

The rise of rural areas with high urban influence has had both negative and positive effects on rural communities. Many commentators have bemoaned the loss of once productive farmland, and clashes have been recorded between the needs of farmers to continue their livelihood and the expectations of lifestylers for rural tranquillity. But there have been positive consequences as well: for example the growth of rural schools and the development of small but intensive and productive rural businesses such as flower growing. This profile examines the characteristics of rural areas with high urban influence.

**Land and environment**

Rural areas with high urban influence are located close to the 16 main urban areas in New Zealand. They encompass rural areas outside the urban limits. Traditionally these areas included market gardens and dairy farms that serviced urban centres, as well as areas of reserve and unproductive land. In recent years there has been a growth in the number of lifestyle blocks, due to a combination of consumer demand
and the economic benefits of subdivision. For example, some rural land close to the Christchurch urban area has been carved into small blocks. Traditional farmers now co-exist with ‘lifestylers’. Some lifestyle blocks are grazed while others are planted out in crops such as olives, grapes or flowers. Researchers in Canterbury found that one-third of the people living in lifestyle blocks who responded to the survey obtained income from their land.

Rural areas with high urban influence cover 7,449 square kilometres or 2.8 percent of New Zealand’s total land area. Most is in the North Island (5,606 square kilometres), with only 1,843 square kilometres in the South Island. The mean annual average temperature for these areas is close to the mean for main urban areas, varying from 12 to 16°C in the North Island and between 9 and 13°C in the South Island.

**People**

Rural areas with high urban influence were home to 95,799 New Zealanders at the time of the 2001 Census of Population and Dwellings, 2.6 percent of New Zealand’s usually resident population count. These areas had the highest population density of any rural area, 12.9 people per square kilometre, close to the national average of 14.2 people per square kilometre. The majority of the population in these areas lived in the North Island, 73,029 people, compared with 22,770 people in the South Island.

**Percentage of People Living in Rural Areas with High Urban Influence**

By region, Census of Population and Dwellings, 2001
Note: Marlborough and West Coast had no rural areas with high urban influence.

Although Northland and Bay of Plenty had the highest proportion of people living in rural areas with high urban influence, Auckland and Canterbury had the highest actual numbers of people. A total of 25,311 people, over a quarter of all people living in these areas, lived in the Auckland region at the time of the 2001 Census. Another 14.4 percent of the total for this profile area (13,779) clustered around Christchurch. Auckland, Gisborne, Taranaki and Canterbury regions had the highest population densities for these areas, with over 20 people per square kilometre.

According to resident population estimates, the population of rural areas with high urban influence increased by 5,000 people, or 4.6 percent, between 2001 and 2003, which was greater than the national increase of 3.3 percent.

**Projected Population for Rural Areas with High Urban Influence**
2001 (base)–2021

Population projections indicate that rural areas with high urban influence are likely to increase their population at more than twice the national average rate between 2001 and 2021 (34 percent, compared with 16 percent).
These figures show the popularity of rural areas close to cities, which promise space but also the close proximity of urban amenities. In contrast, more remote rural areas are projected to experience a decline or stabilisation of their population.

Information from the 2001 Census shows that rural areas with high urban influence follow many of the typical population patterns of rural areas (such as greater numbers of males than females) but in a less extreme form, reflecting the increasing influence of urban areas. In 2001, rural areas with a high urban influence had a ratio of 103.5 males per 100 females. This compares with a ratio of 95.2 males per 100 females nationally.

Rural areas with high urban influence had a distinctive age structure at the time of the 2001 Census. They had the highest proportion of people aged between 35 and 54 years of any profile area. There was a greater than average proportion of children aged between 5 and 14 years. In common with other rural areas there were fewer young adults and older people. The working-age population (15–64 years), at 67.4 percent, was the highest of any profile area and higher than the national average of 65.3 percent recorded at the 2001 Census.
New Zealand and Rural Areas with High Urban Influence
By age and sex, Census of Population and Dwellings, 2001

In 2001, rural areas with high urban influence had a higher median age than the New Zealand median, 36.9 years, compared with 34.8 years nationally.

Rural areas with high urban influence had similar birth rates to those for the national population. The annual average for 1999 to 2003 was 15.2 births per 1,000 population in these areas, compared with 15.1 births nationally. There were 4.6 deaths per 1,000 people, lower than the national average of 7.5 deaths. This lower death rate is probably related to the age structure of the population, since rural areas with high urban influence had fewer older people. Older people tend to move closer to care facilities in more urbanised environments as they age, which may be a factor in the lower death rates in rural areas.

The infant mortality rate for rural areas with high urban influence (an average of 4.4 deaths per 1,000 live births for 1999 to 2003), was lower than the national average of 5.5 deaths per 1,000. The lower infant mortality rate may be partly attributable to the different ethnic structure of these areas. For more details on possible causal factors in regional death rates see the New Zealand Life Tables.

Rural areas with high urban influence had the highest proportion of people identifying with European ethnic groups at the 2001 Census and the lowest proportion of people identifying with the Māori ethnic group. More than 9 out of 10 people in these areas identified with the European ethnic group, compared with 8 out of 10 nationally. One
in 10 people in these areas identified with the Māori ethnic group. The proportions of people identifying with Asian, Pacific peoples and Other ethnic groups were very low.
As people may specify more than one ethnic group, the sum of the different ethnic groups may be more than 100 percent.

The proportion of people identifying with the Māori ethnic group in rural areas with high urban influence was highest in the Gisborne region (438 people or 31.0 percent).

Rural areas with high urban influence had the lowest proportion of people of any profile area that spoke Māori, and were very different to other rural areas where there were above average proportions of Māori speakers. In contrast, 5.5 percent spoke a language other than English, Māori, Samoan or New Zealand sign language, the highest proportion for any rural area.

Birthplace data shows that while rural areas with high urban influence had a higher than average proportion of people born in New Zealand (86.3 percent, compared with 80.5 percent nationally) they also had the highest proportion of people born in the United Kingdom and Ireland (7.5 percent, compared with 6.3 percent nationally) as well as the highest proportion from other European countries (1.9 percent, compared with 1.7 percent nationally).

People living in rural areas with high urban influence emerge as being quite different from those in other rural areas when religious affiliation is examined. At the time of the 2001 Census, these areas had the highest proportion of people who stated that they had no affiliation to any religion (37.9 percent, compared with 31.8 nationally for all people who stated a religious affiliation). They also had the lowest proportion of people affiliating to a Christian denomination (60.0 percent, compared with 63.3 percent nationally for all people who stated a religious affiliation).
percent nationally). In contrast, all other rural areas had a higher than average affiliation to a Christian denomination.

**Social conditions**

In 2001, households in rural areas with high urban influence had the largest average household size, 2.8 people per household (compared with 2.7 nationally). They had the highest proportion of households with only one family (79.7 percent, compared with 69.1 percent nationally) and the lowest proportion of one-person households (16.0 percent, compared with 23.4 percent nationally). The predominance of people identifying with the European ethnic group is probably a contributing factor to the high proportion of one-family households, because, of the four broad ethnic groups, Europeans are most likely to live in a one-family household.

Rural areas with high urban influence had the highest proportion of married people (60.3 percent, compared with 49.7 percent nationally) and the second-lowest proportion of people who had never married (26.2 percent, compared with 32.8 percent nationally). This difference in part reflects the age structure of such areas; there is a lower than average proportion of adults between 15 and 24 years, people who are much less likely to be married than are older people. At the time of the 2001 Census, 95.6 percent of New Zealand adults aged between 15 and 24 years had never been married, compared with 42.6 percent aged between 25 and 39 years.

Rural areas with high urban influence had the highest percentage of two-parent families (47.6 percent, compared with 42.1 percent nationally) and the lowest percentage of one-parent families (11.7 percent, compared with 18.9 percent nationally). Two-parent families in rural areas with high urban influence tended to have slightly larger families than did two-parent families nationally (26.9 percent had three or more children, compared with 25.7 percent nationally). However, they had fewer children on average than did families in highly rural/remote areas and rural areas with low urban influence. In rural areas with high urban influence, fewer families with children had no dependent children (16.7 percent, compared with 18.6 percent nationally) and more families had three or more dependent children (21.1 percent, compared with 18.8 percent in New Zealand).

There was a lower than average teenage birth rate in rural areas with high urban influence (18.7 births per 1,000 females (census usually resident population) aged 15-19 years, compared with the national figure of 29.0 births).

**Work, knowledge and skills**

At the time of the 2001 Census, rural areas with high urban influence had the highest labour force participation rate for any profile area, 75.1 percent, compared with 66.7 percent nationally. This high participation rate is probably due to factors such as age and sex structure. These areas have the largest proportion of working-age adults, and higher proportions of males (who tend to have higher labour force participation rates). The rate was slightly higher in these areas in the South Island (76.6 percent) than in the North Island areas (74.6 percent). Rural areas with high urban influence in Hawke’s Bay had the highest labour force participation rate, 80.1 percent. At the time
of the 2001 Census, the unemployment rate for rural areas with high urban influence was the lowest of all profile areas, 4.5 percent, compared with 7.5 percent nationally.

The influence of main urban areas in this profile area is apparent when educational qualifications are examined. In 2001, in rural areas with high urban influence only 25.1 percent of adults lacked formal qualifications, compared with 27.6 percent nationally. This figure was almost identical to that for main urban areas, where 24.9 percent had no qualifications.

**Highest Qualification**

*Census of Population and Dwellings, 2001*

Rural areas with high urban influence had very similar educational patterns to those for main urban areas. In relation to employment status, however, rural areas with high urban influence resembled other rural areas. At the time of the 2001 Census, a lower than average proportion worked as paid employees and a higher than average proportion were either employers or self-employed. In contrast, main urban areas had the highest proportion of paid employees of any profile area. In 2001, just under two-thirds of the employed population in rural areas with high urban influence worked as paid employees (65.7 percent, compared with 77.2 percent nationally). These areas had an above average proportion of employers (11.3 percent, compared with 7.7 percent nationally). Approximately 1 in 5 employed people was self-employed, compared with almost 1 in 8 nationally. The proportion of unpaid workers was twice the national average, 5.0 percent compared with 2.3 percent nationally.
Employment Status
Census of Population and Dwellings, 2001

Rural areas with high urban influence followed quite different occupational patterns to those for other rural areas. Rural areas with high urban influence had the highest proportion of legislators, administrators and managers, a category that was considerably lower in other rural areas.
The proportion of agriculture and fishery workers was well above the national average, but considerably lower than for other rural areas.
There were 6,894 people working as agriculture and fishery workers in rural areas with high urban influence at the time of the 2001 Census, compared with 8,454 people in 1996. Of all total agricultural and fishery workers, livestock producers were the most numerous (28.1 percent), followed by crop and livestock producers (20.2 percent) and gardeners and nursery growers (19.9 percent).

**Economic standard of living**

People in rural areas with high urban influence had the highest median incomes and highest household expenditure of any profile area. Consequently, they were consistently among the least deprived areas in every region, at the time of the 2001 Census.

People living in rural areas with high urban influence had higher incomes than those in other profile areas. According to the New Zealand Income Survey (June 2003 quarter), adults in these areas had an average weekly income of $631, compared with the New Zealand average of $539 weekly. Two years previously, the 2001 Census recorded people in rural areas with high urban influence as having the highest median annual income ($21,900, compared with $18,500 nationally). These areas had the lowest proportion of people earning less than $15,001 (38.1 percent) and the highest proportion earning $40,001 or more (23.5 percent).
Most income for people in rural areas with high urban influence came from private sources rather than through government assistance. The majority of people earned income from wages and salaries (57.8 percent, compared with 56.7 percent nationally). This proportion was higher than in other rural areas. People in these areas were much more likely to earn income from a business, or through self-employment, and from interest, dividends, rent and other investments. A lower proportion of people received income from pensions and student allowances in these rural areas, which was consistent with the age structure.
Households in rural areas with high urban influence had the highest average annual household expenditure of any area ($49,182, compared with $43,682 nationally). They spent a higher than average amount on housing, $10,753, second only to households in main urban areas. Rural areas with high urban influence had the highest expenditure on food of any area ($8,406, or 17.1 percent of total household expenditure, compared with $7,004 (16.0 percent) nationally).
Dwellings in rural areas with high urban influence followed distinctive patterns which were most similar to those for rural areas with moderate urban influence. Almost 9 out of 10 private dwellings (87.7 percent, compared with 75.7 percent nationally) in rural areas with high urban influence were separate houses at the time of the 2001 Census. Home ownership rates for households in private occupied dwellings were the highest for any profile area (81.3 percent, compared with 67.8 percent nationally).

According to the 2001 Census, rural areas with high urban influence had higher rents than other rural areas. These areas had the lowest proportion of households that paid less than $100 rent per week.

At the time of the 2001 Census, rural areas with high urban influence were the households with the highest level of access to telecommunication systems. Of all households that responded to the question, only 2.3 percent had no access to telecommunications, compared with 3.6 percent nationally. Households in these areas also recorded the highest levels of access to the Internet (44.1 percent, compared with 37.4 percent nationally).

**Economic development**

Business data (as at February 2003) for rural areas with high urban influence as show a combination of rural and urban influences. The proportion of businesses based on agriculture, forestry and fishing was three times the national average (12.6 percent, compared with 4.0 percent), although this figure may underestimate the importance of agriculture as agricultural production is excluded from these business statistics.
Manufacturing and construction businesses in these areas employed the highest proportion of full-time equivalents (17.8 percent and 17.7 percent, respectively).

**Businesses by Industry**
As at February 2003

(1) Agriculture production (ANZSIC subdivision A01) is excluded from these statistics.

There were 7,166 businesses in rural areas with high urban influence at February 2003, equating to 74.8 businesses per 1,000 residents (2001 Census figures). This figure was below the national average of 86.7 businesses per 1,000 people. On average there were 2.1 full-time equivalent persons per business in rural areas with high urban influence at February 2003, compared with 4.7 nationally.

The influence of urban areas is also clear when looking at building consents data, which show that these areas are increasing in size at a faster rate than all other rural areas. The number of new residential units per 1,000 households in rural areas with high urban influence exceeds the national average. These figures reinforce population data that show rural areas with high urban influence grew between 2001 and 2003, and are projected to increase at greater than the national average rate between 2001 and 2021.
In the 19th century many European settlers hoped to leave old world ills of crowding and pollution and attain their Arcadia. These desires shaped the New Zealand landscape and contributed to the suburban development of its cities. These ideas still motivate people who choose to live in a rural area and commute to urban areas for work. In the 21st century, rural areas with high urban influence appear to be the most prosperous and fastest growing areas in New Zealand. They are projected to continue to increase in population. Rural areas with high urban influence have a small but distinctive population which tends to be slightly older, on average, and to have higher incomes and higher expenditure. A higher proportion of professional people live there and the population tends to be more highly qualified than the average for New Zealand. In many respects rural areas with high urban influence are an extension of main urban areas, but they also retain some characteristics of rural areas.
Rural Areas with Moderate Urban Influence

**Highlights**

- Home to 135,306 people or 3.6 percent of New Zealand’s 2001 Census usually resident population count.
- Population is projected to grow faster than the national average between 2001–2021 (21 percent, compared with 16 percent nationally)
- Population density of 6.5 people per square kilometre.
- Lowest proportion of people who have never married (26.0 percent, compared with 32.8 percent nationally).
- Just over a quarter of the employed population (27.2 percent, compared with 8.4 percent nationally) worked as agriculture and fishery workers.

**Introduction**

When European settlers started arriving in New Zealand in large numbers, in the mid-19th century, many came with a dream of obtaining land and fulfilling a vision of Arcadia. But New Zealand urbanised rapidly and by the 1920s the majority of the population was urban rather than rural. New Zealanders carried their dreams of rural life into their cities, resulting in urban sprawl and cities that followed the garden-city models developed in industrial England. Growing population and urban intensification in the late 20th century, however, meant that for many the quarter-acre section became increasingly untenable. The peri-urban phenomenon, where developers subdivide rural land near cities into ‘lifestyle’ blocks began to occur. These pressures also affected small towns close to cities. Once independent communities became part of a wider commuter belt. These developments have led to a ‘blurring’ of urban/rural boundaries and a change in the character of small towns close to cities.

Rural areas with moderate urban influence cover 8.0 percent of New Zealand’s total land area but are home to less than 4.0 percent of its population. Although the third largest profile area, the land area is much smaller than the two largest rural areas (highly rural/remote areas and rural areas with low urban influence), which together constitute more than three-quarters of New Zealand’s land area. Rural areas with moderate urban influence tend to cluster close to urban areas and have a significant proportion of the population that works in an urban area. They are the in-between category, neither highly rural nor highly urban, and tend to have both urban and rural characteristics. Agriculture and fishery forms a significant part of the local economy, occupying just over a quarter of the employed population. Crop and market gardening are more significant than they are in highly rural/remote areas and rural areas with low urban influence.
**Land and environment**

Rural areas with moderate urban influence are subject to much less extreme climatic range than the two most rural areas. Rural areas with moderate urban influence are predominantly located on the coast, particularly in the South Island, and are close to population centres. In total, these areas cover 20,896 square kilometres, of which approximately two-thirds (14,296 square kilometres) is in the North Island. The mean temperature for these areas varies between 12 and 16°C in the North Island and 9 and 12°C in the South Island.

**People**

Rural areas with moderate influence were home to 135,306 people, 3.6 percent of New Zealand’s 2001 Census of Population and Dwellings usually resident population count. Between 1991 and 2001 the population of these areas increased by 13.8 percent, compared with 10.8 percent nationally. Rural areas with moderate urban influence had a population density of 6.5 people per square kilometre. The majority of the population in these areas lived in the North Island, 95,775 people, with 39,528 people in the South Island.

**Percentage of People Living in Rural Areas with Moderate Urban Influence**

By region, Census of Population and Dwellings, 2001

![Bar chart showing the percentage of people living in rural areas with moderate urban influence by region.](chart.png)
Note: Owing to the very small population, rural areas with moderate urban influence in Nelson Region have suppressed data because of confidentiality requirements.

Two regions together contained approximately one third of all people living in rural areas with moderate urban influence: Waikato with 21,279 people (15.7 percent), and Canterbury with 19,983 people (14.8 percent). Gisborne region had the lowest population density with 2.8 people per square kilometre and Tasman region had the highest density, with 11.7 people per square kilometre.

According to usually resident population estimates, the population of rural areas with moderate urban influence increased slightly between June 2001 and June 2003, by 3,800 people or 3.1 percent. This was close to the national average of 3.3 percent.

**Projected Population for Rural Areas with Moderate Urban Influence**
2001 (base)–2021

Population projections (medium series) suggest that rural areas with moderate urban influence are likely to increase by 21 percent between 2001 and 2021, compared with a national average of 16 percent.
The pattern that emerges in both population estimates and projections is that rural areas in closer proximity to urban areas are increasing in population, while more remote areas are decreasing. This situation is probably the result of factors such as flexible modes of private transport and an increasing desire for the space of rural living combined with closeness to urban amenities. The result is an extension of urban influences into the surrounding countryside.

Rural areas with moderate urban influence follow many of the typical population patterns of rural areas (such as greater numbers of males than females) but in a less extreme form, reflecting the increasing influence of urban areas. Figures from the 2001 Census show that rural areas with a moderate urban influence had a ratio of 104.3 males per 100 females. This figure compares with an average of 95.2 males per 100 females nationally.

Rural areas with moderate urban influence followed the general age and sex patterns of rural areas, with a higher than average proportion of the population being under 15 years, but fewer 15 to 29-year-olds and people aged 65 years and over. The working-age population (65.7 percent) was slightly higher than the national average (65.3 percent).
In 2001, rural areas with moderate urban influence had higher median ages than in both the North and South Islands as a whole. The median age for these areas in the North Island (36.8 years) was more than two years higher than the total North Island median (34.2 years). In the South Island the median age was 38.1 years for these areas, compared with the total South Island median of 36.8 years.

Rural areas with moderate urban influence had lower birth and death rates than the national population. The annual average for 1999 to 2003 was 11.1 births per 1,000 population in these areas, compared with 15.1 nationally; and 4.1 deaths per 1,000 people, compared with 7.5 deaths nationally. This lower birth rate may be related to the age and sex structure of this population, which had relatively fewer women aged between 20 and 34 years. The lower death rate may be related to the smaller proportion of people aged 65 years and over in these areas. Older people tend to move closer to care facilities in more urbanised environments as they age, thus reducing the apparent death rate.

The infant mortality rate for rural areas with moderate urban influence (an average of 4.7 infant deaths per 1,000 live births for the years 1999 to 2003) was lower than the national average of 5.5 deaths per 1,000. It is not clear why infant mortality would be lower in rural areas but a number of factors may contribute to the lower rates. For a discussion of regional variation in death rates see New Zealand Life Tables.
In common with other rural areas, people in rural areas with moderate urban influence predominately identified with the European and/or Māori ethnic groups. The proportions of people identifying with Asian, Pacific peoples or Other ethnic groups were very low at the 2001 Census. Almost 9 in 10 people in rural areas with moderate urban influence specified European ethnicity. Rural areas with moderate urban influence in the North Island had a higher than average proportion of people identifying with the Māori ethnic group (19.5 percent, compared with the North island average of 17.1 percent).

Rural areas with moderate urban influence had a higher than average proportion of New Zealand-born people living in these areas (89.4 percent, compared with 80.5 percent nationally). Of the overseas-born, over half (7,185 people or 52.7 percent) were born in the United Kingdom and Ireland, compared with just under a third nationally.

The proportion of people in rural areas with moderate urban influence identifying with the Māori ethnic group was highest in the Gisborne region (1,746 people, or 47.9 percent). In the Bay of Plenty approximately a third of the population in these areas identified with the Māori ethnic group.

**People with European and/or Māori Ethnicity** (1) *(Grouped total responses)*
Census of Population and Dwellings, 2001

![Graph](image)

(1) As people may specify more than one ethnic group, the sum of the different ethnic groups may be more than 100 percent.

Rural areas with moderate urban influence had a higher than average proportion of the population who spoke Māori. A total of 6,555 people (5.1 percent of the population of these areas) spoke Māori, compared with 4.5 percent of all New Zealanders. Gisborne region had the highest proportion, 18.0 percent speaking Māori.
People in rural areas with moderate urban influence closely approximated national patterns in relation to religion. The percentage of people affiliating with a Christian denomination was almost identical to the national figure (63.6 percent, compared with 63.3 percent nationally). These areas had the highest proportion of Anglicans, 22.0, percent compared with 18.1 percent nationally.

**Social conditions**

In 2001, households in rural areas with moderate urban influence had an average of 2.7 people per household, consistent with the national average. They were much more likely to be a one-family household than the national average (77.6 percent, compared with 69.1 percent nationally), and less likely to be a one-person household (18.2 percent compared with 23.4 percent nationally).

Rural areas with moderate urban influence had the lowest proportion of people who had never married of any profile area (26.0 percent, compared with 32.8 percent nationally) and the second-highest proportion of married people (59.7 percent, compared with 49.7 percent nationally). This low proportion of the never-married in part reflects the age structure of these areas. They have a lower than average proportion of adults between 15 and 24 years who are much less likely to be married than are older people. At the time of the 2001 census, 95.6 percent of all New Zealanders aged between 15 and 24 years had never been married, compared with 42.6 percent of people aged between 25 and 39 years.

Families in rural areas with moderate urban influence had larger families on average, and were more likely to have a greater number of dependent children. However, on average they had fewer children than families in more rural areas. They generally followed what could be considered more traditional patterns, with higher levels of marriage and fewer one-parent families (13.1 percent, compared with 18.9 percent nationally). Fewer families had no dependent children (16.6 percent, compared with 18.6 percent nationally) and more families in these areas had three or more dependent children (22.4 percent, compared with 18.8 percent nationally). Figures from the 1996 Census show that women in rural areas with moderate urban influence had 2.2 children on average (compared with a national average of 1.9 children). In these areas, women identifying with the Māori ethnic group had more children on average (2.4 per woman, compared with 2.1 nationally).
The average teenage birth rate between 1999 and 2003 in rural areas with moderate urban influence was lower than the national average; 18.7 births per 1,000 females (2001 Census figures) aged 15-19 years, compared with 29.0 births nationally.

**Work, knowledge and skills**

At the time of the 2001 Census, rural areas with moderate urban influence had a higher than average labour force participation rate (72.6 percent, compared with 66.7 percent nationally). These areas had the same labour force participation rate as rural areas with low urban influence. This high rate is probably due to factors such as age and sex structure. These areas have a larger proportion of working-age adults, and higher proportions of males (who tend to have higher labour force participation rates). The labour force participation rate was slightly higher in these areas in the South Island (73.6 percent) than in the North Island (72.2 percent). Rural areas with moderate urban influence in Tasman had the highest labour force participation rate for these areas, 77.1 percent. Unemployment rates at the time of the census were lower in rural areas with moderate urban influence than in other profile areas, 5.2 percent, compared with 7.5 percent nationally.

The growing influence of main urban areas in this profile area is apparent when educational qualifications are examined. In rural areas with the least urban influence, the rate of adults without formal qualifications was much higher than the national average, although not as high as for independent and satellite urban areas. In 2001, in
rural areas with moderate urban influence, 31.3 percent of adults lacked formal qualifications, compared with 27.6 percent nationally. In these areas, 34.5 percent of men lacked formal qualifications, compared with 28.0 percent of women. The national figures were 28.2 percent for males and 27.1 percent for females.

**Highest Qualification**
Census of Population and Dwellings, 2001

Rural areas with moderate urban influence in the Wellington region had the highest proportion of people with a bachelor’s degree (7.6 percent or 255 people). These areas in Tasman had the lowest proportion of people without formal educational qualifications (24.3 percent), while the West Coast had the highest proportion of people without formal qualifications (38.5 percent).

Nationally, there is a difference in median personal income between people without formal qualifications and people with the highest level of qualifications. The difference varies considerably between the profile areas. Main urban areas and rural areas with high urban influence show the greatest disparity, while highly rural/remote areas reveal the least disparity. In rural areas with moderate urban influence, median personal income varied by $27,100 between people with a higher degree and people with no qualifications, compared with a national variance of $30,600.

Although rural areas with moderate urban influence do not have as marked educational differences as more remote rural areas, they follow rural employment patterns more closely. At the 2001 Census, a lower than average proportion of people in these areas worked as paid employees, and a higher proportion were either employers or self-employed. The influence of agriculture could be a factor, as many farms are run by owner-occupiers. In 2001, just under two-thirds of the employed population in rural areas with moderate urban influence worked as paid employees (61.8 percent, compared with 77.2 percent nationally). These areas had the third-
highest proportion of employers for any profile area (11.6 percent, compared with 7.7 percent nationally). Just over 1 in 5 employed people were self-employed compared, with almost 1 in 8 nationally. The proportion of unpaid workers was more than twice the national average, 6.3 percent, compared with 2.3 percent nationally.

**Employment Status**

*Census of Population and Dwellings, 2001*

![Employment status chart]

Occupationally, rural areas with moderate urban influence show a strong rural focus, although the occupational structure is quite different to that for more remote rural areas. Just over a quarter of the employed population (27.2 percent, compared with 8.4 percent nationally) were agriculture and fishery workers. Most other occupational groups were lower than the national average. The exception was plant and machine operators and assemblers, reflecting the presence of some industry in these rural areas.
A total of 17,274 people in rural areas with moderate urban influence cited their occupation as agriculture and fishery worker, approximately 13 percent of the national agriculture and fisheries workforce. Almost two-thirds of this group were engaged in livestock production, either on its own or combined with another form of production such as cropping. A total of 3,867 people (22.4 percent of those employed in agriculture and fisheries) said they were either a dairy farmer or dairy farm worker. A further 717 people (4.2 percent) worked as cattle farmers or cattle farm workers. Cropping was also important in these areas, with 22.3 percent of the agricultural workforce working as crop and livestock producers and 1.4 percent working as field crop and vegetable growers.
Between the 1996 and 2001 Censuses, the number of agriculture and fishery workers in rural areas with moderate urban influence fell by 15.5 percent (compared with a 10.5 percent decline nationally). More traditional farming categories, such as cattle and sheep farming, have decreased in popularity. The number of people working as a sheep farmer, or sheep farm worker, fell by almost half from 2,139 in 1996 to 1,071 in 2001. The number engaged in poultry production fell by 40.2 percent, while the number of other agricultural workers fell by 87.1 percent. In contrast, categories such as grape growing increased dramatically in this period.
Economic standard of living

According to the New Zealand Income Survey (June 2003 quarter), adults in rural areas with moderate urban influence had weekly incomes slightly below the national average ($525, compared with $539). They had the lowest incomes of any rural area; significantly lower than people in rural areas with high urban influence, who had an average weekly income of $631. Two years previously, the 2001 Census recorded total annual median personal incomes in rural areas with moderate urban influence as approximating the national average ($18,900, compared with $18,500 nationally).

People in rural areas with moderate urban influence were almost twice as likely, on average, to earn money from self-employment at the time of 2001 Census. However, in contrast with more remote rural areas, the proportion of people earning money from wages and salaries was close to the national average (53.3 percent, compared with 56.7 percent nationally). As urban influence increases, so does the proportion of people receiving income from wages and salaries. There were fewer people receiving
income from pensions and student allowances in these rural areas, which is consistent with the age structure.

**Sources of Personal Income**
Census of Population and Dwellings, 2001

Dwellings in rural areas with moderate urban influence followed distinctive patterns which were most similar to those for rural areas with high urban influence. More than 8 out of 10 private dwellings (86.1 percent, compared with 75.7 percent nationally) in rural areas with moderate urban influence were separate houses at the time of the 2001 Census. Home ownership rates for households in private occupied dwellings were considerably higher than the national average (77.9 percent, compared with 67.8 percent). Only rural areas with high urban influence, where 80 percent of houses were privately owned, had a higher rate of home ownership.

Weekly rents in rural areas with moderate urban influence were generally lower than the national average, although higher than in rural areas with less urban influence. Almost a third of all households (29.2 percent) paid less than $100 a week rent at the time of the 2001 Census. Only 1.2 percent of households paid $350 or more weekly rent.

In 2001, 3.7 percent of households in rural areas with moderate urban influence had no access to telecommunication systems, compared with 3.6 percent nationally. Households in these areas in the North Island had less access to telecommunication services (4.1 percent had no access, compared with 2.9 percent in the South Island). Rural areas with moderate urban influence had the third highest levels of access to the
Internet, behind rural areas with high urban influence and main urban areas. Over a third of households in rural areas with moderate urban influence had access to the Internet (35.8 percent, compared with 37.4 percent nationally).

**Economic development**

Business data for rural areas with moderate urban influence show a combination of rural and urban influences. Agriculture, forestry and fishing have a significant number of businesses and employees, although it is difficult to fully assess their importance since agriculture production is excluded from business statistics. Other industries, such as manufacturing, construction, and property and business services, are also important. The influence of urban areas is clear when looking at demographic and building consents data. These show that the population of rural areas with moderate urban influence is increasing at a faster rate than that for rural areas with low urban influence.

Residential building reflects factors such as population characteristics, interest rates, house price inflation and household economic growth. Population estimates show that rural areas with moderate urban influence grew between 2001 and 2003, and are projected to increase faster than the national average between 2001 and 2021. This growth is supported by economic data, which show that the number of new residential units per 1,000 households in rural areas with moderate urban influence consistently exceeded the national average (28.3 units and 22.2 units, respectively, in 2003).

There were 9,969 businesses in rural areas with moderate urban influence at February 2003, 73.7 businesses per 1,000 people. This figure was below the national average of 86.7 businesses per 1,000 people. Since employment was higher than average in these areas, this figure may partly reflect the importance of urban employment for people in these rural areas. On average, there were 2.5 full-time equivalent persons per business in rural areas with moderate urban influence at February 2003, compared with 4.7 nationally.
(1) Agriculture production (ANZSIC subdivision A01) is excluded from these statistics.

It is difficult to gain a true picture of the importance of agriculture, however, since agriculture production is excluded from the data, owing to difficulties in capturing information.

Rural areas with moderate urban influence emerge as a mid-point between the two most rural categories and urban areas. Age and sex structure, and employment patterns, show strong rural characteristics, but in areas such as education and religion, figures are closer to national norms. Ethnicity provides a clear difference between the North and South Islands. Rural areas with moderate urban influence in the North Island, particularly around the East Cape, are important centres of Māori culture and population. Rural areas with moderate urban influence in the South Island, in contrast, have a population that identifies predominantly with European ethnicity.

The proximity of urban areas affects population growth in rural areas. Almost 90 percent of New Zealand’s land area is categorised as either highly rural/remote, or a rural area with low urban influence. Combined, these areas have only a small percentage of New Zealand’s population and are unlikely to grow significantly. The two rural areas with moderate and high urban influence are projected to be the fastest growing areas, reflecting the continuing desire of many New Zealanders to experience the benefits of a rural lifestyle while remaining close to urban amenities.
Rural Areas with Low Urban Influence

**Highlights**

- Home to 6.0 percent (224,391 people) of New Zealand’s 2001 Census usually resident population count.
- Population density of 2.6 people per square kilometre.
- High proportion of married people (58.4 percent, compared with 49.7 percent nationally).
- Employed the largest agriculture and fishery workforce, with 41,274 people or 30.0 percent of this major occupation group.

**Introduction**

Rural New Zealand is an important part of New Zealand’s economy and national identity. Whereas highly rural and remote areas conjure up images of sheep stations, towering mountains, and vast bush-covered acres, rural areas with low urban influence belong in a different category. They are seen as the rural hinterland, the rich productive belt of New Zealand’s powerful agricultural sector. These areas cover a substantial part of New Zealand land area and incorporate much productive land. They are home to almost a quarter of a million people, most living in the North Island. This profile will explore some of the complexities of life in this part of rural New Zealand.

**Land and environment**

Rural areas with low urban influence cover 87,536 square kilometres or one-third of New Zealand’s total land area. In the South Island, these areas cluster around the east coast from Christchurch to Invercargill, and include rural land close to the southern lakes, the narrow band of productive land on the West Coast, and the fertile hills and valleys in Tasman and Marlborough. Rural areas with low urban influence are scattered throughout the North Island. They are generally located around the coast and surround the core of highly rural/remote land in the centre of the island.

In rural areas with low urban influence climates tend to be less extreme than in highly rural/remote rural areas. Exceptions include some of Central Otago, which has low rainfall and cool midwinter temperatures that have reached as low as minus 11.7°C. The long-term mean temperature (1971–2000) for these areas varied between 12 and 15°C in the North Island and 8 and 12°C in the South Island.

**People**

Rural areas with low urban influence occupy one-third of New Zealand’s land area and are second in size only to highly rural and remote areas, but have only 6.0 percent
of the New Zealand census usually resident population count. At the time of the 2001 Census of Population and Dwellings, 224,391 people lived in rural areas with low urban influence. The population density in these areas was low by international standards at 2.6 people per square kilometre. Approximately two-thirds of people in this profile area lived in the North Island (152,781 people) while one-third lived in the South Island (71,610 people).

**Percentage of People Living in Rural Areas with Low Urban Influence**

By region, Census of Population and Dwellings, 2001

Note: The Nelson region is excluded as it has no rural areas with low urban influence.

Waikato region had the largest number of people living in rural areas with low urban influence (46,704 people) followed by Northland (37,560 people) and Canterbury (21,891 people). Northland region had the highest percentage of people living in rural areas with low urban influence. Rural areas with low urban influence in the Auckland region had the highest population density for this profile area, with 7.2 people per square kilometre.

Resident population estimates calculate that rural areas with low urban influence increased by 1.0 percent between 2001 and 2003, compared with a national population increase of 3.3 percent.
Statistics New Zealand estimates that rural areas with low urban influence are likely to increase by 2 percent between 2001 and 2021, compared with a national average of 16 percent.
All rural areas in this study had a greater number of males than females. This difference may be attributable to factors such as differing employment opportunities for women in rural and urban areas. Many traditional areas of rural employment are still dominated by men. In rural areas with low urban influence, agriculture and fishery was the major occupation group, and 67.4 percent of people employed in this occupational group were male. In 2001, this profile area had a ratio of 106.9 males to 100 females. This figure compares with a national ratio of 95.2 males to 100 females. Like other rural areas, rural areas with low urban influence had higher numbers of children and lower numbers of people aged 65 years and over than the national average. At 64.7 percent, the working-age population was slightly lower than the national average of 65.3 percent recorded at the 2001 Census.
In 2001, rural areas with low urban influence had a higher median age than the national median. The median age of 35.6 years for this profile area in the North Island was more than a year higher than the total North Island median of 34.2 years. In the South Island, the median age in rural areas with low urban influence was almost two years higher, 38.4 years, compared with the South Island median of 36.8 years.

Rural areas with low urban influence had similar birth and death rates to the national population. The annual average for 1999–2003 for this profile area was an average of 15.0 births per 1,000 people, compared with the national figure of 15.1 births. The death rate, at 6.0 deaths per 1,000 people, was lower than the national average of 7.5 deaths. The variation in death rates could be related to the age structure of the population, as older people tend to move closer to care facilities in more urbanised environments as they age, therefore reducing the apparent death rate of rural areas.

The infant mortality rate for this profile area, at an annual average of 3.5 infant deaths per 1,000 live births for the years 1999–2003, was lower than the national average of 5.5 deaths. A number of factors may contribute to the lower rates. Approximately one-third of all infant deaths occur on the first day of life. It is possible that people with at-risk pregnancies or a seriously ill infant might change residence temporarily.
and this may affect the registration of the child’s residence. For more details on possible causal factors in regional death rates, see New Zealand Life Tables.

In rural areas with low urban influence, people identifying with the European ethnic group predominated. The proportions of people that specified Asian, Pacific Peoples, or Other ethnic groups were very low at the time of the 2001 Census. People who identified with the European ethnic group accounted for almost 9 out of 10 people in this profile area, but there was an above average proportion of people who specified Māori ethnicity (19.1 percent, compared with 14.7 percent nationally), particularly in North Island areas (25.0 percent).

Most people living in rural areas with low urban influence were New Zealand-born (91.2 percent, compared with 80.5 percent nationally). Of those living in rural areas that were born overseas, people born in the United Kingdom or Ireland made up almost half, compared with just under one-third nationally.

One-quarter of people in rural areas with low urban influence in the North Island specified that they were of Māori ethnicity. In this profile area, Gisborne region had the highest proportion reporting Māori ethnicity, with approximately two-thirds of people (2,214 people). Rural areas with low urban influence in Northland, Bay of Plenty and Hawke’s Bay regions had the next highest proportions with approximately one-third of their populations reporting Māori ethnicity.

**Ethnicity (1)** (Grouped total responses)
Census of Population and Dwellings, 2001

![Ethnicity Graph](image)

(1) As people may specify more than one ethnic group, the sum may be more than 100 percent.

In contrast, in all South Island regions, the proportion of people identifying with the Māori ethnic group in rural areas with low urban influence was less than 10 percent.
The West Coast region had the highest proportion identifying with the Māori ethnic group (546 people or 9.6 percent).

Rural areas with low urban influence are significant areas of resource for the Māori language. These areas had the second-highest proportion of people who spoke Māori. Most Māori speakers in these rural areas lived in the North Island. A total of 13,896 people or 6.5 percent of the population in this profile area spoke Māori, compared with 4.5 percent of New Zealanders. Gisborne region had the highest proportion, with just under one-third of people in rural areas with low urban influence speaking Māori.

An above average proportion of people in rural areas with low urban influence affiliated with Christianity, 65.1 percent compared with 63.3 percent nationally. In rural areas with low urban influence in the North Island, the proportion of people affiliating with the Anglican faith was 22.5 percent, which was higher than the total North Island average of 17.8 percent. The proportion of people in this profile area in the North Island who affiliated with Māori Christianity (4.6 percent) was almost twice the North Island average (2.4 percent). In the South Island, one-quarter of the population in this profile area affiliated with the Presbyterian, Congregational and Reformed denominations, compared with one-fifth of the total South Island population.

**Social conditions**

In 2001, households in rural areas with low urban influence had an average of 2.7 people per household, which was similar to the national average. They were, however, more likely to be a one-family household than the national average (75.3 percent, compared with 69.1 percent nationally) and less likely to be a one-person household (20.7 percent, compared with 23.4 percent nationally). Rural areas with low urban influence had lower rates of people who had never married (27.1 percent, compared with 32.8 percent nationally) and higher-than-average proportions of married people (58.4 percent, compared with 49.7 percent nationally). This difference reflects in part the age structure of such areas, which had lower-than-average proportion of adults between the ages of 15 and 24 years (who are less likely to be married than older people). At the time of the 2001 Census, 95.6 percent of New Zealand adults aged between 15 and 24 years had never been married, compared with 42.6 percent aged between 25 and 39 years.

Families in rural areas with low urban influence were more likely than the national average to have dependent children. Two-parent families in these areas had more children on average. There were also fewer one-parent families (13.5 percent, compared with 18.9 percent nationally). Rural areas with low urban influence had the lowest proportion of families without dependent children (14.7 percent, compared with 18.6 percent nationally) and more families in this profile area had three or more dependent children (25.0 percent, compared with 18.8 percent nationally). Figures from the 1996 Census show that women in this profile area had more live births, on average (2.4 children per woman, compared with a national average of 1.9 children). Women who identified with Māori ethnicity in rural areas with low urban influence averaged 2.7 children per woman, compared with 2.1 children nationally.
Between 1999 and 2003, rural areas with low urban influence had a slightly higher-than-average teenage birth rate (32.2 births per 1,000 females aged 15–19 years compared with 29.0 births nationally). This rate was higher in North Island profile areas (37.0 births per 1,000 females aged 15–19 years) compared with South Island profile areas (20.7 births).

Social conditions in rural areas with low urban influence appear more ‘traditional’ with a greater proportion of one-family households, a higher proportion of married people and fewer families without children.

**Work, knowledge and skills**

At the time of the 2001 Census, rural areas with low urban influence had a higher labour force participation rate, at 72.6 percent, compared with 66.7 percent nationally. This high participation rate is probably due to factors such as the age and sex structure of the population, with these areas having a larger proportion of working-age adults and higher proportions of males (who tend to have higher labour force participation rates). The rate was slightly higher in South Island profile areas (74.3 percent) than in North Island profile areas (71.7 percent). The highest labour force participation rate for rural areas with low urban influence occurred in Southland region (78.9 percent), followed by Taranaki region (78.6 percent). Unemployment rates for rural areas with
low urban influence were the fourth lowest of the urban/rural profile areas at the time of the 2001 Census (5.5 percent, compared with 7.5 percent nationally).

Adults in rural areas with low urban influence had fewer formal qualifications than the general population and there was a marked difference between males and females (38.2 percent of males had no formal qualifications, compared with 30.1 percent of females).

**Highest Qualification**
Census of Population and Dwellings, 2001

![Qualification Chart]

There is a contrast between the North and South Islands with regard to qualifications. In the South Island, 5.1 percent of people in rural areas with low urban influence had a bachelor’s degree, compared with 6.7 percent of all South Islanders. In the North Island 4.4 percent of adults in this profile area had a bachelor’s degree, compared with 8.5 percent of all North Islanders.

Rural areas with low urban influence in the Wellington region had the lowest proportion of people without formal educational qualifications (26.7 percent). In contrast, these areas in Gisborne and the West Coast regions had the highest proportion of people without formal qualifications (39.4 percent and 39.1 percent, respectively). The clear differences in qualifications were mirrored by different employment and occupational patterns between rural areas with low urban influence and the rest of New Zealand.

Employment patterns in rural areas with low urban influence show a strong contrast to patterns in urban areas. In 2001, just over half of the employed population in these profile areas worked as a paid employee (54.6 percent, compared with 77.2 percent nationally). These areas had the second-highest proportion of employers (13.8 percent), which was much higher than the national average of 7.7 percent. The agricultural nature of the economy in these areas is probably the major reason for this
contrast, as many farms are run by owner-occupiers. The percentage of unpaid family workers was also very high at 7.8 percent, compared with 2.3 percent nationally. In all these employment categories, rural areas with low urban influence ranked second-highest, behind highly rural/remote areas.

**Employment Status**
Census of Population and Dwellings, 2001

The strongly rural focus of the economy in this profile area was reflected in occupational statistics. Occupational groups in rural areas with low urban influence were very similar to those in highly rural/remote areas. At the time of the 2001 Census, 4 of 10 people worked as an agriculture and fishery worker, compared with less than 1 in 10 nationally. Except for plant and machine operators and assemblers other occupational groupings were lower than the national average.
Agriculture and fishery worker was the most significant occupational category for employed people in rural areas with low urban influence at the time of the 2001 Census. These areas also had the largest number of people stating their occupation as an agriculture and fishery worker, with a total of 41,274 people (30.0 percent of people stating this occupation group nationally). A more detailed breakdown shows that almost half (47.8 percent) of agriculture and fishery workers stated their occupation as livestock farming. A total of 12,876 people (31.2 percent of people employed in the agriculture and fishery worker occupational group) said they were either a dairy farmer or dairy farm worker, while 9,753 people (23.6 percent) were engaged as crop and livestock producers.
Between the 1996 and 2001 Censuses, there has been a decrease of 14.5 percent in the number of people working in an agriculture and fishery occupation in rural areas with low urban influence, compared with a 10.5 percent decrease nationally. The number of people working as a sheep farmer or sheep farm worker fell by almost half, from 6,951 people in 1996 to 3,675 people in 2001. In contrast, the number of people employed in grape-growing increased by 107.1 percent, compared with an 87.0 percent increase nationally.
Industry analysis showed the predominance of work in the primary sector, with 44.2 percent of the employed census usually resident population count in these areas being engaged in the agriculture, forestry and fishing industry. Other industries are less well-represented in rural areas. In particular, rural areas with low urban influence had a lower-than-average percentage of people working in service industries, particularly health and community services.
Selected Industry Categories for the Employed Population
Census of Population and Dwellings, 2001

![Bar chart showing selected industry categories for employed population in rural areas with low urban influence, highly rural/remote areas, and total New Zealand.](chart)

**Economic standard of living**

Standard of living involves a complex combination of factors such as income, cost of living and household size and composition. For example, if incomes in a particular area are below the national average but living costs (housing, food etc) are also below the average, then the standard of living might be higher than for an area with above average incomes but well above average living costs. The data collected for this study is limited and can only provide a very approximate guide to living standards. In general, people in rural areas with low urban influence had a median personal income close to the New Zealand median. Average household expenditure was below the New Zealand average, which suggests that people in rural areas with low urban influence might face fewer constraints than average on their standard of living. There was, however, considerable regional variation in standard of living within this profile area. Parts of the North Island (Gisborne, Bay of Plenty and Northland) had lower personal median incomes and higher deprivation scores.
Selected Characteristics
Ministry of Health \(^{(1)}\) and Census of Population and Dwellings, 2001

<table>
<thead>
<tr>
<th>Rural areas with low urban influence by region</th>
<th>Decile(^{(2)})</th>
<th>Median personal income</th>
<th>Average number of usual residents per household</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northland</td>
<td>8</td>
<td>14,600</td>
<td>2.7</td>
</tr>
<tr>
<td>Auckland</td>
<td>5</td>
<td>17,500</td>
<td>2.7</td>
</tr>
<tr>
<td>Waikato</td>
<td>6</td>
<td>21,100</td>
<td>2.8</td>
</tr>
<tr>
<td>Bay of Plenty</td>
<td>8</td>
<td>18,000</td>
<td>2.9</td>
</tr>
<tr>
<td>Gisborne</td>
<td>9</td>
<td>14,300</td>
<td>3.0</td>
</tr>
<tr>
<td>Hawke's Bay</td>
<td>6</td>
<td>18,600</td>
<td>2.8</td>
</tr>
<tr>
<td>Taranaki</td>
<td>5</td>
<td>24,100</td>
<td>2.8</td>
</tr>
<tr>
<td>Manawatu-Wanganui</td>
<td>5</td>
<td>20,200</td>
<td>2.8</td>
</tr>
<tr>
<td>Wellington</td>
<td>3</td>
<td>22,100</td>
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</tr>
<tr>
<td>Marlborough</td>
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<tr>
<td>West Coast</td>
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<td>Canterbury</td>
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<td>Southland</td>
<td>3</td>
<td>21,500</td>
<td>2.7</td>
</tr>
</tbody>
</table>

\(^{(1)}\) For further information regarding the social deprivation index please refer to http://www.moh.govt.nz/phi/publications

\(^{(2)}\) On this scale, 1 is the least deprived and 10 is the most deprived. First principle component scores and decile ratings have not been calculated for regional totals or for larger geographic areas due to the nature of the Social Deprivation Index. Decile ratings for large geographic areas hide the heterogeneity and can therefore be misleading.

According to the New Zealand Income Survey (June 2003 quarter), the average weekly income in rural areas with low urban influence was above the national average ($547 compared with $539 nationally). Incomes in rural areas with low urban influence were slightly higher in the South Island ($550), compared with areas in the North Island ($545). Two years previously, the 2001 Census recorded that total annual median personal incomes in rural areas with low urban influence approximated the national average ($18,600 compared with $18,500 nationally). An above average proportion of people in these areas earned $100,001 or more annually (3.3 percent, compared with 2.4 percent nationally).

People in rural areas with low urban influence had a higher-than-average proportion of people earning income from self-employment and a below average proportion of people receiving income from wages and salaries. In the South Island, more than half of adults (52.7 percent) in rural areas with low urban influence earned income from wages and salaries, compared with just below half (47.3 percent) in the North Island. Rates of New Zealand superannuation or veterans’ pensions were lower than the national average. A higher proportion of people in rural areas with low urban influence in the North Island received a government benefit than in the South Island. Almost 6.0 percent of people in rural areas with low urban influence in the South Island had received a community wage-job seeker payment in the 12 months before the 2001 Census. In rural areas with low urban influence in the North Island, 7.3
percent of people had received the community wage-job seeker allowance, which was higher than the total North Island average of 6.6 percent.

**Annual Median Income by Age**
Census of Population and Dwellings, 2001

Rural areas with low urban influence had below average household expenditure ($41,578, compared with $43,682 nationally). These areas spent the lowest proportion of their income on housing of any urban/rural area (19.7 percent, compared with 23.3 percent nationally). Annual average household expenditure on housing was the second-lowest of any area. Transportation costs were the highest proportionately for any area (17.3 percent, compared with 16.8 nationally). Rural areas with low urban influence spent the second-highest proportion of incomes on food (17 percent, compared with 16 percent nationally).
Results from the 2001 Census show that weekly rents in rural areas with low urban influence were lower than the national average. Almost half of all households in these areas (45.8 percent) paid less than $100 a week rent at the time of the 2001 Census and 12.2 percent paid less than $50 weekly. Only 1.5 percent of households paid $300 a week or more.

Eight of 10 private dwellings (84.2 percent) in rural areas with low urban influence were separate houses at the time of the 2001 Census, compared with 75.7 percent nationally. Home ownership rates for households in private occupied dwellings were higher than the national average (73.6 percent, compared with 67.8 percent) but lower than in most other rural areas. One factor in this difference could be because rural employees sometimes receive accommodation as part of their employment.

Rates of access to telecommunication systems in rural areas with low urban influence were slightly lower than the national average in March 2001. Five percent of households in rural areas with low urban influence had no access to telecommunication systems, compared with 3.6 nationally. Households in these areas in the North Island had poorer access to telecommunication systems than in the South Island (5.8 percent had no access, compared with 3.5 percent in the South Island). Access to the Internet was lower than the national average (31.9 percent, compared with 37.4 percent nationally) but higher than in satellite urban areas (28.4 percent), independent urban areas (25.9 percent) and highly rural/remote areas (30.7 percent). Evidence suggests that Internet connection speeds and reliability are an issue for users in rural areas. A speech by the vice-president of Federated Farmers in 2001 noted that:
A New Zealand Ministry of Agriculture and Forestry survey in 2000 showed that 61 percent of farmers had computers and of those, 81 percent were connected to the Internet. However the infrastructure to access the Internet is sub-optimal, with 58 percent of users experiencing line quality problems, with little or no access, creating a digital divide in the rural community.

**Economic development**

It is difficult to separate the contribution of highly rural/remote areas to the New Zealand economy from that of other rural areas. Agriculture has been a major contributor to the New Zealand economy since the 19th century. In the mid-19th century, gold was a significant export earner but as gold supplies began to dwindle, agriculture took over as New Zealand’s major foreign exchange earner. Wool became important, then with the advent of refrigeration, meat and then dairy products became increasingly significant. Farming animals, and growing crops and trees uses over half New Zealand's available land. Agricultural and forestry products earn more than half New Zealand's export income. For the year ended 30 June 2002, dairy produce accounted for 22 percent of exports; meat and edible offal 14 percent; forestry products (excluding newsprint) 10 percent; fish, crustaceans and molluscs 4 percent; and fruits, nuts and vegetables 5 percent.

At February 2003, the proportion of businesses based on agriculture, forestry and fishing in these areas was almost five times the national average (19.1 percent, compared with 4.0 percent) although this figure may underestimate the importance of agriculture, as agricultural production is excluded from these statistics. The proportion of businesses involved in property and business services exceeded the national average (34.5 percent, compared with 31.2 percent nationally).

Residential building reflects factors such as population characteristics, interest rates, house price inflation and household economic growth. The estimated population of rural areas with low urban influence grew by 0.2 percent between 2001 and 2003 but the number of building consents per 1,000 households grew by 25.9 percent, compared with an increase of 45.1 percent nationally. Non-residential consents are related to government spending and business investment. In the 2003 calendar year, there were 1,702 residential building consents issued for dwellings in rural areas with low urban influence (5.7 percent of the national total). There were 1,627 non-residential consents issued, the second-highest number for any urban/rural profile area (22.5 percent of the national total but 6.2 percent of the total value). This number was second only to main urban areas.

Rural areas with low urban influence have a distinctive population. They have a higher ratio of males to females, higher proportions of children but fewer young adults and elderly. Culturally, people identifying with European and Māori ethnic groups predominate, as people identifying with other ethnic groups tend to settle in urban areas. A strong contrast emerges between rural areas with low urban influence in the North and South islands. In the North Island, these areas have higher proportions of people that specified Māori ethnicity and Māori speakers, particularly in the East Cape area. Rural areas with low urban influence appear to follow more ‘traditional’ family patterns, since they have higher proportions of married people and...
fewer families without children. Agriculture was the dominant occupation in these areas, although some regional variation occurred, with Taranaki having the highest proportion of agriculture and fishery workers (56.9 percent) and the West Coast having the lowest proportion (27.0 percent). Rural areas with low urban influence form a significant part of New Zealand’s agricultural sector, which is a major export earner. They are a vital part of New Zealand’s economy. Population projections, however, suggest that, unlike rural areas that are closer to urban areas, these areas are likely to only experience a slight growth in population between 2001 and 2021.
Highly Rural/Remote Areas

**Highlights**

- Home to 76,449 people or 2.0 percent of New Zealand’s 2001 Census usually resident population count.
- Population density of 0.5 people per square kilometre.
- Highest proportion of males to females (113.6 males per 100 females).
- Over half of the employed population (53.6 percent) worked in agriculture and fishery occupations, compared with 8.4 percent nationally.

**Introduction**

When European settlers started arriving in New Zealand in large numbers, in the mid-19th century, many came with a dream of obtaining land and fulfilling a vision of a rural arcadia. But New Zealand urbanised rapidly and by the 1920s the majority of the population was urban rather than rural. The image of the rugged pioneering people became myth rather than reality, but infused New Zealanders self-image. Highly rural/remote areas in New Zealand remain the closest to that pioneering image and have long been regarded as the heartland of New Zealand. These areas cover over half of New Zealand’s land area. They include mountainous areas and inhabited areas that are isolated from urban centres. Highly rural/remote areas in the South Island include the sparsely populated pastoral high country, while in the North Island they include a number of strong Māori communities.

Images of highly rural and remote New Zealand grace our tourist books and calendars but what is this part of New Zealand really like? What are the characteristics of the land and the people that inhabit these areas?

**Land and environment**

Highly rural/remote areas dominate New Zealand’s land area (139,468 km² or 53.1 percent of the total area). They include a wide climate range, from remote Fiordland with a mean annual rainfall between 4,000 and 10,000 mm per year (1971–2000), to parts of inland Otago where the rainfall is less than 500 mm per year. Much of this area is uninhabited, or very sparsely settled, since it includes mountainous areas and New Zealand’s vast conservation estate. Long-term mean temperatures (1971–2000) in highly rural/remote areas varied from 8 to 13°C in the South Island and between 11 and 16°C in the North Island. The lowest temperature recorded in this profile area in the South Island during this period was -15.6°C at Lake Tekapo. In some highly rural/remote areas of the North Island the temperature range is much less extreme, particularly in the Far North.
**People**

Highly rural/remote areas have the smallest proportion of New Zealand’s population. At the time of the 2001 Census of Population and Dwellings, 2.0 percent (76,449 people) of New Zealand’s usually resident population count lived in these areas, a decrease of approximately 6.0 percent from the 1991 Census. Since these areas cover a huge proportion of New Zealand’s land area, the population density is very low, 0.5 people per square kilometre. Around 4.5 percent (37,413) of the South Island’s census usually resident population count lived in these areas. In the North Island, 39,039 people (1.4 percent of the total North Island population) lived in highly rural/remote areas.

**People Living in Highly Rural/Remote Areas**

By region, Census of Population and Dwellings, 2001

![Bar chart showing the percentage of people living in highly rural/remote areas by region.](chart)

- **West Coast**: 12.5 percent (3,801 people)
- **Southland**: 9.5 percent (2,717 people)
- **Gisborne**: 7.6 percent (2,291 people)
- **Northland**: 6.7 percent (2,048 people)
- **Otago**: 6.4 percent (1,904 people)
- **Tasman**: 5.6 percent (1,695 people)
- **Taranaki**: 4.9 percent (1,507 people)
- **Waikato**: 4.4 percent (1,363 people)
- **Canterbury**: 4.2 percent (1,302 people)
- **Manawatu-Wanganui**: 3.3 percent (999 people)
- **Marlborough**: 2.7 percent (836 people)
- **Hawke’s Bay**: 2.4 percent (719 people)
- **New Zealand**: 2.0 percent (76,449 people)
- **Bay of Plenty**: 2.1 percent (676 people)
- **Wellington**: 1.7 percent (521 people)
- **Auckland**: 1.3 percent (397 people)

Note: Nelson Region has no highly rural/remote areas.

Although the West Coast had the highest proportion of people living in highly rural/remote areas (3,801 people or 12.5 percent) Canterbury had the greatest actual number of people (13,794 people or 2.9 percent), followed by Waikato (11,406 people or 3.2 percent).

Population estimates and projections have been calculated by area unit rather than meshblock and are derived using a calculation adjusting census figures to allow for...
census undercounts and migration between March 2001 and June 2001. As a result the figures are not directly comparable with census population figures. The estimated populated projections give a general picture about the situation of highly rural/remote areas. The estimated resident population of this profile area declined by 600 people (1.1 percent) between June 2001 and June 2003.

Population projections indicate that the population of highly rural/remote areas is likely to decline further. The medium projection suggests that the population of these areas will decrease by 9 percent, compared with a 16 percent increase in population nationally.

Projected Population for Highly Rural/Remote Areas
2001 (base)–2021

The image of highly rural/remote areas as a man’s country was to some extent true, as these areas had the highest ratio of males to females (113.6 males per 100 females). Regionally, Wellington and Waikato had the highest male/female ratio (120.7 and 120.2 males for every 100 females, respectively) and Tasman had the lowest (102.8 males per 100 females). These figures compare to the national average of 95.2 males per 100 females.
In highly rural/remote areas the proportions of children, and people between the ages of 30 and 54 years, were higher than the New Zealand average, but there were lower percentages of older people, and younger adults (aged between 15 and 29 years). Just over 65 percent of the population was of working age, the same as the national average. The population structure may be explained by the lure of education and employment, which tend to attract younger people to urban areas, particularly main urban areas.
New Zealand and Highly Rural/Remote Areas
By age and sex, Census of Population and Dwellings, 2001

In 2001, the median age of people in highly rural/remote areas was 35.4 years, slightly higher than the national average of 34.8 years. The South Island median age was approximately two years older than the North Island median (36.8 years, compared with 34.1 years).

Highly rural/remote areas had lower birth and death rates than the general population. There was an average of 9.3 births per 1,000 people for 1999 to 2003, compared with 15.1 births nationally; and 3.9 deaths per 1,000 people, compared with a figure of 7.5 deaths for New Zealand. This lower birth rate may be related to the age and sex structure of this population, which had relatively fewer women aged between 20 and 34 years. The lower death rate may be related to the smaller proportion of people aged 65 years and over in these areas. Older people tend to move closer to care facilities in more urbanised environments as they age, thus reducing the apparent death rate.

The infant mortality rate for highly rural/remote areas (an average of 4.2 deaths per 1,000 live births for 1999 to 2003), was lower than the national average of 5.5 deaths per 1,000. It is not clear why infant mortality would be lower in rural areas. Approximately one third of all infant deaths occur on the first day of life. It is possible that at-risk women or those with a seriously ill infant might change residence temporarily, and this may affect the registration of the child’s residence. The numbers
of births and infant deaths were the lowest of all profile areas, which means that any variations in births or deaths over time may affect the data to a greater extent than in a larger population area.

In 2001, almost 9 in 10 people (63,021 people or 86.9 percent) living in highly rural/remote areas identified with European ethnicity, compared with 8 in 10 people throughout New Zealand (2,871,432 people or 80.1 percent). The majority of people living in these areas stated they belonged to either the European and/or Māori ethnic groups. The percentage of people identifying with any other ethnic group was extremely low in highly rural/remote areas.

**Ethnicity (1) (Grouped total responses)**

Census of Population and Dwellings, 2001

![Ethnicity Bar Chart]

(1) As people may specify more than one ethnicity, the sum of the different ethnicities may be more than 100 percent.

Proportions of Māori living in highly rural/remote areas were much higher in the North Island than in the South Island. Three of every four people (2,385 people or 75.4 percent) in the Gisborne region who lived in a highly rural/remote area said they identified with the Māori ethnic group in the 2001 Census. This large percentage of highly rural Māori in the east of the North Island was consistent with the history of the area.

Highly rural/remote areas had the highest proportion of Māori speakers at the time of the 2001 Census (7.1 percent, compared with 4.5 percent of all New Zealanders). More than 1 in 10 people living in these areas in the North Island spoke Māori (4,497 people) compared with 582 people, or approximately 1 in 100, in the South Island. Approximately 1 in 3 people living in highly rural/remote areas in the Gisborne and Bay of Plenty regions spoke Māori. Ethnicity is just one of a number of variables
which reinforce the considerable differences between highly rural/remote areas in the North Island and the South Island.

**Percentage of People Identifying with Māori Ethnicity in Highly Rural/Remote Areas**

By region, 2001

<table>
<thead>
<tr>
<th>Region</th>
<th>Percent with Māori ethnicity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gisborne</td>
<td>70%</td>
</tr>
<tr>
<td>Bay of Plenty</td>
<td>60%</td>
</tr>
<tr>
<td>Northland</td>
<td>50%</td>
</tr>
<tr>
<td>Hawke's Bay</td>
<td>40%</td>
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<tr>
<td>Waikato</td>
<td>30%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>20%</td>
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<tr>
<td>Manawatu-Wanganui</td>
<td>10%</td>
</tr>
<tr>
<td>Auckland</td>
<td>9%</td>
</tr>
<tr>
<td>Wellington</td>
<td>8%</td>
</tr>
<tr>
<td>Taranaki</td>
<td>7%</td>
</tr>
<tr>
<td>Southland</td>
<td>6%</td>
</tr>
<tr>
<td>Tasman</td>
<td>5%</td>
</tr>
<tr>
<td>Marlborough</td>
<td>4%</td>
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<tr>
<td>West Coast</td>
<td>3%</td>
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<tr>
<td>Otago</td>
<td>2%</td>
</tr>
<tr>
<td>Canterbury</td>
<td>1%</td>
</tr>
</tbody>
</table>

The majority of people living in highly rural/remote areas were New Zealand born (67,101 people or 92.5 percent in the 2001 Census). This was the highest proportion for any profile area. There were 5,445 people in these areas who stated that they were born overseas. Most were from Europe or North America, with over half being from the United Kingdom or Ireland. This may be related to the value placed on rural life in Western European culture.

At the time of the 2001 Census, highly rural/remote areas had the highest proportion of people identifying with a religion. The rate of people identifying with the Christian religion was higher than the national average (68.2 percent, compared with 63.3 percent). This profile area had the highest proportion of people identifying with Presbyterian, Congregational, and Reformed denominations (20.2 percent, compared with 13.4 percent nationally). Affiliation with non-Christian religions was the lowest of any profile area, which may be linked with the low proportion of people identifying with ethnic groups other than European and Māori.
**Social conditions**

In 2001, households in highly rural/remote areas had an average of 2.7 people per household, consistent with the national average. They were, however, more likely to be a one-family household than the national average (72.4 percent, compared with 69.1 percent nationally). In these highly rural/remote areas a higher percentage of people were married (57.7 percent) than the national average (46.7 percent).

Families in highly rural/remote areas tended to have larger families than the New Zealand average. Fewer families had no dependent children and more families had three or more dependent children. Figures from the 1996 Census show that women in highly rural/remote areas (as well as women living in rural areas with a low urban influence) had more children on average (2.4 children per woman, compared with a national average of 1.9 children). Māori women had 2.7 children on average in these areas, compared with 2.1 nationally.

**Number of Dependent Children**
Census of Population and Dwellings, 2001

![Number of dependent children](image)

**Work, knowledge and skills**

Highly rural/remote areas had a high labour force participation rate at the time of the 2001 Census. It was second only to rural areas with a high urban influence (74.0 percent and 75.1 percent, respectively). This high participation rate is probably due
to factors such as age and sex structure. These areas have a larger than average proportion of working-age adults, and higher proportions of males who tend to have higher labour force participation rates. Participation rates were higher in South Island highly rural/remote areas (76.7 percent) than in North Island areas (71.2 percent). Conversely, unemployment rates were lower in highly rural/remote areas in the South Island (2.8 percent), compared with the same areas in the North Island (7.0 percent).

Adults in highly rural/remote areas had fewer formal qualifications than the national average and there was a marked difference between men and women (38.7 percent of men had no formal qualifications, compared with 29.5 percent of women).

**Highest Qualification**  
Census of Population and Dwellings, 2001

Approximately 1 in 18 adults in highly rural/remote areas had a bachelor’s degree or higher (5.4 percent), compared with 1 in 9 nationally (11.8 percent).

Regionally, almost half of adults living in highly rural/remote areas in Gisborne lacked formal qualifications (810 people or 44.5 percent), compared with just over a quarter of adults in Canterbury (2,532 people or 27.1 percent). The differences in qualifications are mirrored by sharply different employment and occupational patterns between highly rural/remote areas and the rest of New Zealand.

Employment patterns in highly rural/remote areas were very different from those of the majority of the New Zealand population, probably because of the agricultural nature of the highly rural/remote areas economy. Many farms are run by owner-occupiers. In 2001, highly rural/remote areas had the smallest proportion of people working as paid employees (48.6 percent, compared with 77.2 percent nationally) and the highest proportion of employers (15.8 percent, compared with 7.7 percent nationally). Highly rural/remote areas also had the highest proportion of self-employed people, 26.1 percent, which was more than twice the national average of
12.7 percent. The percentage of unpaid family workers was also very high, at 9.5 percent, compared with 2.3 percent for New Zealand.

**Selected Employment Status for Urban/Rural Profile Areas**
Census of Population and Dwellings, 2001

Occupational patterns were very different from national patterns in highly rural/remote areas. At the 2001 Census, over half of the employed population (53.6 percent) was an agriculture and fishery worker, compared with 8.4 percent nationally. All other occupational groupings were lower than the national average.
There were a total of 19,023 people employed in agriculture and fisheries in highly rural/remote areas at the time of the 2001 Census. A more detailed breakdown of this major group shows that farming involving livestock production, or livestock production mixed with other types of farming, was the largest category of agricultural employment, accounting for over two-thirds of all people occupied in agriculture or fishery work. A total of 5,349 people said they were either a dairy farmer or dairy farm worker, while 5,094 people were engaged in crop and livestock production.
Dairy farming was much more significant in highly rural/remote areas in the North Island, with 3,474 people, or 37.8 percent of all agriculture and fishery workers, compared with 1,875 people, or 19.1 percent in the South Island. Sheep farming had greater significance in the South Island, with 2,082 people, or 21.2 percent of all agriculture and fishery workers being engaged in sheep farming, compared with 606 people, or 6.6 percent, in the North Island.

Between 1996 and 2001 there has been a substantial decline in the number of agriculture and fishery workers in highly rural/remote areas engaged in sheep farming, from 5,176 people or 23.2 percent to 2,691 people or 14.1 percent. The following figure looks at the percentage change in the numbers of agriculture and fishery workers who were engaged in selected categories between 1996 and 2001.
Economic standard of living

According to the New Zealand Income Survey (June 2003 quarter), adults in highly rural/remote areas had the second-highest average weekly income of any profile area, $581, compared with the New Zealand average of $539 weekly. Two years previously, the 2001 Census recorded median incomes in highly rural/remote areas as being slightly below the national average ($18,400, compared with $18,500 nationally). Census figures showed an above average proportion of people earning $100,001 or more annually (3.9 percent, compared with 2.4 percent nationally).
People in highly rural/remote areas had a much lower proportion of people who received income from wages and salaries at the time of the 2001 Census than the national figure. The proportion earning income from self-employment was more than twice the national average. In the South Island, half the adults (50.2 percent) in this profile area earned income from wages and salaries, compared with 4 of 10 people (42.9 percent) in the North Island. Rates of New Zealand superannuation or veterans’ pension were lower than the national average. Highly rural/remote areas in the North Island had the highest proportion of people receiving the community wage-job seeker allowance for any profile area (8.5 percent, compared with 6.6 percent for the total North Island).
Households in highly rural/remote areas had the second-lowest average household expenditure of any profile area ($39,581, compared with $43,682 nationally). Housing costs are usually the major category of household expenditure. Households in highly rural/remote areas spent a below-average amount on housing ($8,470, compared with $10,159 nationally). Households in highly rural/remote areas had the lowest average expenditure on transportation ($5,969, compared with $7,358 nationally).
In most regions, highly rural/remote areas had average levels of deprivation at the time of the 2001 Census. In three regions, however, Northland, Bay of Plenty and Gisborne, deprivation scores were either 9 or 10 (1 being the least deprived and 10 being the most deprived). Highly rural and remote areas in these regions had the highest unemployment rates for any profile area (all were over 10 percent) and a higher than the national average proportion of people receiving income from government benefits.

Eight of 10 dwellings (82.8 percent, compared with 75.7 percent nationally) in highly rural/remote areas were separate houses at the time of the 2001 Census. Home ownership rates for households in private occupied dwellings were higher than the national average (70.3 percent, compared with 67.8 percent) but lower than in other rural areas. One factor in this difference could be that rural employees sometimes receive accommodation as part of their employment package.

Weekly rents in highly rural/remote areas were much lower than the national average. Just over a fifth of households that specified rent payments at the 2001 Census (21.5 percent, compared with 4.2 percent nationally) paid less than $50 a week. Less than 5.0 percent of households paid $175 or more rent per week, compared with 44.3 percent nationally.
Rates of access to telecommunications were slightly lower for highly rural/remote areas than was the national average. Almost 6.0 percent of households in this profile area (5.9 percent, compared with 3.6 nationally) lacked access to telecommunication systems. A higher proportion of households in the North Island than in the South Island had no access to telecommunication services (7.5 percent and 4.4 percent, respectively). Highly rural/remote areas in the Gisborne and Bay of Plenty regions had the highest proportion of households without access to telecommunication systems for this profile area (15.9 percent and 15.7 percent, respectively). Access to the Internet was lower than the national average (30.7 percent, compared with 37.4 percent nationally) but higher than in satellite urban communities (28.4 percent) and independent urban communities (25.9 percent). Evidence suggests that Internet connection speeds and reliability are an issue for users in rural areas. A speech by the vice-president of Federated Farmers in 2001 noted that:

A New Zealand Ministry of Agriculture and Forestry survey in 2000 showed that 61 percent of farmers had computers and of those, 81 percent were connected to the Internet. However the infrastructure to access the Internet is sub-optimal, with 58 percent of users experiencing line quality problems, with little or no access, creating a digital divide in the rural community.

**Economic development**

It is difficult to separate the contribution of highly rural/remote areas to the New Zealand economy from that of other rural areas. Agriculture has been a major
contributor to the New Zealand economy since the 19th century. In the mid-19th century, gold was a significant export earner but as gold supplies began to dwindle, agriculture took over as New Zealand’s major foreign exchange earner. Wool became important, then with the advent of refrigeration, meat and then dairy products became increasingly significant. Farming animals, and growing crops and trees uses over half New Zealand's available land. Agricultural and forestry products earn more than half New Zealand's export income. For the year ended 30 June 2002, dairy produce accounted for 22 percent of exports; meat and edible offal 14 percent; forestry products (excluding newsprint) 10 percent; fish, crustaceans and molluscs 4 percent; and fruits, nuts and vegetables 5 percent.

Residential building reflects factors such as population characteristics, interest rates, house price inflation and household economic growth. Demographic data show that the estimated resident population of highly rural/remote areas fell by 1.1 percent between 2001 and 2003, well below the national increase of 3.3 percent. The population of these areas is projected to decline further between 2001 and 2021. There were, however, 516 new residential building consents in 2003, compared with 441 in 2001. The rate of building consents per 1,000 households was below the national average in 2002 and 2003.

The most remote and rugged parts of New Zealand’s landscape have long been part of New Zealand’s mythology and have always been sparsely populated. In the future, it seems likely that the proportion of New Zealand’s population living in these areas will decline. Yet they will remain of great importance as a vital part of New Zealand’s economic production, as a tourist attraction, and in parts of the North Island as a centre for Māori culture.
Downloadable Data Tables

Full regional data tables are available to download from the Statistics New Zealand website [http://www.stats.govt.nz/urban-rural-profiles/default.htm]

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**Explanatory Notes**

Statistics New Zealand sources

**Census of Population and Dwellings**

A census of population and dwellings is conducted every five years under the authority of section 23(1) of the Statistics Act 1975. Statistics in this publication relate to the 2001 Census of Population and Dwellings, held on 6 March 2001.

The census normally occurs on the first Tuesday in March, a date that avoids school holidays and other events which mean significant numbers of people are away from home. It is also the time of year when fewer New Zealanders are overseas and provides the best opportunity to gain a true count of the population of New Zealand.

The census figures presented in “New Zealand: An Urban/Rural Profile” are based on the census usually resident population count. This refers to people who usually live in a given area and are present in New Zealand on census night. The count excludes visitors from overseas, and residents who are temporarily or permanently overseas on census night. For a subnational area, the count also excludes visitors from elsewhere in New Zealand (people who do not usually live in that area), but includes residents of that area who are temporarily elsewhere in New Zealand on census night (people who usually live in that area but are absent).

Residents who are away from their usual address on census night are allocated to the area where they usually live, and form part of the census usually resident population count for that area. For example, if a person usually lives in Christchurch but was in Wellington on census night, they will be included in the census usually resident population count for Christchurch.

Census counts give a snapshot of the population and are not adjusted for net census undercount and residents who are temporarily overseas. All census counts are randomly rounded to base 3.

**Population estimates**

The estimated resident population of a given area is an estimate of all people who usually live in that area at a given date. It includes all residents of that area present in New Zealand and counted by the census (census usually resident population count), residents who are temporarily overseas (who are not included in the census), and an adjustment for residents missed or counted more than once by the census (net census undercount). Visitors from overseas are excluded.

For a subnational area, the estimate excludes visitors from elsewhere in New Zealand (people who do not usually live in that area), but includes residents of that area who are temporarily elsewhere in New Zealand on census night (people who usually live in that area but are absent).
The estimated resident population of an area at a given date after census includes an update for births, deaths and net migration of residents for the period between census date and the given date. Subnational population estimates are produced annually (reference date at 30 June).

Population projections
The base population for the population projections is the estimated resident population of each area at 30 June 2001. These estimates are based on the 2001 census usually resident population count updated for:

- net census undercount
- residents temporarily overseas on census night
- births, deaths and net migration between census night (6 March 2001) and 30 June 2001
- reconciliation with demographic estimates at ages 0–9 years.

Projection assumptions are formulated after analysis of short-term and long-term historical trends, recent trends shown in other countries, government policy, information provided by local planners and any other relevant information.

The cohort component method is used to derive the population projections. In this method, the population for a given future date is calculated by updating the size of each age-sex cohort in the base population, for births, deaths and migration within each age-sex cohort according to the specified fertility, mortality and migration assumptions.

Although the assumptions made about future fertility, mortality and migration patterns of the population are carefully formulated to represent future trends, they are subject to uncertainty. Therefore, the projections should be used as guidelines rather than exact forecasts. They indicate the overall trend but do not attempt to project specific annual variation.

The projections do not take into account non-demographic factors (e.g. war, catastrophes) which may invalidate the projections. Demographic trends are monitored regularly, and when necessary projections will be revised to reflect new trends and to maintain their relevance and usefulness.

Vital statistics
Births and deaths data are now based on the resident population concept, replacing the de facto population concept used before 1991. While the de facto population concept refers to all vital events (births and deaths) registered in New Zealand, resident population concept excludes the births to, or deaths of, people who normally live overseas.

Live births exclude late registrations under Section 14 of the Births and Deaths Registration Act 1995. Section 14 births are births which were not registered in the ordinary way, that is when the birth occurred. Such registrations can occur as late as retirement age.
Household crowding
Household crowding is a theoretical concept about the acceptable number of people per household. Crowding generally refers to people's psychological response to density, that is, to their feelings of being crowded, having a lack of privacy or an increase in unwanted interactions or psychological distress. Crowding in households relates to situations where the number of people residing in a household exceeds the ability of the dwelling to provide adequate shelter and services to its members. In this report a household is deemed crowded if the dwelling the household resides in requires one or more bedrooms, according to the Canadian National Occupancy Standard.

The Canadian National Occupancy Standard (CNOS) sets the bedroom requirements of a household according to the following composition criteria:

- there should be no more than two people per bedroom
- parents or couples share a bedroom
- children under five years, either of same or opposite sex, may reasonably share a bedroom
- children under 18 years of the same sex may reasonably share a bedroom
- a child aged five to 17 years should not share a bedroom with one under five of the opposite sex
- single adults 18 years and over and any unpaired children require a separate bedroom.

Regional household expenditure estimates
Regional household expenditure estimates for 2001 are model-based and integrate data from the Household Expenditure Survey (HES) for the year ended 30 June 2001 with 2001 Census data.

Estimates of spending on various goods and services are modelled using household characteristics and expenditure information collected in the HES. These models are then applied to census data to produce regional estimates of household expenditure.

The household expenditure and average household expenditure estimates are for the year ended 30 June 2001. Data for average household expenditure is based on counts for occupied permanent private dwellings, excluding visitor only households, from the 2001 Census. Household expenditure for the apparel group is not available for New Zealand or South Island areas.

New Zealand income survey
The New Zealand Income Survey (NZIS) is run annually during the June quarter as a supplement to the Household Labour Force Survey (HLFS). Data is collected from all respondents to the HLFS, and only from proxies if people were unable to answer on health or language grounds.

Average weekly income relates to the respondent’s most recent pay period. The data collected are cash only, pre-tax (gross) income and do not include any non-cash fringe benefits. Interest and investment income has only been collected since 2002. Average weekly income may therefore not represent total income.
The HLFS sample comprises approximately 15,000 private households, sampled on a statistically representative basis from rural and urban areas throughout New Zealand. The final NZIS dataset consists of approximately 24,000 valid person records, and 4,000 imputed person records.

Two types of error are possible in estimates based on a sample survey: sampling error and non-sampling error. Sampling error is a measure of the variability that occurs by chance because a sample, rather than an entire population, is surveyed. Sampling errors are available on request.

Non-sampling errors include errors arising from biases in the patterns of response and non-response, inaccuracies in reporting by respondents, and errors in the recording and coding of data. Non-sampling errors are not quantified.

New Zealand business demography statistics
The number of full-time equivalent persons engaged (FTEs), and the number of business locations, are derived from the Statistics New Zealand Business Frame, a database of New Zealand businesses and their structure. It records details such as name, location, predominant type of industrial activity performed, employment levels, and the degree of overseas ownership.

The Annual Business Frame Update Survey (AFUS) is conducted in mid-February each year to update the records on the Business Frame. All full-time equivalent data are rounded. Percentages are calculated from rounded figures.

Businesses are identified from the Goods and Services Tax (GST) registrations supplied by Inland Revenue. For businesses providing financial services and deemed to be providing 'exempt supplies' under the Goods and Services Tax Act 1985, the sources used are:

- association lists
- financial reports
- list of superannuation/pension schemes from the Government Actuary.

FTEs are derived as the total number of full-time employees and working proprietors plus half the number of part-time employees and working proprietors. Employees and working proprietors working 30 hours or more per week are defined as full-time. Those working less than 30 hours per week are defined as part-time.

Each separate operating unit engaged in one, or predominantly one, kind of economic activity from a single physical location or base is known as a business location (or geographic unit). An enterprise is a business or service entity operating in New Zealand. It can be a company, partnership, trust, estate, incorporated society, producer board, local or central government organisation, voluntary organisation or self-employed individual.

The population for the Business Demographic Statistics includes only businesses that are economically significant.
A business is said to be economically significant if it meets one or more of the following criteria:

- greater than $30,000 annual GST expenses or sales
- more than two full-time equivalent paid employees
- in a GST exempt industry (except for residential property leasing and rental)
- part of a group of enterprises
- registered for GST and involved in agriculture or forestry.

All GST registered enterprises recorded on the Inland Revenue client registration file are continually monitored to determine if they meet the 'economic significance' requirements for 'birth' onto the Business Frame. A buffer zone of $25,000 to $35,000 exists to prevent enterprises switching excessively between 'economically significant' and 'economically insignificant'. For example, an economically significant enterprise whose annual GST turnover drops to $27,000 would not be reclassified as economically insignificant, but one whose annual GST turnover drops to $23,000 would be reclassified. All non-trading and dormant companies are excluded from these statistics.

**Building consents**

Data on building authorisations is obtained each month from all territorial authorities. GST is included in the figures collected.

Under the building regulations, effective from 1 January 1993, building authorisations are applied for under the building consents system administered by territorial authorities. Prior to this date, applications were made under the building permits system. The building consents system, however, has wider coverage than the building permits system. The additional coverage includes some government building (particularly work on education buildings), and on-site drainage and reticulation work.

**Other government sources**

**Land Transport Safety Authority, 1997/98 Travel Survey**

The Land Transport Safety Authority interviewed approximately 14,000 people from 7,000 randomly sampled households. Respondents were interviewed at home between June 1997 and July 1998, and during April and May 1999. People were asked to describe all their travel, by car, motorcycle and other motor vehicles, by train or plane, by bicycle, and on foot, for two consecutive days (called travel days). As these days were spread over a year, information could be scaled up to represent a year's travel by all New Zealanders.

Respondents were asked to record each part of any trip they undertook on those days, even a simple walk to a nearby shop. For example, someone going to work might drive from home to a parking building and then walk to their workplace. Each part of the trip (one by car, one on foot) was recorded in detail. The distance of the driving trip was computer-calculated by locating the point of origin, the point of destination, and by measuring the road distance between the two.
Ministry of Health, 2001 Social Deprivation Index

The Social Deprivation Index is a measure of socio-economic status calculated for small geographic areas. The calculation uses a range of variables from the 2001 Census of Population and Dwellings which represent nine dimensions of social deprivation. The Social Deprivation Index is calculated at meshblock level, and built up to the relevant geographic scale using weighted average census usually resident population counts. The nine variables (proportions in small areas) in decreasing weight in the index are:

1. Income  People aged 18–59 receiving a means tests benefit
2. Employment  People aged 18–59 years who are unemployed
3. Income  People living in equivalised1 households with income below an income threshold
4. Communication People with no access to a telephone
5. Transport  People with no access to a car
6. Support  People aged less than 60 years living in a single parent family
7. Qualifications  People aged 18–59 years without any qualifications
8. Living Space  People living in equivalised1 households below a bedroom occupancy threshold
9. Owned Home  People not living in own home

(1) Equivalisation: method used to standardise household composition and size.

The Social Deprivation Index is provided in two forms, a continuous score and an ordinal scale.

The first principle component score is the result of the calculation using the nine weighted census variables. The scores are scaled to have a mean 1000 index points and standard deviation 100 index points.

The decile rating is derived from the first principle component score. The ordinal scale ranges from 1 to 10, where 1 represents the areas with the least deprived scores and 10 the areas with the most deprived scores.

Note that the deprivation index applies to areas rather than individuals who live in those areas.

Geographic Concordance Files

Geographic concordance files are available to download from the Statistics New Zealand website [http://www.stats.govt.nz/urban-rural-profiles/geo-concordance-files/default.htm]

The urban/rural profile classification has been developed specifically for use in the urban/rural profile analytical report, and is not an official classification. The urban/rural profile classification was developed to be consistent with the standard Statistics New Zealand classification of urban and rural areas at the broadest level. For more information regarding the classification see Defining Urban and Rural New Zealand.