

## Summary

### Methodology

A 'propensity' method has been adopted to derive the 2001-base national family and household projections. In this method, living arrangement type rates (LATRs) (or propensities) are applied to the estimated and projected population to give population by living arrangement type. From this, the numbers of families and households have subsequently been derived.

Base living arrangement type rates were calculated from the 1986, 1991, 1996 and 2001 Censuses by assigning each New Zealand resident to one of 11 living arrangement types. The projections assume three alternative variants of living arrangement type rates:

- A. Rates will remain constant at 2001 levels.
- B. Rates will change linearly between 2001 and 2021 based on an assessment of observed trends between 1986 and 2001, and likely future trends, by sex and single-year of age.
- C. Rates will change linearly between 2001 and 2021 according to the linear trend observed between 1986 and 2001, by sex and single-year of age.

The three variants of living arrangement type rates were then applied to three alternative population projection series (series 3, 4 and 5), to give nine alternative family and household projection series. The three population projection series all assume medium fertility and medium mortality, as low and high variants make an insignificant difference to the projected numbers of families and households. The series do, however, assume different migration levels. In the long-term, annual net migration is assumed to be zero for series 3; 5,000 for series 4; and 10,000 for series 5.

The projections are neither predictions nor forecasts. They provide an indication of likely future changes if certain scenarios materialised.

At the time of this release, projection series 4B (which applies the B variant of living arrangement type rates to national population projection series 4) is considered the most suitable for assessing future family and household changes. Only series 4B has been formulated to produce demographically plausible results by assessing both observed historical trends and likely future trends. The summary results covered below are drawn from this series.

### Families

The number of families is projected to increase by 230,000 or 22 percent between 2001 and 2021, from 1.05 million to 1.28 million. This compares with population growth of 16 percent over the same period. A family, as defined here, consists of a couple, with or without children, or one parent with children, usually living together in a household. Couples can be same-sex or opposite-sex.

Two-parent families were the most common family type in 2001, numbering 446,000 or 42 percent of all families. Between 2001 and 2021, two-parent families are projected to decrease in number to 418,000. By 2006, they will be surpassed as the most common family type by couple without children families, which are expected to increase substantially in number from 407,000 in 2001 to 614,000 in 2021. Over the same period, one-parent families are also projected to increase, from 198,000 to 251,000. The projected changes reflect recent trends, with fewer couples having children, more single parenting, and an increasingly older population age structure.

In 2001, about 84 percent of two-parent families and 77 percent of one-parent families contained dependent children (children in families aged under 18 years and not in full-time employment). The number of families with dependent children is projected to increase from 525,000 in 2001 to 551,000 in 2010, and then remain steady for the remainder of the projection period. Within these families, one-parent families with dependent children are projected to increase from 153,000 in 2001 to 196,000 in 2021. In contrast, after an initial increase from 372,000 in 2001 to 380,000 in 2005, two-parent families with dependent children are projected to decrease to 355,000 in 2021.

## Households

The number of households is projected to increase by 380,000 or 26 percent between 2001 and 2021, from 1.44 million to 1.82 million. This is faster growth than that of families (22 percent) and the population (16 percent) over this period, reflecting the trend towards smaller average household size and more one-person households. A household is defined as one person usually living alone, or two or more people usually living together and sharing facilities (eg eating facilities, cooking facilities, bathroom and toilet facilities, a living area) in a private dwelling.

Within households, family households are projected to increase by 210,000 or 21 percent, from 1.02 million in 2001 to 1.23 million in 2021. Over the same period, one-person households will increase by 149,000 or 45 percent, from 333,000 to 482,000. This is mainly due to the increasing population at older ages. The number of other multiperson households (households containing more than one person, but not a family) is expected to increase by 14,000 or 16 percent, from 88,000 in 2001 to 102,000 in 2021. About two-thirds of people living in other multiperson households are aged 15–34 years.

Average household size is projected to decrease from 2.6 people in 2001 to 2.4 people in 2021. This continues the steady decline of recent decades – in 1951 there were 3.7 people per household. The trend towards smaller average household size is due to an increase in the number of one-person households and a decrease in the average size of family households. The latter reflects both changes in the type of families and the decreasing size of one- and two-parent families as women have fewer children.

## Population by living arrangement type

Of the 11 living arrangement types, partners in couple without children families are projected to grow in number the fastest. They are projected to increase by 51 percent, from 810,000 in 2001 to 1.23 million in 2021. The two main factors behind this increase are fewer couples having children and an increasing population in the ages where people are most likely to be living as couples without children (50–90 years).

Parents in one-parent families are expected to increase by 26 percent between 2001 and 2021, but children in one-parent families by only 11 percent. Partners/parents in two-parent families are expected to decline by 6 percent, while children in two-parent families are expected to decline by 10 percent.

Other people living with, but not in, families are expected to increase by 30 percent from 107,000 in 2001 to 140,000 in 2021. People living in other multiperson households (not containing a family) are expected to increase by 26 percent from 234,000 to 296,000 over the same period.

The ageing population is expected to lead to an increase of 24,000 (or 32 percent) in the number of people living in non-private dwellings (which includes retirement homes), from 76,000 in 2001 to 100,000 in 2021. Almost 40 percent of people living in non-private dwellings are projected to be aged 80 years and over in 2021, compared with 28 percent in 2001.