



A simple method for projecting the population of small areas: The simple component method

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There are a range of possible methods for projections of future population for local government areas, ranging from simple trend extrapolation to cohort component models. This paper describes the innovative 'simple component' method developed by the New South Wales Department of Planning and used for Statistical Local Area projections in non-metropolitan areas of New South Wales. This method has the advantage of requiring a limited amount of readily available data, while resulting in projections which take into account national, state and regional trends and local factors. The paper discusses various methods for small area population projections, their advantages and disadvantages, and the reasons for developing and adopting the 'simple component' method. It provides a detailed description of the model, and concludes with a discussion of the limitations of the method and problems encountered in its operation.