## **Small Town Change and Challenge:** The New Zealand's Experience.

**Etienne Nel & NSC Research** 









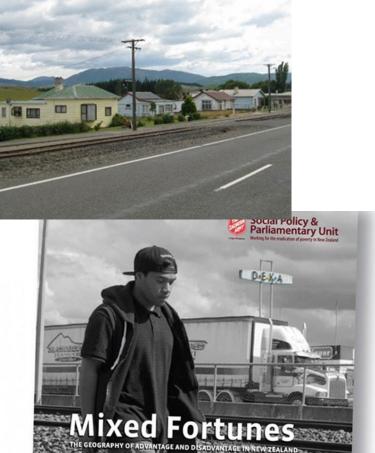


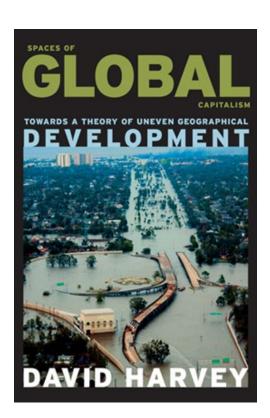






Internationally & in NZ: Divergent
Small Town Trends:
Growth & Decline
Mixed Fortunes and
Uneven Geographical Development





#### Plan

- Small Town Literature
- Small Town Growth and Decline
- NZ Context
- Current Challenges
- Small Town Typologies
- Responses & Opportunities
- Conclusion

#### Literature

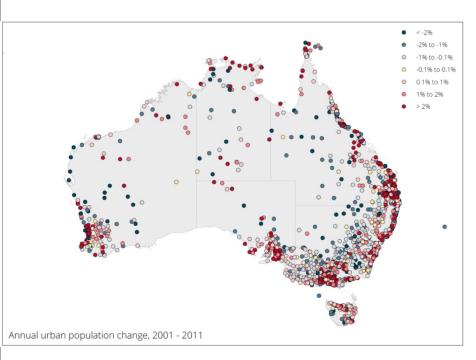
#### A) International:

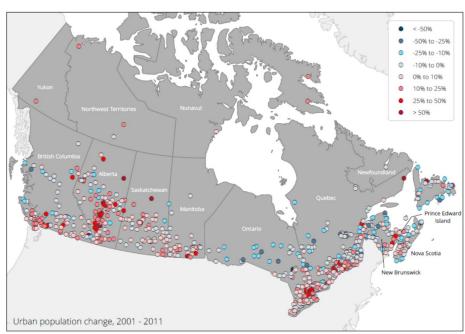
- Demographic trends growing & shrinking towns
- New themes: <u>Smart Growth / Smart Decline</u>
- Uneven geographical development self-reinforcing
- Local response
- Productivism to <u>Post production</u>, multi-functionalism
- Evolutionary Economic Geography / path dependency

• B) <u>New Zealand</u>:

- History of rural and small town change
- Neoliberalism & regional development
- Rural restructuring
- Local development trends and responses
- 'Zombie Town' debate / "rediscovery of the regions"

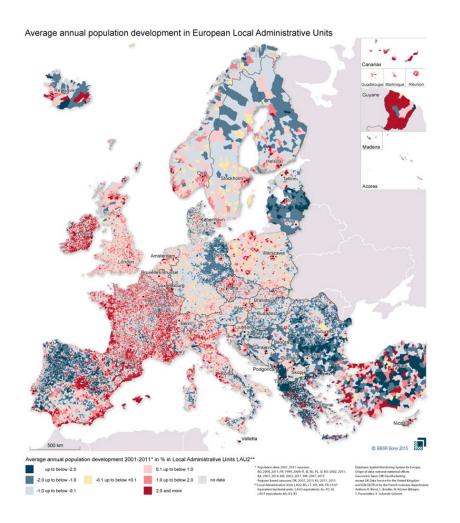
# INTERNATIONAL EVIDENCE-SMALL TOWN GROWTH & DECLINE





- Are there 'tipping points' beyond which small towns no longer are viable entities?:
- population change
- economic change town & hinterland
- loss of <u>services</u>.
- - 'sponge' effect of larger centres in travel range
- Policy debates equity vs. market forces

## **EUROPE**





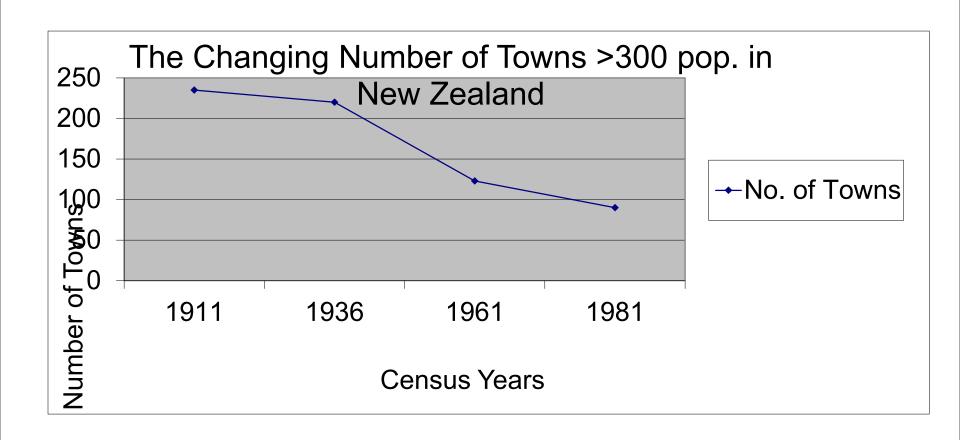
Economist.com



#### The NZ Context

- Small town growth and decline last 160 years.
- Little policy recognition of small town decline
- 'Zombie Town' Debate draw attention to challenges
- In parallel Growing Towns struggling with service and housing challenges.
- Rural areas key shifts from productivism to neo-/ post- productivism / changing labour issues

#### **Shrinking Towns: Long Term Trends**



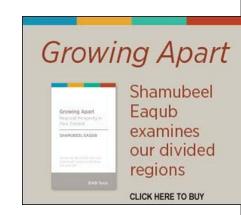
# Pre-2000 – long term processes of change

- <u>1953 Town and Country Planning Act</u> restrict dwellings on marae land encourage Māori urbanization (Melser, 1982).
- 1973 Regional Development Conference in Dunedin:
- "the closing of shops & garages, the departure of doctors & the reduction in the size of schools which accompany population decline" (Ross, 1973)
- Pryde (1977) <u>declining rural pop. impact on</u> education and health services and available labour

- Parr (1975) <u>mechanization / farm size</u> <u>increase</u> and labour force decline,
- Cant (1980) <u>key services move to major</u> centres aided by transport advances,
- 1980s Rogernomics impact services, employment and farm subidies.
- Bedford (1983) <u>partial pop turnaround</u> 2nd homes, rural residential dev. – selective
- Emergence of <u>multi-functional landscape</u>s (le Heron, 1991; Smith and McMath, 1988)
- Growth of tourism / retirement towns

#### Current Trends in Small Town NZ

- Selective pop & eco decline or growth
- Two speed economy Eaqub
- Pop ageing and youth migration / NEET
- growing social / spatial inequality
- temporal = long vs short term trends
- <u>farming shift</u>: beef & sheep to dairy impact on debt
   / turnover / voluntarism / community/labour
- temporary/seasonal workers vs farming families –
- impact on <u>social capital</u>





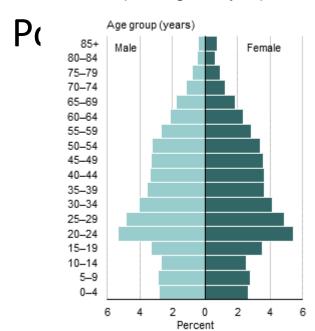
# Changes and Challenges

- Loss of services / schools / health-care
- Changes in mobility / urban- rural work flows
- <u>Centralization of functions</u> in larger centres = 'sponge towns'
- Housing temp workers & air b'nb / housing crisis especially around tourist towns / but other places too – 'Auckland' effect

# Urban and Rural Population Pyramids: Ageing & Youth Migration

#### Wellington population

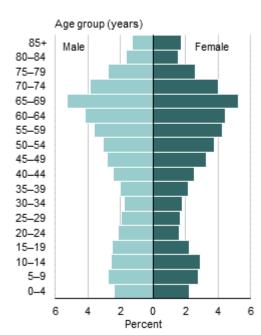
At 30 June 2016 (Median age = 33.8 years)



Source: Statistics New Zealand

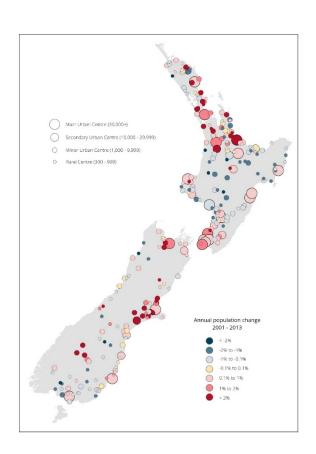
#### Thames-Coromandel population

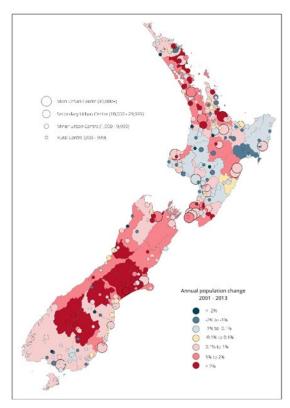
At 30 June 2016 (Median age = 52.4 years)

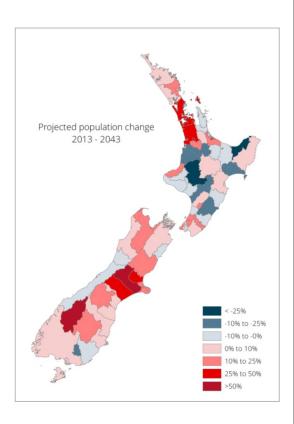


Source: Statistics New Zealand

# **Contemporary & Projected Trends**

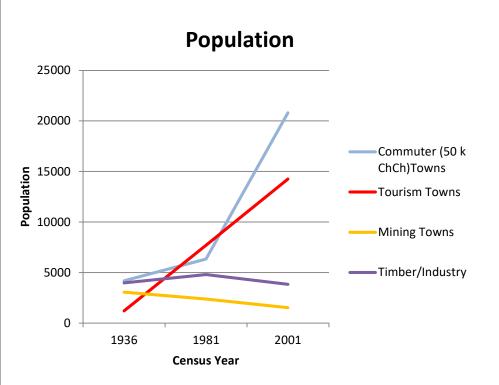


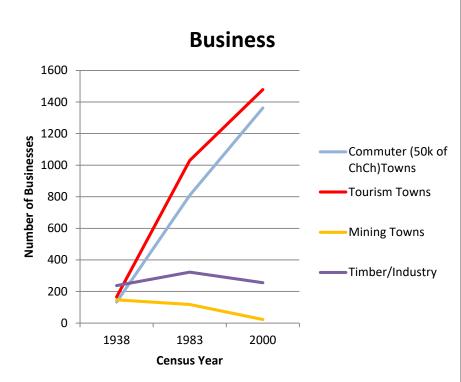




Centre 1981-2013	Grow	Decline	% Declining
Main Urban Centre +30 000	16/18	2/18	11%
Significant Urban Areas + 10 000	8/15	7/15	47%
Minor Urban Areas + 1 000	40/100	60/100	40%
Rural Centres -1 000	69/138	69/138	50%
Totals	153/271	118/271	43.5%
Population Gain/Loss In 4 categories	2 011 946	79 146	

# Population and Business Change: Commuting, Tourism and Resource Towns – in S. Island





# NZ Ghost-towns Tahakopa; Kelso







VIEW TAKEN AFTER THE FIRE AT MESSRS WRIGHT, STEPHENSON AND CO'S STORE AT KELSC building on the opposite side of the road suffered from the intense heat of the fire, windows being broken, and the paint



#### NZ Boom Towns

Queenstown / Wanaka / Te Anau







## Institutional Challenges

- Shift from pre-1980s to market-based thinking
- Local Government depends on <u>rates based funding</u> often declining / ageing pop.
- Challenge of <u>national standards</u> for water etc. often with a small and shrinking pop. / rates base
- Population Based Funding reduces equal provision
- Costs of supplying rural services / broad band
- Costs of maintaining local facilities (how much can the local community absorb? – i.e. community based take over of pools / health facilities etc.)

# **Typologies of Small Towns**

- 1) Rural Services centres-depend on their hinterland:
- dairy / niche agriculture / traditional agric
- changing labour / service requirements
- 2) Resource towns forestry, mining, fishing
- boom & bust experience, effects of closures e.g. Pate
- 3) <u>Lifestyle towns</u> retirement, 2<sup>nd</sup> homes, tourism
- 4) Commuting towns Selwyn
- 5) Industrial towns
- 6) <u>Planned towns</u> hydro / industry
- 7) Multi-focussed settlements

#### RESPONSES TO STRUCTURAL CHANGE

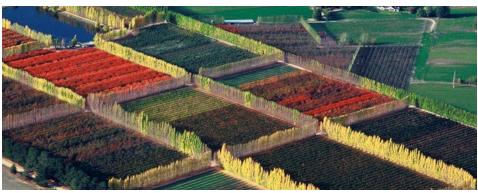
- 1) Leave to market forces.
- 2) State driven responses e.g. EU
- (NZ rediscovery of the regions PGF)
- (NZ long term role of DIA & social agencies)
- 3) Endogenous development:
- council
- community
- business / local champions
- partnerships

#### **Local Potential**

- Recreation / tourism potential is selective
- Re-use of buildings / facilities
- <u>Potential strength</u> of <u>communities</u> / institutional thickness / volunteerism – esp. in farming communities / local leaders
- Importance of local capacity for self-organization
- New rural lifestyle / economic opportunities
- External support government / EDAs
- <u>Challenge</u> for communities with high levels of welfare <u>dependence</u> & low levels of innovation

# Selective Reponses – Market Driven or Local Action ?



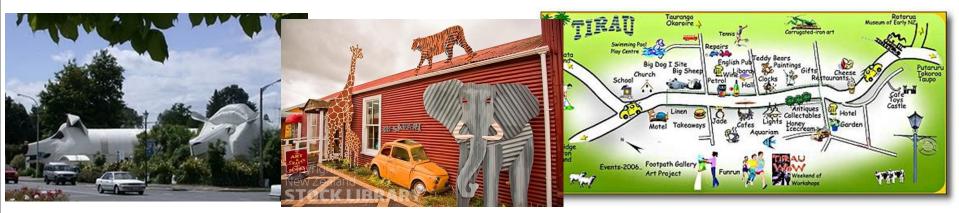






## **Endogenous Responses:**

# Community Led Promotion / Youth Retention - NEET / Housing





# Community Based Provision of Infrastructure and Services – Lawrence – role of the farming community











# Engagement with Economic Opportunities – Pio Pio







### Role of Councils - Kawerau









#### **Future Issues**

- <u>Economic and demographic change</u> ageing and ? reduced youth population
- ? Rural services provision and affordability
- ? Changes in local government / Well-Being budget
- Climate change
- Housing affordability/shortage/service & agric workers
- Path dependence vs. new path formation ?
- Provincial Growth Fund? Selective benefit?
- Challenge of <u>selective small town growth & decline</u>
- Need both smart growth & decline

#### Conclusion:

- Spectrum of challenges from rapid growth to decline – demographic (& ageing) & economic changes – looming challenges
- Social challenges and opportunities:
   ?voluntarism, community driven social provision health & recreation
- Changes in farming; migrant workers
- Local responses: Council, Community, PGF?/ Govt. have potential
- Uneven geographical development perpetuated
- Path dependence/ <u>need new path formation</u>

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