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## **The death and life of small New Zealand towns**

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### **Abstract**

The past three decades have seen significant decline in parts of what was known as 'Heartland' New Zealand. Although there are demographic and economic reasons for this decline, this does not mean these towns are in terminal decline. In most cases changes can be made and these small towns can become stable, sustainable and become vibrant communities again. This paper will discuss some of the innovative ways small town New Zealand can return to prosperity. Highlighted in this paper are three ideas that place quality planning at the heart of these changes. Successfully reversing the long-term decline of small New Zealand towns can come from focusing on small changes as one new family has a proportionally larger impact on small towns. There is a strength and resilience that comes from investing local, shopping local and going to local schools. So focusing these small changes on new and innovative small businesses is important to this change. Access to high speed internet and emerging technology (3D printing) can eliminate the tyranny of distance. Once the challenge of being located remotely is mitigated the focus can return to the natural advantages of these communities (beautiful environment, low cost housing etc). Some big city planning ideas can be included at the small town scale. Application of mixed-use cores and micro-agglomeration can be successful in rural New Zealand. This paper recognises that the solutions to turn around decline will be individual to the respective communities, however once the solution is found these communities will again be places where more

people want to live, do business and raise families. This creation of desirable and liveable communities will lead to longer-term sustainability.

## **Introduction**

This paper recognises the decline of some small New Zealand towns and discusses some of the potential responses that can help to revive 'Heartland' New Zealand. The provincial regions of New Zealand have been described as "The Heartland". Each of the Heartland provinces has small towns, providing a community hub and services centre. In areas where there has been significant population and employment decline, the nature of the communities has changed dramatically. Once popular towns are now places that struggle to attract and retain a population sufficient to sustain basic services.

In these struggling communities many layers of effort are being made to turn around the decline. This paper refers to some significant ways that planners and quality planning can make a difference. The central link of hope for these communities is that some of the most desirable and sought after characteristics, not easily found in major urban areas can be found in small towns in abundance. These attributes related to cost of living and quality of the environment provides a natural advantage that small towns can build upon to reverse the decline of the past generation.

*"Why are we overlooking our smallest communities in discussions about reinventing our largest cities?"(McCasky, K. 2012)<sup>i</sup>*

Our largest cities get significant coverage and attention as they try to deal with the issues of urbanisation and increasing population. For some people the best solution for big city challenges is to join one of the smaller New Zealand communities and help grow these small towns.

For the purpose of this paper I have defined small towns as small urban areas with a usually resident population of less than 10,000 and greater than 1,000. This is very similar to the definition of minor urban areas that has previously been used by Statistics New Zealand. There are approximately 100 communities of this size in New Zealand (Appendix 1). Although some have grown in the last few decades, many of these small towns have declined in population and employment over the past three decades, resulting in communities that function differently and in some cases struggle to provide

## **Death**

The decline of small town New Zealand is an outcome resulting from the significant change in the structure our Nation. Rural to urban population shift has followed the jobs, which have increasingly been in our main centres. The young families connected to these jobs have ensured the cities also have a high level of natural increase as the births outnumber the deaths.

Waves of change over decades has influenced population decline in small towns. One of the most significant changes was the dramatic market restructuring and de-regulation of the mid-late 1980's. This time of change led to eventual relocation of jobs, closure of provincial based companies and significantly consolidation of many rural industries. The closure of a small town's largest employer can begin a domino effect as smaller businesses downsize or close as they adapt to the reduced demand in the town.

Once the key employer is removed and the domino effect takes hold, the vibrancy associated with small town communities can be reduced quickly. In New Zealand there are places where the vibrancy has been replaced with; high unemployment, low incomes, low levels of education, high teen-pregnancy rates, young people permanently leaving and an ageing population. When the younger generation is not retained in a community the local passion for the place can dwindle, locals often seem far more committed to a place. However perhaps more significantly the lack of youth means there are less working age people to support the sustainability of the services and infrastructure within a small town. The older segment of the population requires the retention of the young families and workers to provide that support.

My experience living in these declining communities is that two key factors become the main reasons given for not staying in the community. Firstly, jobs. People looking for work will leave because they can't get a local job and are able to find work when they relocate to another community. This is a fundamental reason for decline and is quantifiable. The second reason is that they want a better future for their children. This is harder to quantify but is just as real. Parents hoping for their children to have a better future will sometimes leave small towns when the local economy is in decline.

One of the results of this pattern is that those who stay are either the lucky few with employment, or those that through social and economic circumstances cannot leave.

The Central North Island town of Taumarunui is an example of the small town decline happening in New Zealand. The 1981 Census recorded that there were 6,540 permanent residents in Taumarunui. This declined to 4,503 residents by the 2013 Census. This is a decline of more than 30% over the past three decades. Statistics NZ predict that by 2031 the town will be smaller by about another third (Stats NZ, 2010). This projection means only about 3,500 permanent residents would remain in Taumarunui. Since the early 1990s' Taumarunui has seen most of the local railway based jobs lost, the closure of a meat freezing works and the closure of a milk processing factory amongst other closures and job losses.

This continued decline means that more of the rates income to support the community is paid by people who live outside the community, or are not paid as houses get abandoned. Affordability of maintaining the towns' community facilities and roads is a serious concern for these small declining populations. The declining incomes lead to lower decile schools and a perception of lower quality education. As the domino effect hits Taumarunui for every family that leaves and is not replaced it is more likely that the local school will down size by

one teacher, or that the supermarket will let go one staff member, or the local medical clinic come closer to not being able to justify services.

However, not all small towns have declined in population. Most small towns within a comfortable commute of the large urban centres have grown, as they become dormitory suburbs for city workers. Other small towns have remained stable as they are holiday centres or are less reliant upon single large employers. These towns remain prosperous and lively and show that the decline in other areas is mostly a result of geographic circumstance rather than poor management.

## **Life**

Small New Zealand towns in decline don't need to remain that way. Arresting decline and then moving forward in a sustainable way is a positive option that can be pursued. It will take community support and the new sustainable level may never be as high as previously reached. Stability and small growth provides opportunity for improvement, development and placemaking that is seldom available in a town with declining population.

Planning and coordination is needed to bring life back to these towns. Success will see places that may have been referred to as "Zombie Towns" return to Life with; vibrant urban town centres, safe communities and higher levels of employment.

The following three ideas provide some direction to bring the life back to declining small towns and develop attractive places where people want to live.

### **IDEA 1 – Small changes**

I have seen that when small town New Zealand is hit with the prospective loss of a major employer the initial fight is try and keep the business. Once that business decides to leave the town I have seen councils trying to fill the hole by attracting replacement large businesses. Investing in new industry and finding new operators to fill vacant factories can provide that quick shot of rejuvenation for small towns. Sometimes the new businesses just replace existing jobs and force the closure of smaller businesses. I have seen councils wooing The Warehouse and McDonalds in an effort to bring in new jobs, only to find long established retail and food outlets closing as a result of the new shops.

For small towns in decline it is important to realise that small increases in employment have large effects on the town. In a town the size of Taumarunui 3 new employers with a total of 15 new jobs may support 15 families or around 45 people. This is about 1% of the population in Taumarunui. This sounds small but will provide employment to the unemployed locals or bring in new people to the community and provide stability for those 45 people. This is the beginning of the reverse of the domino effect in population decline. For small towns big changes swing on small hinges, those small hinges are small business with a handful of new jobs at a time.

*“A business that makes nothing but money is a poor business” – Henry Ford*

Small business provides strength to small towns through the flexibility, scalability and responsiveness to local situations. When focusing on small businesses micro entrepreneurship becomes an important target group. Often small town with the low operating costs and keen local support become fantastic places to foster these start-ups. By creating businesses in our immediate communities that serve our neighbours we become local investors and see the benefits locally.

To assist these micro entrepreneurs get started a small space on or adjacent to main street should be made available. Most small towns in decline have ample low rent commercial space for these new businesses. The energy and vitality that arrives with a new business will help restore the life in our small town main streets.

A tool gaining more use internationally is Crowd Sourced Planning. This tool uses the knowledge of the local community to help in planning and decision-making. When investing in small local business, crowd sourcing is a very useful way to; identify the needs of the local community, access innovation, source start up ideas, find the best place to locate, arrange help in getting established, link in the existing business community and getting buy in from the local community. Crowd sourcing also becomes good advertising raising the awareness of the new venture in the community and showing that by taking on board local ideas the new business is willing to respond to local needs.

The establishment of new small business and micro ventures in small towns won't be the complete answer for the urban issues of the big city. However for small towns the answer to long-term sustainability and a halt to the domino effect of depopulation could lie with the small town entrepreneur. “A necessity of the new economy is not seeking that one business that will bring in fifty jobs, but instead working with fifty local businesses to grow one job each” (McCasky, K. 2014). This is a far more sustainable and resilient approach to strengthen small communities.

## **IDEA 2 – Natural advantages**

Small rural towns like Taumarunui are filled with natural advantages. These advantages are often the very things that are highly valued and rare in the major urban cities. These natural advantages are a platform that a change in fortune can be built off. Once the focus on small changes is put into place with jobs as a focus, the natural advantages become the selling point that attract and retain people in small towns.

In comparison to Auckland, Wellington or Christchurch the cost of housing in a small town like Taumarunui is very cheap. These houses are also often located on larger traditional quarter acre sections that enable substantial gardens and enhanced onsite self-sufficiency. It's still possible to buy a large 4-bedroom home for half to quarter the cost of a similar

home in the bigger centres. This cost of housing advantage is one which can be levered and attract families.

Access to the outdoors was one of the primary reasons I first moved to a small town and that remains a natural advantage that is hard for cities to compete with. New Zealand has some of the most impressive natural environment in the world. Living in these small towns enables residents to be closer to the snow, bush, mountains, rivers, lakes and beaches. This is a geographical natural advantage, and one that large cities become less able to compete with as they grow and intensify.

For small businesses the natural advantage lies in the low operating costs, the opportunity to occupy commercial property for a lower price, or the opportunity to reopen and re-use a previously busy commercial or industrial facility. For certain businesses that don't require high levels of foot traffic this can be an attractive opportunity to get started in a low risk way.

Of course being located far from the city was once a disadvantage in that there was a tyranny of distance hampering opportunities to grow. Smart towns are removing this barrier through the introduction of technology. Immediate opportunities made available through telecommuting and knowledge transfer via the internet reduces the perceived distance to small New Zealand towns. New and near technologies such as 3D printing also reduces the need to travel and allows distribution costs to be reduced, favouring the smaller centres that have low costs and access to high speed internet.

For many the sense of community is stronger in small towns due to the ability to know and interact with a greater percentage of the community. In small town New Zealand you are more likely to know the shop-keepers and more likely to bump into a friend while walking down the main street. This sense of community is yet another natural advantage that many people feel they lack when living in the suburbs of our largest cities.

Most small towns in New Zealand have walkable town centers with short distances between destinations. This scale allows for easy conversion to a compact town centre and allows for the benefits of human scale developments to be realised. Being innovative and leveraging off these natural advantages will lead to new ways to attract people to the small town and new business being developed. When planners look at these declining small towns they should change perspective from a community that needs to be fixed, to places of massive natural advantage.

### **IDEA 3 – Adapt big city planning**

For me the opportunities in small towns are exciting. Rather than applying big city urban planning policy, which wouldn't make sense in these smaller urban areas, I think there is ample scope to adapt big city urban planning. This requires innovation tied to an understanding of what the local community needs. For small towns it's less about the rigid

big city rules and more about possibility planning and giving these small towns a future through integrated local efforts. This type of planning needs to encourage the type of people that are change makers, local investors and community builders.

Principles, like those associated with quality urban design are important in small towns as well as the big cities. Where possible the application of these principles need to be adapted to ensure that they remain fit for purpose and don't have overwhelming costs to apply in these new smaller communities.

One of the potential big city adaptations is to look for opportunities for micro-agglomeration. In larger urban areas we recognise the benefit of agglomeration as businesses work together. The same opportunities exist in these small towns, but on a smaller scale. However as we've already identified even a small increase in employment can have a massive effect on a small community.

An example of micro-agglomeration would be the repurposing of a vacant commercial building into artist studios. These low cost studios could attract a variety of independent artists who thrive off each other's ideas and share a gallery and internet presence. By working together materials can be procured at lower cost, the online and physical galleries can appeal to a broader range of customers and there are more opportunities to advertise and become known further afield. The same principle could be applied to other types of business such as small IT companies, food technology start-ups, organic farmers, accountants and tourism operators. In each case they would benefit from the low cost operating environment and gain additional benefits from operating in the vicinity of each other. The key with micro-agglomeration is that the focus is on only attracting a few small businesses to co-locate and work together.

The Victorian historical quarter of Oamaru is recent example of successful micro-agglomeration. In this street of white stone buildings a few artists, book dealers and Victoriana merchants have crafted a successful and thriving community.

To facilitate micro-agglomeration our District Plan rules need to be examined to ensure that small towns don't have unnecessary barriers to these business start-ups. Do we still discourage mixed-use developments in our small town centres? Do we prohibit small dwelling units above our main street shops? Do we still have minimum parking requirements? Are there opportunities to remove other barriers in the District Plan?

I have observed that in our smallest communities the local planners that should examine the District Plan for these types of changes and who would look strategically at the small towns to find growth opportunities are usually fully engaged in other planning work. The day to day requirements of the Resource Management Act, consent processing and preparing papers for Council meetings leave little time for the other work. However this other more strategic work is essential to give small communities a steer out of decline into a sustainable future.

## **Manifesto**

It is the intention of this paper to support a Manifesto on Small New Zealand Towns. That manifesto identifies the next steps that can be taken to reverse the decline in small town New Zealand. The manifesto encourages interested parties to share ideas, develop local communities of interest for economic cooperation and to start a small local business. The manifesto is valuable to all local community leaders and individuals willing and able to make a change in a small town.

## **Conclusion**

Small Towns in New Zealand are great places. The recent decline in some of them has masked this greatness. But the natural advantages that make them great are still there. Places that people want to live, want to work and want to spend time are better places. For us as planners we can have an influence to create better places that will in time become stable, safe, vibrant and economically productive communities.

To make these better places we will have to do things differently. By looking for the small local opportunities we can make big changes. By building off our natural advantages we can make big changes. By adapting what works in other places for the local community we can make big changes.

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## APPENDIX 1

List of small New Zealand towns and approximate population.

North Island				South Island	
Bulls	1580	Patea	1160	Alexandra	5140
Carterton	4980	Putaruru	3920	Amberley	1300
Coromandel	1610	Raetihi	1050	Arrowtown	2650
Dannevirke	5160	Raglan	3010	Balclutha	4060
Dargaville	4780	Shannon	1300	Bluff	1850
Edgecumbe	1700	Snells Beach	4560	Brightwater	1870
Eltham	2040	Stratford	5650	Cromwell	4390
Featherston	2340	Taihape	1600	Darfield	2060
Foxton	4450	Taipa Bay-		Geraldine	2340
Greytown	2330	Managonui	1800	Gore	9860
Helensville	2830	Tairua	1330	Hokitika	3610
Huntly	7560	Taumarunui	4500	Kaikoura	2040
Inglewood	3480	Te Aroha	4180	Leeston	1660
Kaikohe	4380	Te kauwhata	1400	Lincoln	4460
Kaitaia	5590	Te Kuiti	4510	Mapua	1880
katikati	4320	Te Puke	7790	Methven	1330
Kawakawa	1400	Thames	7060	Milton	1980
Kawerau	6600	Turangi	3190	Motueka	7950
Kerikeri	7050	Waiheke island	8600	Oxford	2070
Mangawai Heads	1330	Waihi	4890	Picton	4310
Martinborough	1550	Waihi Beach	2030	Pleasant Point	1350
Marton	4750	Waiouru	820	Rakaia	1070
Matamata	7590	Waipawa	2070	Reefton	1030
Moerewa	1600	Waipukurau	3980	Riverton	1540
Morrinsville	7400	Wairoa	4240	Rolleston	10600
Murupara	1780	Waitara	6820	Takaka	1300
Ngatea	1250	Waiuku	9050	Te Anau	1970
Ngunguru	1420	Warkworth	4330	Temuka	4240
Ohakune	1060	Wellsford	1870	Twizel	1200
Opotiki	4130	Whangamata	3670	Waikouiti	2000
Opunake	1410	Whitianga	4600	Waimate	2950
Otaki	6060	Woodville	1420	Wakefield	2170
Otorohanga	2660			Wanaka	7170
Paeroa	4200			Westport	4110
Pahiatua	2480			Winton	2340
Paihia	1880			Woodend	2940

**Bio**

Quintin Howard is an urban planner with experience working in small NZ towns and large international cities. Quintin is currently working for the New Zealand Transport Agency, with a large part of his work supporting the planning of public transport in New Zealand,

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