



Tai Timu  
Tangata

# STRATEGIC INTERVENTIONS TO POPULATION DECLINE: WAIKATO SCENARIO

REPORT COMMISSIONED BY THE LOCAL AUTHORITY  
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*Te Whare Wānanga o Waikato*

*This report draws on McMillan, R. (2015 forthcoming). Anticipating depopulation – strategic interventions to population decline. Masters Thesis, University of Waikato.*

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Research Paper

**McMillan, R. (2015). Strategic interventions to population decline: Waikato Scenario. Commissioned report for the Local Government Shared Services, University Of Waikato, Hamilton.**

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## Waikato Scenario

### Waikato demographic and economic indicators

The Waikato region is a medium-size economy and on the whole is thriving and growing in both population and economy. Around 9.4% of New Zealand’s population lives in the region and it provides 9.1% of national employment<sup>1</sup>. At a sub-regional level, the picture is not so robust. Although the region as a whole has grown, the growth has been disparate and centred around urban hubs with many of the more peripheral areas shrinking substantially over the period 2001-2013. Population projections indicate that many sub-regions will continue to shrink and age.

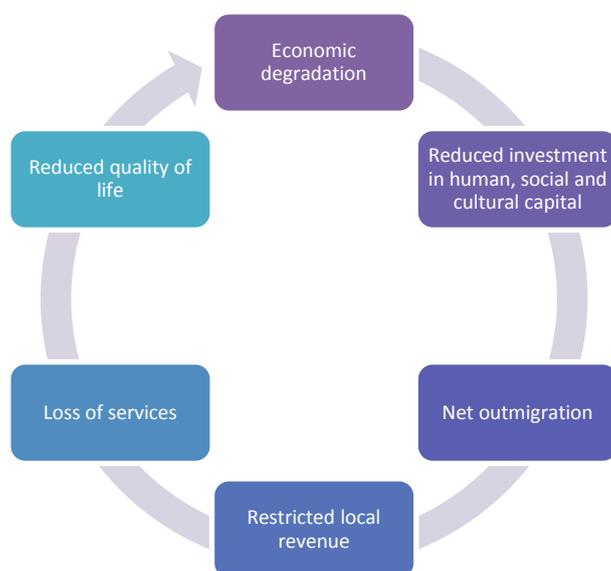
**Table 1: Drivers of depopulation**

Short-term drivers	Long-term drivers
Economic cycles and external shocks <sup>2</sup>	Globalisation
Political transformations and policies	Demographic trends <sup>3</sup>
Changing spatial trends – mobility of workers, urbanisation, concentration	

### Consequences

Depopulation is multifaceted and has major flow-on effects for the allocation of resources, the provision of services and the viability of communities isolated from the economic powerhouses.

**Figure 1: Downward cycle of population shrinkage**



Population shrinkage can be self-reinforcing, creating a cycle of slowing economic activity, out-migration of human capital, restricted local revenues, degradation of social and physical networks and services, and a reduced quality of life for those left behind<sup>4</sup>.

### Tipping points to depopulation

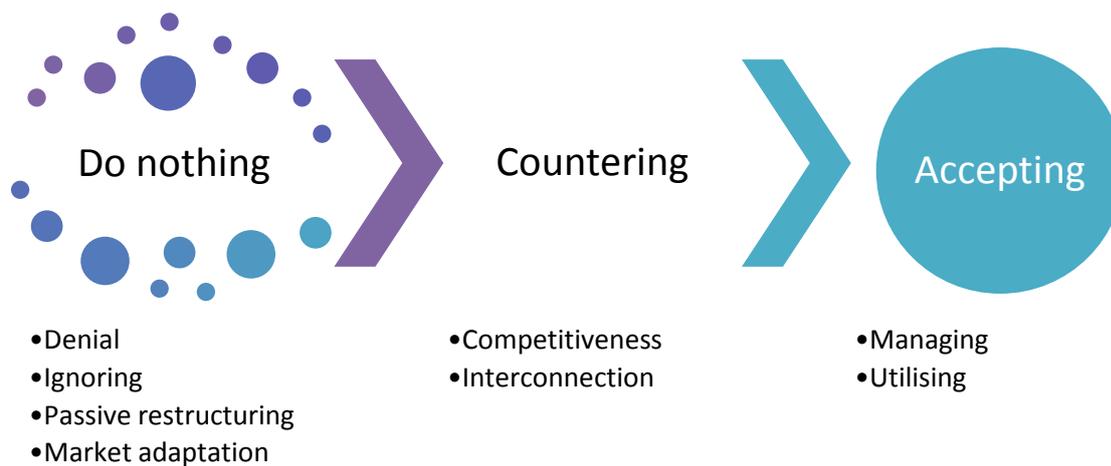
Regardless of the political and economic drivers, in demographic terms once a region or town reaches a certain depopulation point, the onset of natural decrease, it is almost impossible to bring about significant population increase. Jackson (2014)<sup>5</sup> argues that there are key demographic indicators at the subnational level that can be observed before natural/absolute decline sets in, giving regions a head start in assessing what level of strategy to use.

## Policy responses

Policies for dealing with population decline across the developed countries share “substantial similarities” due to the universal nature of the causal forces:

- low fertility and increasing longevity
- population ageing
- economic geographic (mobility) processes – concentration and urbanisation

Figure 2: Summary of policy positions



What perspective is decided on fundamentally shapes the political and planning framework for action on depopulation in a region<sup>6</sup>.

## Old Economy versus New Economy

Towns are like businesses – they need to keep reinventing themselves in the global marketplace to remain competitive. The Old Economy placed great emphasis on drawing in big industries to create manufacturing jobs. The New Economy (globalisation) concentrates on knowledge based jobs and workers. Many locations that are losing population were developed within an Old Economy model in peripheral areas. Numerous strategies located through the environmental scan are based on the old economy theory model.

Strategies for shrinking regions have commonly been a mix of economic stimulation and accepting strategies for dealing with the negative consequences of decline.

## Countering strategies – key findings

Countering strategies were able to slow population decline but this was dependent on the location, economic and demographic context of each community. Population decline is unbeatable in places where the underlying economic and demographic drivers are too strong.

## Accepting strategies – key findings

None of the accepting strategies that were identified were able to stop population decline; it is easier to achieve improved quality of life than to slow population decline.

### Key themes for success from the literature and case studies

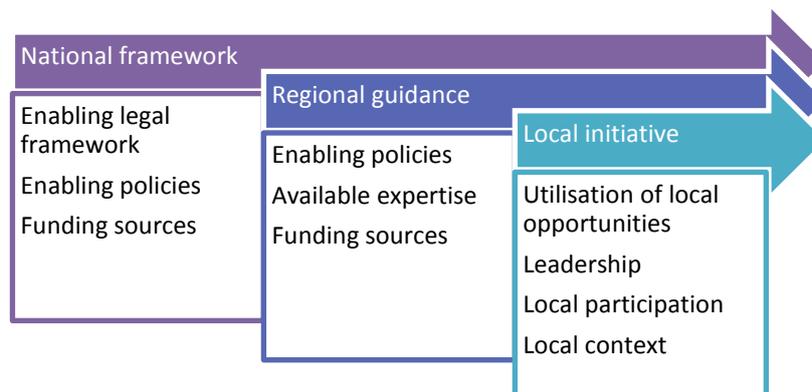
Key themes emerged for the success of an initiative. These themes are apparent across all countries reviewed. Strategies cannot be implemented without an enabling governance structure.

**Figure 3: Key themes for success**



Translating initiatives to a local level will rely on:

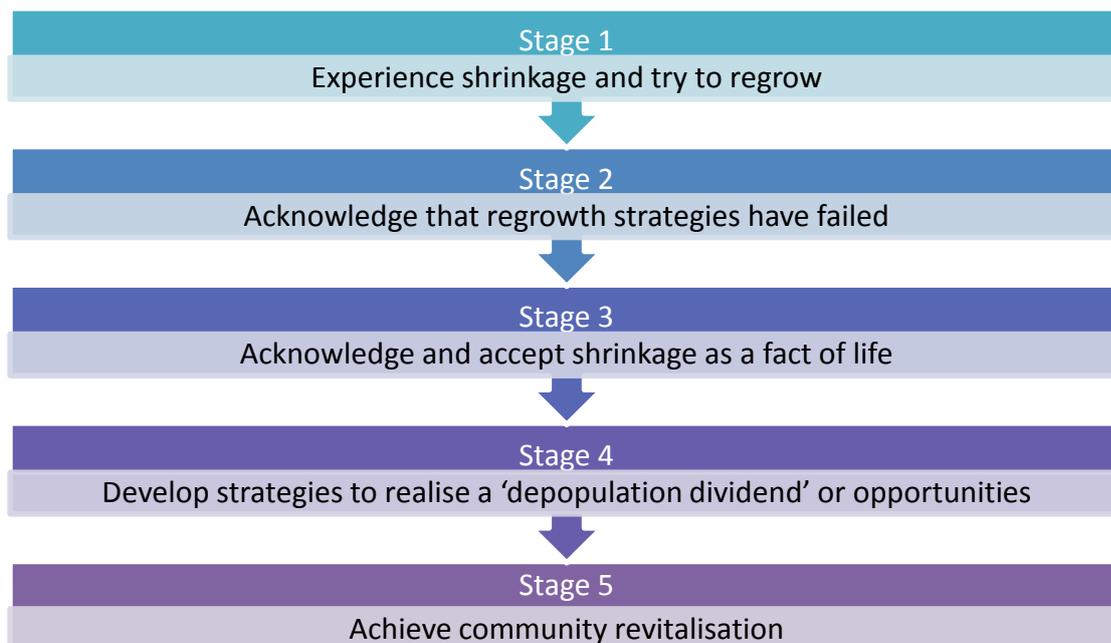
**Figure 4: Key elements for transferability of town and individual policy strategies**



### Towards community change

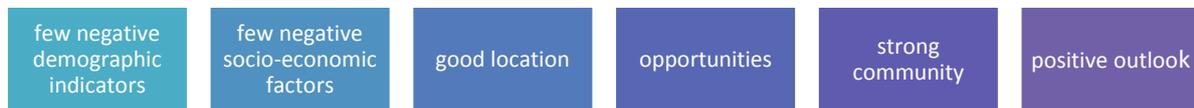
Matanle (2015)<sup>7</sup> argues that there are five stages that a community moves through down the path to community revitalisation.

**Figure 5: Community stages towards revitalisation**



However “economic recovery and community revitalisation do not just happen; they must be achieved, their achievement requires detailed research and planning, as well as inclusive and integrated implementation coordination. Communities must collectively imagine and reinvent their futures and develop the necessary mechanisms to enact those futures and lived experience.”<sup>8</sup>

### Summary of key factors for community regeneration



Declining areas that have the potential for retention of population and positive growth are those that have significant factors that can support their community regeneration plans. Studies have shown that those towns that decide to take action before they have passed too many negative demographic indicators are sometimes able to regenerate. The strength of the social capital of the community is a major factor for success.

### *Scope of change that can be achieved in the Waikato*

For some sub-regional areas, both the long term and short term drivers are too strong to adopt a plan of regeneration that ignores the underlying processes. To do this could potentially load the local population with unserviceable debt.

- The communities that have the most potential for turning around their situation are those that have less problems to start with.

In severely declining peripheral areas of the Waikato the best that can be hoped for is:

- In the context of national population growth and strong immigration – less decline in the peripheral areas than would otherwise be the case. In other words, the peripheral areas will still decline due to the underlying drivers but not so rapidly as in the context of national decline.
- Improving social connectedness and quality of life.

#### **Key finding:**

The most appropriate response to a scenario where places are growing and peripheral areas are not, is to adopt a pragmatic response that uses elements from both countering and accepting. For some areas both the long term and short term drivers of decline are too strong to adopt a plan of regeneration.

A pragmatic plan uses the best of both countering and accepting strategies in an approach that focuses on positive change while acknowledging that success may be measured in quality of life, a healthy environment and high quality amenities rather than increasing economic outcomes. There is a need to examine what can be resuscitated, what can be combined and what can be shut down.

