

## CHAPTER 11

# Amenity

### Key points

- Amenity describes the desirable attributes of a location such as the physical features, services and social character.
- People value amenity differently based on their personal preferences.
- Amenity migration is the movement of people to locations perceived to have desirable attributes, usually based on non-economic considerations.
- By 2006, the range of effective choices available to individuals when choosing their location of residence had increased enormously. The implication for the development of towns is that amenity and not industry alone provide an economic base for many towns.
- Improvements in personal transport and increases in wealth have given many people the ability to choose locations based on amenity rather than employment.
- Some towns have been able to change their function to meet the shift in demand.
- Amenity, including services (favouring regional centres), natural amenity (favouring the coast) and personal lifestyle preferences, has been very important in the shift in Australia's settlements patterns.

### Introduction

The previous chapters illustrated how history, geography, industry and the provision of goods and services played important roles in creating and changing Australia's settlement structure.

Agriculture, mining and manufacturing activities were key components in the establishment and growth of numerous small towns, as discussed in Chapters 3 and 9. This influence, however, is waning. In part, this is because of the restructuring occurring in industry, but also because of the increasing ability of people to make decisions on where and how they want to live.

People have always been motivated by more than employment in their choice of location. However, more accessible transport has meant that Australia's households have an increasing capacity to consider a range of options in their choice of location. This has had a strong influence on the location of activity and the development of towns. For towns this has shifted their functions and competitive advantages, with a location's amenity progressively becoming an important factor in its development.

## Amenity types

Amenity refers to the desirable attributes of a location including physical features (natural landscape and climatic), the services available (housing, health, education and retailing) and the social character (demographic, cultural and entertainment facilities). The multi-faceted nature of amenity means that there are a range of different types of amenity available to reflect different preferences.

As the ABS (2009) survey of migration movements illustrates, people identify important locational considerations beyond employment, such as housing costs and characteristics, neighbourhood attractiveness, proximity to family and friends, lifestyle and access to services (e.g. schools), as important attributes to their choice of location. All of these contribute to a location's amenity.

Alongside locational attributes are the personal characteristics of the decision maker. Age, education, family and labour force status influence a person's evaluation of amenities. People require different things at different times. A young person wanting to attend university will look to cities that provide their field of study. Retirees no longer connected to the labour market are free to travel and pursue a lifestyle choice, while older retirees are likely to want particular health services. The result is that people evaluate their capacity to obtain a range of amenities to their benefit.

## Location decisions

In 1911, generally industry owners and managers were the effective decision makers in determining the location of activity and hence towns. The motivator was to maximise profits in light of the parameters of their business. Businesses needed to consider a range of factors to determine their location: natural resources, geography, infrastructure, suppliers, transport, competitors, labour and customers. These were fundamental to the choice of a location by a firm and thereby the location of many towns (see Table 11.1).

**Table 11.1** The balance of locational decision in 1911 and 2006

Location decisions Key Decision Makers	1911 Industry owners & managers	2006 Individuals and households
Motivator	Business profit	Personal & family well-being
Factors of influence	Commodity markets, freight transport, supplier locations, land, labour, capital, competitors, history, geography etc.	Overall amenity: town services, environment, climate, employment options, public transport, roads, investment opportunities, housing market, social services, education & health facilities, history, social and cultural attributes etc.

Source: BITRE analysis.

Locational requirements of firms also depend on the type of activity undertaken. Agriculture requires good soil, sufficient water and an attractive climate to conduct business. Manufacturing generally requires an urban environment, a local labour pool and proximity to raw material supplies. Retailers locate in urban locations to better serve customers, while mining operations are only possible in locations with mineral deposits.

These fundamental locational attributes guided the location of many towns to meet the needs of businesses. The dispersed nature of agricultural activity, requiring labour and inputs, prompted the establishment of closely connected networks of towns. In contrast, pastoral activity is more self-contained, with fewer labour and input requirements, resulting in a sparser network of towns.

The success of a town was based on the success of the businesses operating from those towns. Industry success provided infrastructure, income and was a draw for more people and firms to contribute to the town. Successful towns meet the needs of industry, such as being a transport hub (river or rail) or providing specialised inputs that put the town at a competitive advantage.

Households, on the other hand, were obliged to position themselves close to industry. Relatively few individuals had the time and the resources to choose a location that emphasised other facets of their personal or family well-being over the need for employment. Their decisions were dominated by the need to be close to work, including for owner-operated businesses. Personal transport was expensive, so people generally walked to work. The welfare system was new and limited, and so people tended to work most of their lives, and in retirement lived with family (who again had to live near their work) (ABS 1988).

By 2006, the range of effective choices available to individuals for their location of residence had increased enormously. People were more able to engage their own preferences when deciding where to live and to maximise their well-being as an individual and household (see Table 11.1). Consequently the accumulative decision making process is directing the location of activities.

While the location of industry remained important, the capacity of people to 'choose' a location removed from their workplace came about because of increases in wealth, improvements in transport and a greater proportion of the population not tied to the labour market. Rising life expectancy and the ability to access an age pension or superannuation funds, allowed retirees to live in locations that suit their personal preferences.

As a result households are important decision makers on the establishment and expansion of Australia's towns. Map 11.1 identifies 'new towns'<sup>43</sup> over two time periods (towns established between 1911 and 1961 and towns established after 1961). Industry towns are relevant with a number of mining and irrigation towns, particularly in the Pilbara (WA), Bowen Basin (QLD), central South Australia and in the lower Murray-Darling Basin, while some of the new towns across northern Australia reflect the inclusion of Indigenous persons in Census counts.

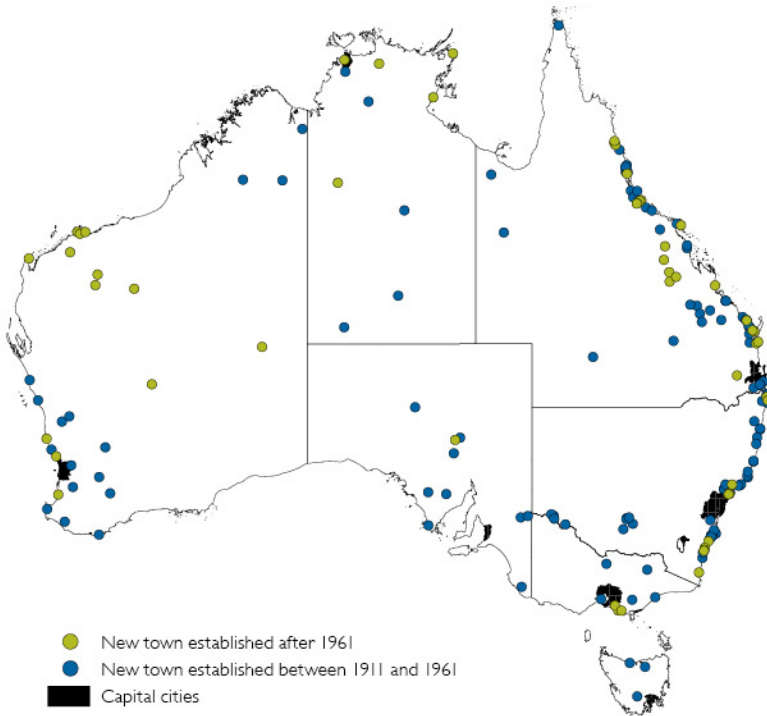
The majority of new towns, however, are coastal, with the number of towns in New South Wales and Queensland increasing significantly, creating a string of settlements along the coast near the Princes, Pacific and Bruce Highways. For example, settlements have sprung up on one of the peninsulas around Lake Macquarie such as Bonnells Bay, Mirrabooka and Brightwaters, which were all very small in 1961. Others towns such as Lennox Head have transitioned from a village established in 1922 for holidays to a population of only 201 persons in 1961, to a city of 6618 people by 2006 (ABS 2006a). Of particular note to the pattern of coastal expansion was that 'new towns' were positioned close to existing centres to 'build on' a skeleton structure (infrastructure such as water and electricity), while maintaining good access to labour and services markets. The result is a string of sea-side coastal towns developed over time. For

<sup>43</sup> A 'new town' has been classified as being established after 1911 or 1961 based on localities from the 2006 Census.

example the Sunshine Coast, which includes towns such as Caloundra, Maroochydore and Noosa, is spread along the coast for approximately 100 kilometres.

This expansion has come as many Australians choose to live by the coast as their ideal. The ability of households to choose a location that takes account of environment, climate, local services (health and education in particular), social attributes, housing and flexible work arrangements meant that these factors became more important determinants of settlement patterns. People made locational choices with less emphasis on their place of work, even if when still in the labour force.

**Map 11.1** 'New towns' that appear in the Census after 1911 and 1961



Source: BITRE derived analysis of ABS/CBCS Census 1911, 1961 and 2006.

A challenge for towns is that while people look to improve their well-being through a location's amenity, some locations are unattractive for some people. Very remote areas, very hot or cold climates, high levels of congestion, a lack of services and opportunities are features that dissuade some people from moving to a city, town or region.

Of course preferences vary, but the accumulative impact of individual decisions shape the fortunes of towns. An important part of the process, as highlighted in Chapters 9 and 10 is that people are unwilling to invest in locations that are unattractive. People are unwilling to build a home in a town they consider to be dying—and this lack of investment continues the decline. While amenity attributes of a location are the focus of this chapter, employment considerations remain important. The ability of people to obtain employment in a location is vital for many, regardless of whether the location meets other preferences.

The following sections explore the process by considering who is making decisions on location, what the contributing factors are and how this has impacted on towns.

## Tourists

Tourism has formed an important part of the growing importance of amenity, as people with the time and money to take holidays in attractive environments or pursue recreational activities have influenced the development of towns. Tourists deciding to permanently settle or make return trips, especially to coastal locations have contributed to the growth of many towns.

The city of Mandurah, roughly 70 kilometres south of Perth is an example. The settlement, established by Thomas Peel, who brought out settlers and equipment (City of Mandurah 2010), initially grew slowly with the development of traditional industries of fishing and horticulture, together with fish canning and a timber mill. Over time, due to transport improvements Mandurah emerged as an attractive tourist destination. The seaside location attracted goldfield and later wheat-belt holiday makers (City of Mandurah 2010). This transformed the economy, making tourism its main enterprise and making Mandurah one of the top tourist destinations in Western Australia (City of Mandurah 2010).

Today, Mandurah is undergoing another transformation with residential and employment growth increasingly linked to Perth, as urban expansion moves along the west coast of Australia. As the Mandurah rail line was completed in 2007, it is expected to have even stronger links with Perth in the future.

Mandurah also illustrates how tourism has become part of a basic industry for some towns. Another example is the development of a tourist resort on Hamilton Island (in Queensland) in the early 1980s. It was driven by people wanting to holiday in a beautiful location. Previously, the island's industry was sheep grazing and cropping, with limited attempts to establish holiday cottages. In 1978 a major tourist resort was planned. It was completed in stages between 1982 and 1984, with the resort stimulating local activity resulting in 1350 permanent residents by 2006—and the opening of a primary school in 1986 (Centre for the Government of Queensland 2013).

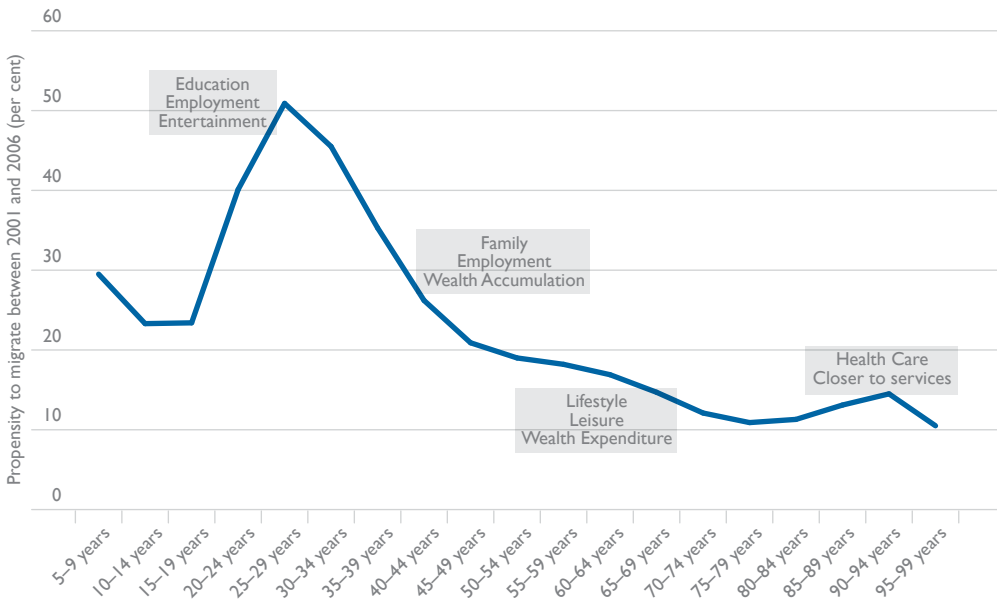
## Age profiles

Age changes a person's propensity to migrate and a person's life-stage influences where they choose to live. Figure 11.1 presents the migration propensities through the life cycle and some of the major drivers for age-specific drivers of migration. Young people have a higher propensity to migrate to obtain education, enter the labour market or adjust to changes in family status. It has been an enduring trend for young people in regional locations to migrate to major centres.

The propensity to migrate falls with age, as people transition to starting a family, focusing on a career and accumulating wealth. However, migration rates are still relatively high as people move to meet specific needs. For example, regional households may move to access higher order services such as secondary education for their children. Later in life, older people also want to access higher services such as health and aged care.

Another feature of Figure 11.1 is the high propensity of Australians to migrate overall, with just over one in four changing their place of residence between 2001 and 2006. 'Australians move house more than any other national population', and have one of the highest levels of internal mobility in the world (Hugo 2010, p.47). This means a huge amount of churn in the population, which is often overlooked when concentrating on the aggregate number of people in a location.

**Figure 11.1 Internal migration propensity and considerations by age**



Note: The 'propensity to migrate' refers to the proportion of people in that age category who had moved residence between 2001 and 2006.

Source: BITRE analysis of ABS Census 2006.

The differences in propensities to migrate provide a basis to consider the decision-making process and the contributing factors of age impacting on settlement patterns—retirees, downshiffters and young adults.

### Retirees (and downshiffters)

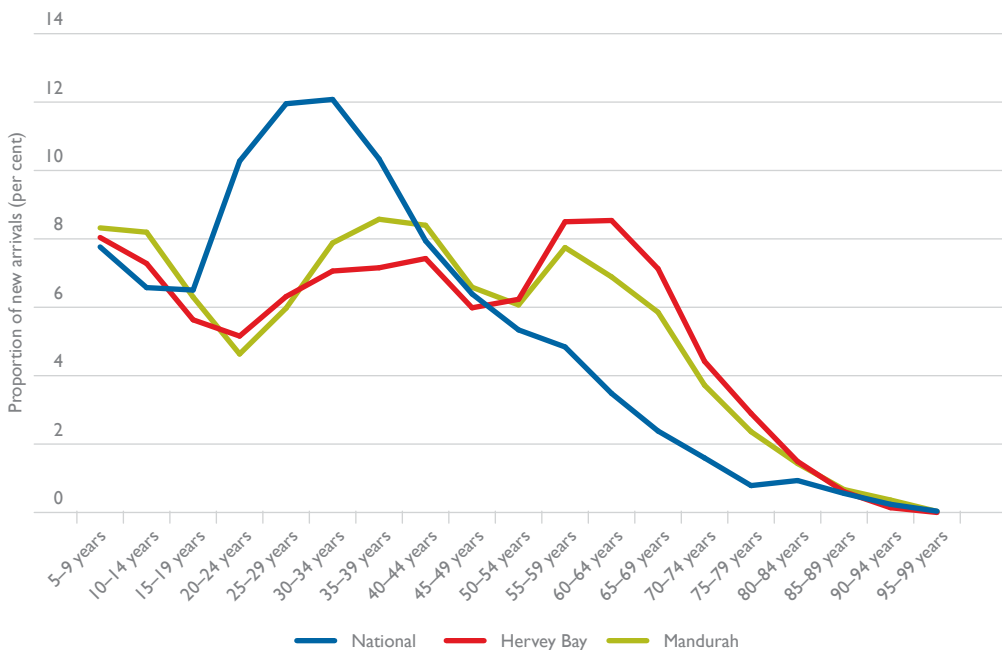
Older people are choosing to move to regional locations (ABS 2009). Among persons aged between 15 and 24 a greater proportion move from a non-metropolitan location to a capital city. However, in all other age brackets there was a net migration out of capital cities between 2001 and 2006 (see Table 11.2).

**Table 11.2** Internal migration flows from and to capital cities and non-metropolitan areas by age bracket, from 2001 to 2006

Age bracket	Non-metropolitan areas to capital city	Capital city to non-metropolitan areas
0 to 14 years	52 694	79 248
15 to 24 years	122 932	60 765
25 to 34 years	86 273	107 794
35 to 44 years	57 525	94 770
44 to 54 years	41 915	65 214
55 to 64 years	28 812	68 847
Over 65 years	30 400	47 652

Source: BITRE (2011a).

At the regional level, migration flows are shifting the demographics of towns and cities. Figure 11.2 presents the age profile of people who moved to Hervey Bay (QLD) and Mandurah (WA), between 2001 and 2006. There is a clear difference in the profile of arrivals compared with the national profile, with the new arrivals to these cities being significantly older.

**Figure 11.2** Age distribution of arrivals to Hervey Bay and Mandurah, 2006

Source: ABS (2006a).

The decisions by older Australians to move to regional areas are complex but lifestyle considerations are an important factor. Lifestyle preferences could include coastal or mountain views, the ability to have horses or live in an idyllic small rural town. People are factoring amenity considerations as well as monetary concerns into their decisions.

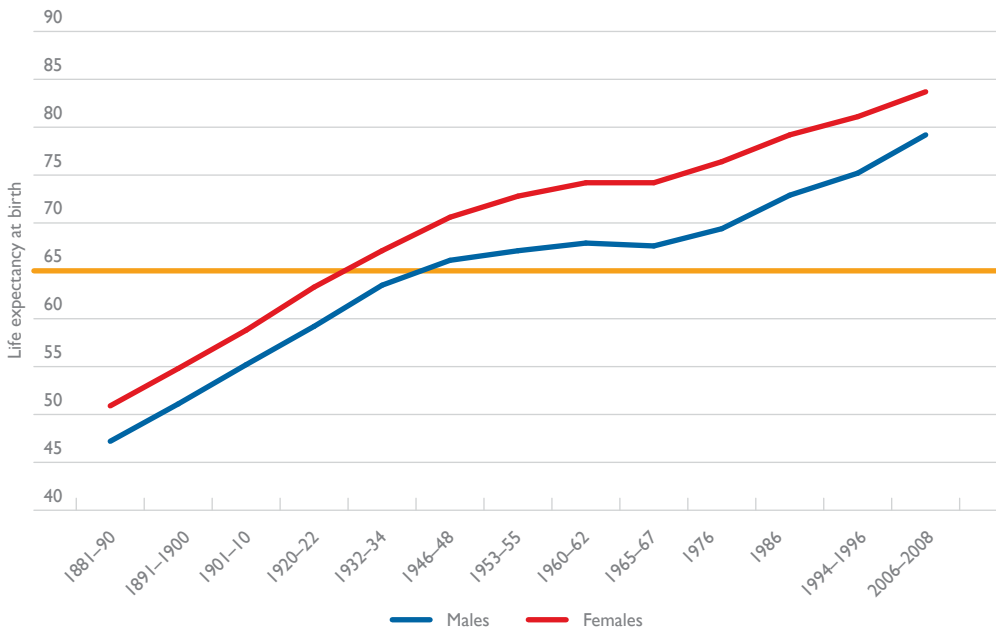
One of the most significant influences has been the increase in life expectancy (see Figure 11.3). At the beginning of the twentieth century, life expectancy was approximately 55 years for

males and 59 years for females. At the end of the century, life expectancy was 76 years for males and 82 years for females.

As a result, people are living longer and are now living a substantial proportion of their life out of the workforce. This is reflected by the number of people eligible for the age pension increasing significantly. The eligibility age for men to access the age pension was set at 65 years in 1910<sup>44</sup> (women received the pension at 60 years but as of July 2013 it was lifted to 65 years). Consequently, as the life expectancy was lower than the eligibility age in 1910 few people accessed the pension.

In contrast, current generations will spend nearly half their lives out of the labour force, with most of this in retirement (Productivity Commission 2013). A male aged 15 years between 1901 and 1925, would expect to spend only 13 years of his remaining lifetime out of the labour force, while a male aged 15 years between 1986 and 2005, is expected to have 31 years out of the labour force (Productivity Commission 2013).

**Figure 11.3 Life expectancy at birth by sex**



Note: Orange line denotes retirement age.

Source: ABS (2008a).

Significant increases in wealth has influenced where people are able to live (see Chapter 6). Accumulation of wealth from property and superannuation has provided households with the capital to choose a location that is attractive to them. An example is a recently retired household selling the family home in a major city to raise capital and equity to purchase a house by the coast. This also applies to 'downshifter'<sup>45</sup> looking for a rural lifestyle. Murphy and Burley (1996) describe these people as ex-urbanites, who are generally more affluent and for

<sup>44</sup> The pension age is scheduled to gradually increase to 67 years by 2023 for both men and women.

<sup>45</sup> A downshifter is a person or household that remains in the workforce but chooses to shift focus towards lifestyle considerations.



whom amenity considerations are more prominent than housing costs. Gurran (2008) notes that younger lifestyle aspirants are forced to move if their employment aspirations are not met.

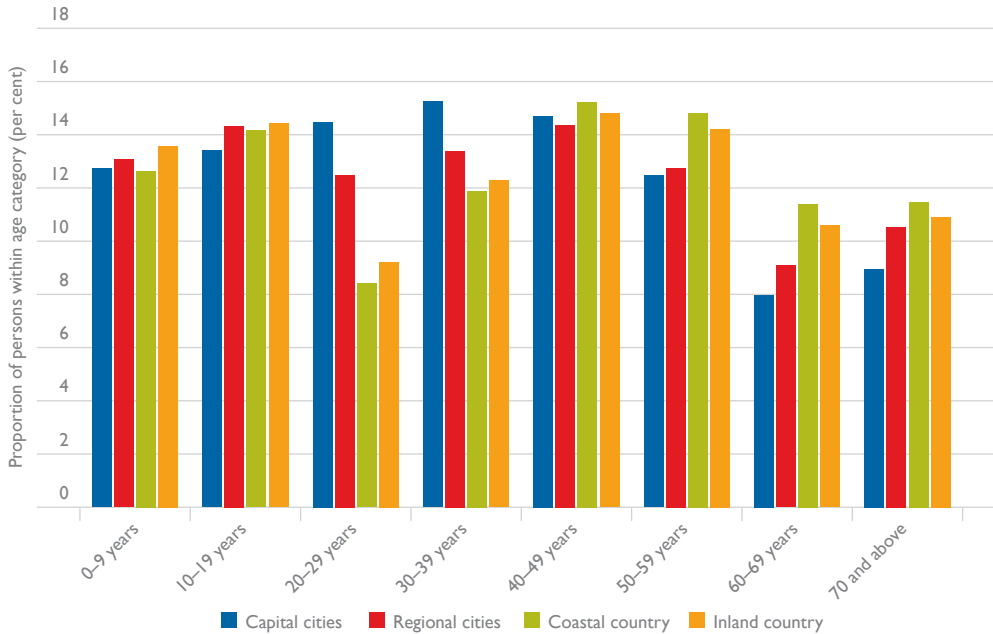
Another factor in whether people want to stay in a location is its social and cultural attributes, particularly for older people. Neyland and Kendig's (1996) survey of Point Lonsdale senior residents in coastal Victoria identified a range of amenities beyond the physical that were influencing the attractiveness of locations, such as 'the size of the community, its warmth and friendliness, easy access to services, social activities, a low incidence of crime and the comparative ease with which they could drive and park' (Neyland and Kendig 1996, p.368). The development of personal connection with a location is a factor in how towns are considered and compared.

### *Young adults – students and job seekers*

The exodus of the young people from regional areas towards capital cities is a longstanding trend. Barr (2002) points out that part of the youth exodus is related to the perceived limits in career opportunities, as illustrated by the changes in industry employment in Chapter 6. Barr (2002) argues that lifestyle and cultural influences are also important pull factors in young people's decisions. 'Many rural young aspire to the urban cosmopolitan life. It's where the jobs, concerts, friends and fun will be' (Barr 2002, p.40). Another important consideration for young people to move is to further their education which is likely to be in capital or large regional cities. In an increasingly competitive and technological environment, education has provided an avenue for people to increase their human capital and well-being.

This shift has significantly changed the age structure of rural and regional Australia in recent decades (ABS 2003). The ABS states that in 'areas with smaller populations, young people are less likely to remain in the area as they pass from childhood to adulthood'. Figure 11.4 provides an illustration of the lower proportion of young adults in coastal and inland country areas compared with the proportions in capital and regional cities.

**Figure 11.4** Proportion by age category and settlement type, 2006



Note: 'Regional cities' is based on Statistical Divisions with populations of over 25 000 persons. Coastal and inland country incorporates both rural populations and towns with less than 25 000 persons but which have also not been classified as remote through the ABS Remoteness Classification.

Source: BITRE analysis of 2006 ABS Census.

In contrast, some regions have a young age profile reflecting employment and income opportunities such as mining. This is clearly evident in Roxby Downs in South Australia. Three indicators illustrate the point:

- The median age of 29 (in 2011) in Roxby Downs was substantially lower than the national median age of 37.
- The labour force participation rate in 2011 was 78 per cent, while the national rate was 65 per cent.
- Personal median weekly income in Roxby Downs was nearly three times higher (\$1464) than the national median income of \$534 (ABS 2011b).

The connection people have to a location based on employment does not necessarily translate to them remaining in the town. Australian Geographic reported in 2011 that 'Roxby Downs cemetery has nobody in it...[and] according to Roxby's family and youth officer Tom Beever, the real reason tells you much more about this artificial outback town of 4200, which was surgically implanted in the heat and dust of South Australia's interior to service the massive Olympic Dam mine. "It's not because nobody dies here, it's because no-one comes from here," Tom says. "When someone dies they go back to their own town".'

## Commuters

An improvement in transport has enabled commuting over long distances. The rise of fly-in/fly-out (and drive-in/drive-out) discussed in Chapter 9, is an extreme example of people traveling very long distances to access high income jobs but living in a higher amenity location.

The rise of personal transport also created opportunities for people to move to small towns around major centres. These towns are known as dormitory towns, satellite towns, commuter towns, exurbs or bedroom communities. Similarly, peri-urban areas around major centres are also strongly associated with this phenomenon. People locate in areas along highways, transport hubs and public transport systems to retain easy access to labour markets and services which are generally not available locally.

BITRE's investigation of commuting patterns found that capital cities and regional cities have increased their influence on workers' commuting patterns (BITRE 2009a). People are attracted to employment in major centres over those in the immediate vicinity or the surrounding region and people move to these locations while retaining access to jobs and services. This finding is supported by Budge (2005) and Barr (2002) who found that some rural locations just beyond capital cities are experiencing high population growth rates. Budge (2005) found that in Victoria, these areas typically have high natural and built amenity, and are associated with a well-performing regional centre or with horticultural investment. Population and dwelling growth for the peri-urban areas in the Melbourne Working Zone, between 2001 and 2006, was in existing regional towns (generally towns between 1000 to 5000 persons), rather than in rural areas (BITRE 2011b).

An illustration of this type of growth is the town of Bungendore in New South Wales, close to the Canberra/Queanbeyan conurbation. In 1911, the town had a population of 584 persons and developed in part because of its position as a crossroad link to Goulburn, Braidwood and Queanbeyan. It was a staging post for the Cobb & Co. transport route. By 1981 the town's population was still only 683 persons. By the 1986 Census, Bungendore's population grew to 1028 persons and to 2754 by 2011. During this period people moving to Bungendore were connected with Canberra's labour market. They had easy access to urban employment but were able to live in a rural setting.

The expansion of these types of towns would not be possible without cheap and convenient transport which was previously unobtainable. Similarly, improvements in communications have reduced the need for face-to-face contact as many people are able to access information more easily. More recently the internet has reshaped how people access markets. For example, ICT-based employment or non-conventional work arrangements are enabling people to work from home. This potentially could further increase the separation between the location of work and residence, and give people more freedom to choose residential location based on amenity.

## Service seekers

The concentration of activity into regional centres is part of the increased diversity of those centres. Bowie and Smailes (1988, p.254) commented on their increasing functional roles as a form of 'deconcentration' related to 'some high order tertiary and quaternary functions, which is gradually giving these places metropolitan suburban characteristics that set them apart from the bulk of country towns'. This is enabling people to access a wider range of services in a regional location.

Increased service availability is also partly contributing to the movement of people from rural to regional centres (and capital cities) because of the importance of particular services people value, such as education and health services. Haslam McKenzie (2000, p.80) found that residents of wheat-belt communities in Western Australia, were willing 'to change their lifestyle, live separately, leave their community and commute long distances for their children to get the education they deem suitable'. Parents were assessing and comparing locations based on appropriate educational facilities that may consider factors such as subject availability.

The need for senior citizens to access health services is another important factor in movement to higher-service areas. People living uncomfortably at home who are unable to access health services locally consider areas with nursing homes, home care and respite accommodation, which are more likely to be available in larger regional centres. These moves may be planned but can also be a reaction to changed circumstance such as the loss of a spouse, loss of drivers licence or ill health. In the future, the ageing of the population will make these decisions even more common.

## Home owners

A key factor in the purchase of a family home is affordability, with the lower cost of housing contributing to the growth of many regional locations. Gurran's (2008) analysis found this occurring in coastal gateway and commuter communities because of a shortage of affordable housing in capital cities.

The demand in peri-urban and outer suburbs of capital cities reflects the demand for affordable housing, with access to labour markets. In contrast, those not connected to the labour market are considering different regional locations to enter housing markets. As Budge (2005) highlights, some welfare recipients are forced to look to towns that are in decline or are 'left behind' because they are too distant from metropolitan areas to attract tree and sea changers. The local housing stock is an infrastructure legacy allowing a town to continue to operate after its economic function has declined (see Chapter 8). Meanwhile, some of the people who already live in these declining townships find themselves unable to move on from their own houses and businesses because the resale value is insufficient (Econsult 1989 cited in Tually et al. 2010, p.34).

The perceived risk of being trapped in a declining small town further exacerbates an already difficult situation. A vicious circle of population loss and/or economic re-structuring results in further population loss and loss of services and businesses. This process creates a stock of low value housing and run down infrastructure that may attract low income or welfare dependent households without access to economic opportunities, resulting in 'more problems than solutions' (Forth 2001, p.80).

More sought-after areas face housing challenges because internal movement is pushing up housing prices, in some cases beyond the reach of long-term locals. In Victoria, approximately 80 per cent of coastal towns had higher increases in housing prices than the Victorian average between 1990 and 2006. In the coastal region of Bass Coast Shire, an increase in second home ownership helped generate a fivefold increase in the house price during the decade prior to 2006 (DPCD 2008). Costello (2009) argued it is not only in coastal areas that these effects are being felt. Rural 'tree change' migration of relatively wealthy early retirees to high amenity rural areas, along with new pressures created by an influx of urban commuters, is beginning to have the same effect on housing and rental prices in rural areas.

An associated challenge for towns and regions with strong population growth is the development of infrastructure for the expanding housing estates - 'growing pains'. Some towns have been unable to keep pace, with local government struggling to maintain adequate services. Western Australia's Local Government Association highlighted this issue in a submission to the Productivity Commission's (2008) investigation of the revenue raising capacity of local government. They argued that many growing councils faced difficulty in funding infrastructure maintenance and investment. Development of new housing estates requires councils to provide infrastructure in advance of new residents arriving, with 'the need to fund up-front, the capital expenditure on infrastructure' (Productivity Commission 2008, p.XXVII)—placing some of the imposition onto current ratepayers.

## The changing functions of (some) towns

The shift towards 'amenity' is reflected in investments in a location and lifestyle choices. People are comparing towns and regions on factors other than employment and industry.

This has offered towns another functional niche in the modern Australian settlement, based on the location's amenity for residents. This functional niche has produced rapid growth and a reduced reliance on traditional basic industries and the transition towards 'non-basic' industries to support towns. Stayner and Reeve (1990) found this for rural economies in New South Wales as those along the coast were transferring their economic focus into other activities such as tourism.

While tourism has long been recognised as a source for economic growth, it is only one of a number of ways that services generate a flow of funds from outside. Catering for retirees does this as government payments are made to older residents and as individuals' superannuation and savings pay for living costs. Their spending on health, recreational and financial services inject funds for further local economic activity.

The extra activity is re-shaping towns to meet these preferences. Gurran (2008) identified several types of towns such as getaway towns, coastal cities and little hamlets (see Table 11.3), which are developing based on their shifting profiles.

**Table 11.3** Gurrans typology of coastal amenity settlements

Type	Description	Examples
Coastal commuters	On the periphery of capital cities. Community in transition from rural to city.	Gosford/Wyong (NSW), Wanneroo (WA) and Rockingham (WA)
Coastal getaways	Smaller towns and villages within 3 hours of city. Second home tourism by affluent city-siders, downshiffters and entrepreneurs.	Capel (WA), Alexandrina (SA), Glamorgan Spring Bay (TAS), and Caloundra (QLD)
Coastal cities	Significant urban conurbations beyond the State capitals.	Gold Coast (QLD), Cairns (QLD), Wollongong (NSW), Newcastle (NSW), and Geelong (VIC)
Coastal lifestyle destinations	More than three hours from capital cities, significant leisure and landscape values attracting downshiffters, and amenity migrants.	Hervey Bay (QLD), Port Macquarie (NSW), and Batemans Bay (NSW)
Coastal hamlets	As above but with small populations (fewer than 15 000 people). Often surrounded by significant nature reserves.	Byron Bay (NSW), Bermagui (NSW), and Streaky Bay (SA)

Source: Gurrans (2008).

This specialisation and adaption is similar to the Shoalhaven City Council's (2012) analysis of their collection of local settlements, with different functions for different types of residents such as young families and retirees. These differences translate into differences in the types of services available. AIHW (2007, p.7 citing Smith and Doherty 2006) highlights that 'the spending patterns of retirees moving to the coast, combined with tourism spending, determine many of the jobs and business opportunities that attract workforce age migration'.

While many towns traditionally were homes to a travelling workforce such as shearers, modern transport allows employees to work in other towns on a regular basis. The town where the worker and his family live generates income for the town by providing services to support the employee who is generating income elsewhere. DPCD's (2007) investigation of Murtoa found the town was a reflection of this shift. With many other small regional towns, the loss of jobs meant a new role and direction was needed (DPCD 2007). Part of this new direction has been the development of the town's commuting function which 'progressively occurred during the 1990s' with the community coming to accept and 'then embrace the idea that living in Murtoa provided a clear alternative to Horsham. As people from Horsham "discovered" that Murtoa could offer a small town lifestyle not found in the regional centre, this distinctive feature increasingly became part of Murtoa's role' (DPCD 2007, p.141).

The disadvantage, however, is that it may not translate into the expansion of local activity, particularly for those near a major service centre. It can limit development as the economic focus is on the larger centre. Hoath and Haslam McKenzie's (2013, p.ix) analysis of the impact of long distance commutes on the source communities<sup>46</sup> in Western Australia found that 'superannuation, large mortgage commitments and holidays spent elsewhere account for considerable income leakage. A reasonable proportion of disposable income circulates locally, but particularly in Busselton, lack of choice, critical consumer mass and the current regionalised service provision model centred in Bunbury, challenge local capacity to maximise benefits'.

<sup>46</sup> A source community is where long distance commuters have their usual place of residence (Hoath and Haslam McKenzie 2013).

At a local level a common example is that of parents placing their children in the school in the nearby city rather than the local school, because that is where the parent travels each day for work. In the town of Stanhope (in Victoria), the local primary school and kindergarten combined as a result of the kindergarten's possible closure, creating an opportunity for the school to have children continue their formative education in one location (keeping kinder friends together). This resulted in parents from the nearby towns enrolling their children in the Stanhope primary school, extending the local school's catchment area (DPCD 2007). However, as happens so often, changing the services provided in one location can place pressure on surrounding areas (DPCD 2007).

Centralisation can hinder infrastructure development and create a collection of 'hollowed-out' dependent residential regions, with a reduced sense of community in the town. A survey of farm enterprises in Western Australia's wheatbelt found the centralising of health and education services was of particular concern, because as Haslam McKenzie (2000, p.80–81) highlights:

*'The location of a child's school would often influence where the family shops, socialises and does business, so the closure of a school has a significant impact upon a community...the local school means more to a small community than simply a place to educate children; it is a meeting place and central focus for the energy of the community. When a school closes, quite often the rest of the town dies with it.'*

This illustrates the importance of social and cultural functions of towns. The town is the focal point for people to gather. People identify with the town and a large part of their social network and activities are associated with it. These connections are reflected in small communities having substantially higher volunteering rates<sup>47</sup>, and higher participation in local activities such as sporting clubs. These activities offer a 'forum for social interaction and engagement', reinforcing and providing a basis for the creation of social capital (Tonts 2005, p.147).

The study by Tonts (2005, p.147) highlights that '[o]ne of the obvious challenges...is that economic restructuring and depopulation are undermining both social capital and the viability of sporting clubs and organisations. In the longer run, this has the potential to impact on institutions and cultural practices that are important elements of rural life'. Another challenge, particularly for policy makers, is the difficulty of measuring the social and cultural aspects of towns, resulting in these aspects being under or over-valued.

## Amenity matters

Amenity is important for the future development of towns. Industry alone does not provide an economic basis for a town as people are willing and have the means to commute from a location they prefer. As Keller (2000) argues, 'firms and industries built around the exploitation of amenities show exceptionally strong growth'. Florida (2003) suggests both economic considerations and lifestyle matter. Although his discussion was in particular reference to the 'creative class', it has some applicability to the attractiveness of towns. This is particularly the case for towns able to attract and retain professional and skilled workers, which are then potentially better able to compete and adapt to challenges.

<sup>47</sup> For example, 27 per cent of persons in areas of less than 1000 people volunteer; compared with 17 per cent of those that live in cities of over one million (ABS 2012c).

A program in New South Wales promoting regional living, 'Evocities', encourages people to relocate to one of seven regional cities<sup>48</sup>. Lifestyle is promoted: 'a move to an Evocity is a move to a city with less traffic, a great lifestyle, a welcoming and safe community, numerous fantastic cafes and restaurants and a beautiful, bigger home with a smaller mortgage to raise your family' (Evocities n.d.p.).

Coastal towns have tended to have a competitive advantage in promoting lifestyle over inland towns, but many inland towns have successfully undertaken strategies to improve local amenity. These strategies include branding the region through place-based marketing, becoming a focus for a particular service such as a university or medical services, promoting local attractions to encourage tourism, establishing festivals and the specialisation of a particular product or activity such as wine, health spas and eco-tourism.

A strategy of many regional towns has been the rejuvenation of a town's main street, to make the main street inviting and attractive for not only visitors but also locals. This type of strategy was implemented in Coolah in New South Wales with an eight step plan for community development, beginning in 1996. The primary focus in steps 2 to 5 was on creating an attractive town.

Step 2 – 'Clean up Coolah's act'—a major spring clean event.

Step 3 – 'You don't get a second chance at a first impression'—employed landscape architects to prepare plans to beautify the main street.

Step 4 – 'Raise money for the streetscaping'—an open garden weekend was organised involving eight local gardens and raised \$22 000.

Step 5 – 'Create attractive town entrances'—entrance statements and signs were prepared and installed (Kenyon and Black 2001, p.43–44).

Creating an inviting area for people encourages them to socialise and shop in town to reduce 'leakage', in conjunction with attracting new people into town to generate new income. These beautification programs are often based around shopping precincts as highlighted in Chapter 10. The town of Dorrigo in New South Wales provides an example of this type of initiative through their 'Be Local, Buy Local' campaign. As part of the objective to promote local economic activity, it also incorporates the concept to 'Keep Dorrigo Unique': one-of-a-kind businesses add a distinctive character to Dorrigo that also contributes to tourism (Dorrigo Chamber of Commerce 2012).

Tourism has often been a mechanism to inject new funds. It is an industry commonly associated with towns and cities along the coast and has been associated with rapid population growth. The Gold Coast, Sunshine Coast and Cairns are common examples and are regions that generate the majority of tourism expenditure in Australia (TRA 2012). However, a significantly larger number of regions and towns rely on tourism as part of their economic base, which illustrates tourism's economic importance (TRA 2012). Tourism provides employment opportunities and economic diversification that injects much-needed funds into the region, potentially improving local facilities.

One approach is through festivals. An ARC study of festivals in Tasmania, Victoria and New South Wales found 2856 festivals operating in 2007–08, with sporting, agriculture and music

<sup>48</sup> The seven cities include Albury, Armidale, Bathurst, Dubbo, Orange, Tamworth and Wagga Wagga.



festivals making up the majority (at 75 per cent) (Gibson and Stewart 2009). Most were small scale not for profit operations that provided job creation and helped build the community by enlarging social networks.

The recent proliferation of festivals is a sign of a growing sector, but there is a limit to the number that can be accommodated. Gibson and Stewart (2009, p.32) found the growth of music festivals was not matched by audience numbers or quality acts, so that competition becomes 'fiercer and the risks of failure increase'. Similarly, the economic impact of festivals, similar to shopping precincts, is subject to a high degree of leakage. Janeczko, Mules and Ritchie's (2002) analysis of the impact on Gross Regional Product of several festivals in the Snowy region of Victoria, found a high degree of economic leakage from the small regional economy with only 39.8 per cent of expenditure by visitors contributing to the local economy. 'This is because many of the goods and services used by visitors are not produced in the region' (Janeczko, Mules and Ritchie 2002 p.ii).

The success of a tourism strategy has to be based on the region's competitive advantages such as Hayden's Wave Rock or the mineral springs in Victoria's spa country. Tourism is a volatile and competitive industry reliant on disposable income and favourable economic conditions. As Knowd (2001, p.18) states, '[i]n contrast to the frequently touted claims of benefits from tourism, the returns to communities are sometimes the opposite of what was promised, and in most instances, marginal at best'. 'Indeed, a strong case can be mounted that the inherent boosterism of most government-sponsored programs which promote tourism, is quite irresponsible given the fragile nature of rural economies' (Knowd 2001, p.18). It is not a panacea for an ailing local economy as it is a 'piggyback' industry on basic activities. But it can provide an alternative income source in the face of seasonal fluctuations or drought.

These programs in small towns focused on amenity considerations have been successful to varying degrees. Therefore, a strategy that puts amenity at its centre should consider the economic and competitive environment in which the town operates. Proposals should make a realistic assessment of the town's prospects based on sound financial and market analysis.

## Conclusion

Amenity has become a feature shaping Australia's settlement structure, as people have a greater capacity to consider household well-being in addition to economic considerations. The desirable attributes of a location are based on characteristics that people want, such as a pleasant climate, coastal views, hobby farms, health facilities and education institutions.

While it is easy to assume that people have always preferred to live in desirable locations, personal transport and better communications technology, longer life expectancy and growing wealth have enabled amenity migration. A consequence has been the shifting functions within towns as they have weakened their connections with industry, particularly agriculture and mining and transitioned to an economy based on tourism, lifestyle and service provision. This has also prompted towns to introduce strategies to enhance their amenity as an avenue to promote economic growth.