

# 7 The Study of small towns in Victoria revisited

Prepared by Professor John Martin, Director, La Trobe University's Centre for Sustainable Regional Communities contributed to by John Henshall, Principal, Essential Economics.

## Summary of findings and conclusions

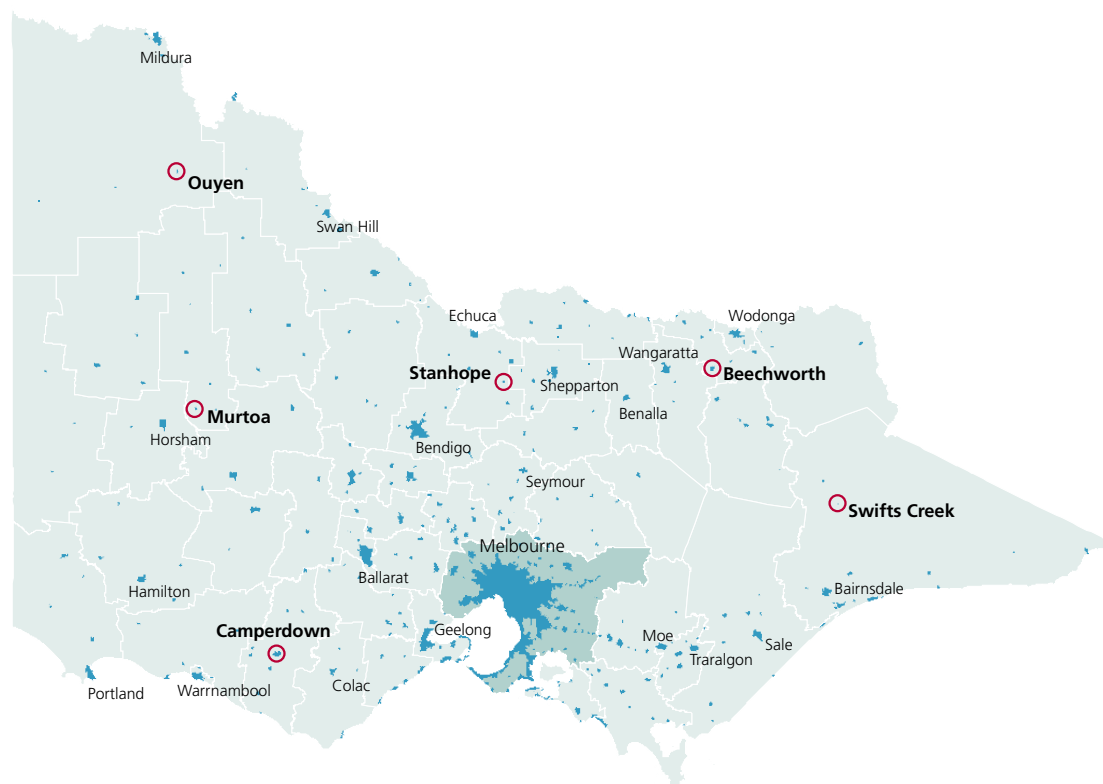
Small towns in Victoria in 2001—those with less than 1,000 people—accounted for 54 per cent of the total number of urban centres and 6.8 per cent of the State's population. Urban centres with less than 1,000 people in the mid 1980s accounted for 53 per cent of all such places, with only 2 per cent of the State's population (Henshall Hansen and Associates 1990). Small towns remain a vital part of regional Victoria and have much to contribute to the economic, social, cultural and environmental heritage of the State. While the 185 towns in Victoria with 1,000 or less

people have varying fortunes, it is clear from the overall population increase in these areas that small country towns remain an important part of the State.

Many issues identified in the 1987 small towns study remain however, such as the importance of local leadership; uncertainty about the future of local businesses; continuing regionalisation of public and private services; difficulties recruiting skilled and specialist workers; and poor quality of communications. While many small towns in the 1990s experienced significant losses of

public sector employment because of regionalisation, many have proved resilient by adapting to changing circumstances. There are many similarities between these towns, but there is also significant diversity in their wellbeing, the characteristics of local issues and their perceived prospects, leading one commentator to caution, 'seen one town...seen one town!'. Each of the six case study chapters reveal that small towns are vibrant communities where people take advantage of the good fortune that comes their way and

Figure 7.1 Victoria, major towns and local government areas shown – six study towns highlighted



Source: Department of Sustainability and Environment



create opportunities from challenges. The people in the towns revisited in this research have worked together to create their desired future, developing their own unique character in response to the external forces of change.

We have made a number of observations about factors that contribute to the sustainability of the small towns revisited and have described them in detail in each chapter. We have also drawn these observations together in the following sections, without particular reference to any town and in no particular order of importance, and will conclude with policy options for people and institutions in these towns, as well as for local and state government.

### **1. Population change is only part of the story**

The debate about Australia's small towns usually focuses on the impact of population decline because of its impact on the delivery of government services, which are typically delivered on a per capita basis. All case study town populations, except Beechworth, are in decline, but these changes are tempered by other factors such as population age profile and the rate of turnover in each town. In several towns the community was aware of a considerable 'churn' while in others it was more stable. The activities of each community's population is as important as its age and turnover—were they gainfully employed, or were they engaged in more social, sporting or cultural activities?

As the economic structure has changed in each town, so too has the employment profile. As noted in the Introduction, the 'other' category for

employment has grown significantly in each town. What these figures do not convey is the how these 'other' jobs are contributing to each town. While we can make crude judgements about the value of agricultural, manufacturing and service employment to a community, these 'other' jobs may also make a significant contribution to a town's sustainability, even though they may be small compared with traditional employment.

More important is the overall makeup of each community. All places witness the 'flight of youth' to seek education, training and employment in regional and metropolitan cities. This is more noticeable in some small towns than in others, and has an impact on the social structure and amenity of each town. It also has an impact on sporting and social events and affects the supply of able-bodied volunteers for vital community work such as emergency and fires services.

Together with the lack of available young volunteers, there is also a need to take the load off volunteers who often need professional help, help that may not be available. Community succession planning is also necessary because many volunteers are ageing. This situation may in part be due to a changing attitude to volunteering, resulting in a national culture that encourages people to think more about what they can do for themselves rather than what they can do for their community. People may, for example, become involved in a business improvement group rather than in a community Lions Club.

We also observed a lack of social responsibility from corporations, which take money out of towns but show decreasing degrees of responsibility for communities. In the case of Stanhope, for example, mergers have seen management responsibility for the local cheese factory being at Stanhope from 1923–1971, Shepparton 1971–87, Melbourne 1987–2005 and Auckland from 2005. And now, getting agreement to sell locally made cheese in Stanhope has been a slow and very complicated process.

### **2. How townsfolk see themselves is as important as how outsiders (State and local government) see them**

A town's self image is an important factor contributing to resilience, viability and sustainability. In all of the case study towns, the confidence and self worth shown by the great majority of people was impressive. While these meetings were often pre-arranged with community 'leaders' or were with people interested enough to attend community meetings, we also encountered general feelings of satisfaction with their community in our other dealings with people as part of our research. Many had strong views about availability of services, for example, or the quality of local infrastructure, but these appeared to be considered 'annoyances' that went with living in a rural town, which, they believed, receive much less attention from city-focused politicians.

All towns had local committees focusing on local economic development, basic infrastructure or community development issues. Ouyen Inc, for example, has been the catalyst for the provision of local



infrastructure. Friends of Swifts Creek, another local committee, has advised their shire council on street beautification programs and taken an active part in making them happen.

### 3. Infrastructure matters

In all the case study towns, infrastructure issues were raised by the local government officials we met and by community members. Having clean water and being confident that public health and safety was assured through proper sanitation were two specific issues raised. The community of one town—the recipient of piped water and a world-class treatment plant—was appreciative of this important resource, which enabled the town centre to be an oasis in a very dry farming environment. In another town—still unsewered and also the regional centre for education—it was reported that after a few days of steady rain in winter, septic tanks overflow in the gutters of the main street. Towns that have these basic services are fortunate; those that do not are operating at Third World levels.

Communication services are still poor in parts of regional Victoria. Swifts Creek, for example, gets Imparga television services from the Northern Territory via satellite but not from Victoria. Mobile telephone coverage is also poor and unpredictable in many parts of the State.

Other infrastructure also includes access to the internet via a range of different modes—dial-up, ADSL (asymmetrical digital subscriber line) and CDMA (code division multiple access) broadband. Not all these services are available in all small towns, but where available, they make a significant difference to the community.

Because local websites are economical to setup and run, they are an invaluable means of connecting a small town to a world of information. Reasonable access to the internet—through infrastructure upgrades and through community centres for access and training—is a goal of all governments.

### 4. Availability of basic services influences a town's viability

Some local retail services appear to be critical to the local amenity and dynamics of small towns, for without these services, people are forced to travel elsewhere. The need to travel places another set of pressures on people in small towns, many of whom exist on pensions and find the cost of such travel beyond their means. We were informed, however, that people were aware of their neighbours' circumstances and in most cases, were able to assist with basic needs. In one town, the closure of the only service station meant people had to drive 35 kilometres each way to obtain fuel. While away in the larger regional town, they also shopped for essential goods and services further affecting the limited retail services on offer in their small town. We were told of other small towns (not part of this research) where the local community had banded together to ensure they had a service station, a baker and a butcher. Apart from providing an important local service, we observed these small towns to be places where people met their friends and neighbours and took time to catch up on local events. The retail hub of a small town is an important area that planners should consider carefully. These areas not only provide basic services; they also enable people to meet and

socialise, thus fulfilling important local social processes.

### 5. Main streets reflect local pride and create an invitation to stop

All case study towns had pride in their main street (although one had several such streets and the poor integration of retail services affected the ability of people to meet and converse) and saw this as an opportunity to invite people travelling through to stop, shop and enjoy local services. In one small town, the 'friends' group is most active in a range of seemingly small but important projects such as the location of park benches and shelter, and the planting of flowers and shrubs around the town's median strips and parks. In five towns, it was clear that a planned effort had been made to create a pleasant place for travellers to stop. In the town where such effort was not evident, the community was acutely aware of the issue, a sticking point in local discussions. Local government also has a role in each town, reflecting its traditional place-management function, a function that was generally acknowledged by people in each town.

We observed that each case study town had something of local interest to offer people travelling through; the gnarled 'Mallee Root' welcomes people to Ouyen, the heritage buildings create the charm of Beechworth, and the avenue of trees in Camperdown are an inviting place to rest. These assets, however, are not always foremost in the discussions we had with individuals and groups in each place. Yet any suggestion to alter them in any way (as happened in Camperdown a few years ago when



some of the trees had to be replaced) reveals that the community is quite protective of these assets.

Some places had also created local walks signposted with local history. These were of great attraction to passers-by interested in the local history and pattern of development.

#### **6. Regional location matters when accessing a range of services**

Car ownership enables people to cover considerable distances to obtain the different services they require. The notion of the 'sponge city' is now recognised, and people referred to this idea as they reported travelling to such places for entertainment and to purchase substantial items and consumer durables. These larger centres are also important for accessing specialist health care and for obtaining diversity in education.

Several towns are clearly affected by their regional location. Development in Murtoa, for example, is significantly reduced by its proximity to Horsham. And because Horsham provides most critical services, it provides the residents of Murtoa with a reason to shop in Horsham for all their needs, not just for the ones not available in their home town. Residents of Stanhope are also close to Echuca or Shepparton. Given that most of the managers from the local Bonlac factory also live out of Stanhope, even greater pressure is put on local retail services

Beechworth, while relatively close to Wodonga, does not appear to be affected in the same way as Murtoa and Stanhope. Beechworth has developed a retail scale sufficient for

local people and the considerable tourist trade. Nevertheless, local people from Beechworth go to the larger regional centre for family shopping, but this does not appear to have affected local retail traders.

Camperdown is sufficiently far away from other major town centres and has recently attracted a major retail supermarket store, drawing people from around the region into the town. Ouyen is also relatively isolated from other large towns. In fact, while Mildura is over 100 kilometres away, it is the major urban centre that draws people from Ouyen.

Each town has a unique combination of local services and geographical relationships with neighbouring towns and regional centres. Given that each case study town also has different services, like their major centres, the reasons for choosing to shop locally or make the journey to the regional centre was quite different in both community and individual cases.

#### **7. Local government is disengaged from many small towns**

We observed in all case study towns that local government had become largely disengaged from these communities, especially over the day-to-day matters that make these towns good places to live. We do not believe this disengagement is a deliberate strategy of councils and their officers, who actually espouse a contrary view, very much in support of community development and local governance. Because local government officers are unable to get to all small towns in their shire, it is difficult to have meaningful dialogue with people in these places about what matters to

them and what the council could do to assist. This disengagement, therefore, appears to be a function of the vast area each shire has to cover and the way that services are actually delivered, typically by third party contractors not from the towns who are working to efficiency criteria and who have no connection with the communities they service.

All of the case study towns are now in much larger shires than when the original study was carried out. Consequently, the inability of local government to genuinely connect with the many small towns in their jurisdiction is an issue that is not being addressed. The research was aware of different State Government initiatives, such as the Community Capacity Building initiative in 11 small towns, but people in the case study towns were not aware of them because they were not part of these programs. We consider it unlikely that such programs would genuinely have a positive affect on all 185 small towns in Victoria, and these programs should be seen as demonstration projects as to what is possible. A far greater effort is required by State and local government than is currently resourced for such processes to be part of ongoing local governance.

#### **8. 'Disengagement' gives rise to local groups (all towns)**

Disengagement by local government from the many small towns in their jurisdiction has meant that people in these places have come together to form their own local committees. Some focus on business issues, others street scapes, some on community development issues, and others focus on a combination.



These local committees were in fact quite surprised at how effective they had been in terms of others in the community actively supporting their initiatives, including the local councillors (only one of the five case study towns had a shire councillor residing in the town, and in one town of more than 1,000 people the nearest councillor was 65 kilometres away). The challenge for government and small town communities is to build on this local initiative together. How could, for example, a local government support a small town community where there was no council officer or councillor presence in local projects? From our observations in six shires we expect this is typical in most places. It would be timely for a research project to determine how different shires keep close contact with the small rural towns in their jurisdiction, and to make this information widely available to all shires

### **9. Top-down programs from the State Government that require local government to implement bottom-up programs**

When discussing how local governments with large geographical jurisdictions to cover keep in touch with small rural communities, one senior local government manager expressed the concern that State Government officials imposed top-down strategies, expecting local governments to employ these bottom-up strategies of community engagement and participation. While the local government manager recognised the positive intent behind these strategies, local governments were presented with generic strategies to implement, regardless of the context or unique circumstances of each

community. There was a feeling that the way the State Government went about this process was inconsistent with what they were asking from local government in their relationship with local communities.

This theme also came through in discussions with local government officials from other shires where our case study towns were located, although there was an apparent acceptance by most that this is the way dealings with the State Government occur. This 'take it or leave it' attitude leaves little room for discussion and negotiation to meet the needs of specific communities.

The previous point about 'disengagement', and the inconsistency in the way that the State Government's community engagement programs are negotiated through local government, is as much a reflection of the contemporary style of public sector management in Victoria as it is the personal style of State Government officials. In fact, our discussions with State Government officials revealed that they are genuinely interested in empowering local communities to develop decision making strategies that engage whole communities. Because accountability issues comprise much of the State Government's responsibilities, it must deliver many of its program through local government. This is the case even when innovation around community development comes from a wide range of sources, not only from local government.

These conclusions reveal the basic design flaws in intergovernmental financial relations in the Australian federation at

the start of the 21st Century. Community engagement programs are designed on the assumption that small, sometimes isolated communities, can work together to overcome apparent location and population size and structure disadvantage. Much evidence supports this assumption (Baum, O'Connor and Stimson 2005), but the issue is that intergovernmental mechanisms that empower and resource local government to develop such strategies for these communities—especially in large rural shires with many small discrete places—are not well structured to allow this. That State Government, and not local government, is trying to run the agenda on local community development, must surely tell policy makers that local government must be enabled, indeed mandated, to undertake such work as part of their everyday business. They also need to have guaranteed and continuing resources for this work, which appears not to be the case at present.

### **10. Heritage is a powerful regional development driver and communities now recognise this**

Relatively remote rural towns are no longer seen as places to escape from. Rather, they are regarded as desirable places to visit and relax in, and many shire tourism strategies are now based on this view. Our research uncovered people who had made a deliberate choice to move to a rural community, although it is difficult to get a comprehensive picture of who they are and what specifically drew them to these towns. We have highlighted in the Introduction that while still small in relative proportion to traditional employment categories (agriculture,



manufacturing and retail), the ‘other’ employment category had grown from around 2 per cent in 1981 to more than 6 per cent in 2001. We were provided with a number of examples in each case study town of people who had made the decision to move to their town primarily for lifestyle reasons. These people needed a source of income and often capitalised on the heritage assets of the town. The bed and breakfast (B&B) industry in Beechworth is an example. Of the people we interviewed involved in this industry in Beechworth, for many it was a shift from a typically professional career into owning and running a B&B. In fact, the B&Bs work together in Beechworth to accommodate large conference and tourist groups, adding substantially to the economic wellbeing of the community.

Heritage is typically seen as the built environment. Much less attention is paid to the historical heritage of the town and region, yet this was evident to the research team in all towns. The original small towns study report and its classification of towns into six broad types is a good starting point for small towns interested in developing their heritage strengths. It presents the economic basis for the original establishment of the town and is the start of the story as to how they have emerged into the town they are today. Many interesting stories of the people and their ingenuity, efforts and achievements are also included. Because these histories have heritage value, they should be available to people living in the town and to those who visit these communities. Unfortunately, the natural and indigenous heritage was, in most

places, poorly recognised and therefore relatively underdeveloped.

The Shire of Indigo’s consistent heritage strategy for the Beechworth town built environment has led the way in realising key local development benefits. The consistent application of a heritage theme in the development planning has meant that the main streets of Beechworth are an attraction in their own right, in addition to the town’s innovative retail traders.

### **11. Towns can change dramatically in a relatively short period of time**

Our discussion with individuals and groups, which are also reflected in the case study chapters, revealed that people were insightful about the rate of change they had experienced. They were also impressed at their apparent ability to have ‘come through’ these changes. In fact, the act of revisiting each case study town was cathartic for many. The major changes—including local government amalgamations, the reduction of State Government services in regional Victorian towns and the privatisation of utility services—were not predicted by people in the case study towns. Importantly, these changes have had different effects in different towns.

The traditional services in Beechworth, for example, were both changed and replaced by other services or industries. The gaol has a different security rating and a new location just outside of town. The iconic gaol makes up part of the new focus on heritage, and its redevelopment (which was not known at the time of our visit) will influence the overall future amenity of the town.

Other towns have not experienced dramatic change in a relatively short time frame. For the majority of our case study towns, change is incremental as the community adjusts to changing economic (typically declining agricultural employment) and demographic factors (ageing population). What we have seen since the initial study is that all towns accommodate these changes, some with less pain than others. We suspect that these factors occur by chance, in other words, it is more by coincidence than by good planning that enables some towns to deal with change events better than others. The literature of social capital and change tells us much about the general characteristics of why this happens. However, this literature is much less clear on how these factors apply in particular places.

### **12. Housing costs and availability have a significant influence on the transient community, and thus the social character of the town**

The availability of housing in small towns is a major factor in drawing people from other places. Whether they are retirees downsizing and clearing debt, or young families finding an affordable house in a small rural town, housing is an important factor in helping the town to adjust to economic and demographic change over time.

The limited availability of land in several towns (locked by land zoned for farming, for example) is seen as a major restriction to growth. The circular argument seems to be that because the forecast is for declining population (because of ageing), no more room for expansion is needed, and no more services need



to be provided. We believe that limiting a small town's urban expansion based simply on the forecast of an ageing population might simply be a catalyst for decline, the very thing the current State Government wishes to avoid. Clearly, a more informed and considered strategy needs to be developed to help small towns adjust to many changes, including the ageing population, but also to make them more attractive for new people who are interested in joining these communities.

### **13. Most small towns have a transient community**

Because housing is affordable in small towns, there is a high turnover, or 'churn', of people who move in (often on a seasonal basis) for employment in the local agricultural industry. This presents the established community with challenges such as how to integrate these newcomers into schools and sporting clubs. Schools have an important role in local communities, whether providing bonding and a sense of future (Swifts Creek) or through innovation (computer design at Murtoa and environmental studies at Camperdown).

Some towns have been successful in welcoming these people; others have had less success. One of the ironies of such places with high social capital is that they can exclude such people in several of our towns. Clearly, these outcomes are based on both groups not being able to get along with each other, compounding the churn and often transitory nature of the lives of these newcomers. Notwithstanding the various positions taken by locals and newcomers,

the underlying factors of affordable housing and seasonal work make this resident turnover inevitable.

We found it difficult to access newcomers in our case study towns and suspect we had few, if any, turn up to our community meetings. They are an important group in small towns yet little seems to be known about them, such as, what proportion of these people who move in, ostensibly for seasonal work, actually return in subsequent years? More research is required to learn about the impact of the transient community on small rural towns

### **14. Regardless of overall success of a town (as measured by economic growth) significant pockets of disadvantage remain**

From our discussions with a wide range of people in each small town, it was clear that significant pockets of disadvantage prevail. While we did not have the opportunity to investigate this claim further in terms of who is affected and why, it is important to be aware that even when a town is deemed to be doing well overall (in economic terms), there are people who have not directly benefited from this development. While their town may be a better place overall, it is important for the wellbeing of the whole community that these people be included in local prosperity. Town events that enable young people to participate, and enable all age groups to come together to celebrate their collective good fortune, is essential. National events such as Australia Day, the recent Queen's Baton Relay events, street parties, and public concerts in local parks and gardens are good examples of ways

that all local citizens can feel part of their community.

### **15. 'Contract State Government' makes life tough for local government and local communities**

Getting small projects in small towns underway or completed is often frustrated. It is often difficult to obtain three quotes for jobs in remote locations. Contracting procedures also sometimes preclude consultants from gaining any real understanding of how towns function, and townspeople often need help to work their way through complex bureaucratic processes.

The research team was surprised at the lack of elected councillor interest in this research in their towns. While a councillor from each of three shires attended, they were all unaware of the original study and why we were doing the follow-up.

This lack of awareness by elected representatives may be because their council does not have a clear strategy for working with their small towns. Councillor experience is that whenever they visit these places they are constantly asked 'why can't you deliver more services in our town?'. In the absence of any comprehensive development strategy—beyond basic curb and channelling and other minor work completed on an annual basis—it is not surprising that the councillors receive what they perceive to be a hostile reception.

In only one case did the councillor reside in our particular case study town, and was treated as 'one of us' by residents at the town meeting. In two other cases,



they received quite a hostile reception and largely chose to be silent and 'wear the views' of an unforgiving community.

#### **16. Many community functions proceed without government support or intervention**

Members of the research team, in their respective chapters and together at the workshops with community representatives (when all towns met at the La Trobe University in Bendigo), commented on the creativity and innovation shown in each case study town as community leaders came together to respond to a wide range of economic and community issues. The representatives of Ouyen Inc, for example, reported that they were quite flattered when they started to get requests from people in other small towns asking them to come and talk about how they set themselves up, and how they had achieved the many different community projects they were known for. Equally, the Friends of Swift Creek were active in other ways, focusing on streetscapes (Ouyen Inc had also done this), parks and gardens and basic shelter for people travelling on the Great Alpine Road.

All of the case study towns had a local town-based community group addressing issues that reflected the needs of that town. Importantly, these were needs articulated by the community, not by any level of government. In several cases we saw situations where the shire had subsequently introduced consultative mechanisms such as those already established by the community. Unfortunately, such action can be seen by both the community and the shire

officers to be competing with each other, spending too much energy on the process and not enough on the actual community issues.

#### **17. The popular media view that small towns are all in crisis is not correct**

The research team was constantly confronted with the popular media view that small towns are in crisis. There are various interpretations as to how this crisis manifests itself, and none of them is positive. Our experience of the case study towns, and of the towns we know from our various regional locations in non-metropolitan Victoria, is that this view is not true in the great majority of cases.

The structure and function of small towns is certainly changing. Some have positive economic stories to tell; some do not. Equally, some have positive social stories to tell and others do not. Positive social and economic experiences do not always go hand in hand; the same is true in terms of negative experiences. Communities are not necessarily happy because they are economically prosperous (the wealth-to-happiness myth is now being challenged, for example, by respected social commentators such as the Reverend Tim Costello, following research by the Australia Institute (Hamilton and Denniss 2005)). And a feeling of community wellbeing does not necessarily lead to economic prosperity. While we would agree that wellbeing and prosperity typically go hand-in-hand, our experience in this research is that there are sufficient exceptions to this rule to caution governments about developing blanket

public policy that assumes sustainability in small towns is simply a function of economic success. The relationship is far more complex.

We observed communities with high levels of wellbeing, as demonstrated at community meetings and through interviews with a wide range of people from each place. These communities demonstrated a high level of concern for each other, social networks appeared strong, and people knew many people in their local town. It is one of the paradoxes of small town life: people know, and are well known, by many others when compared with their city counterparts whose associations typically follow business and sporting interests rather than approximate neighbours.

In terms of contemporary social capital literature, we observed that some places seen by outsiders to be 'lagging' exhibit high social capital. Paradoxically, other places seen by outsiders to be 'leading' have low social capital.

#### **18. The two factors of geography and mobility in relation to small towns must be seen together to understand the future of many small places**

The common view of the future of small towns is based on assumptions about individual wealth, location and access. Towns that are relatively isolated from neighbouring 'sponge' towns and whose citizens have limited access to health and retail services, are seen as being disadvantaged (Baum, O'Connor and Stimson 2005). If residents in these isolated towns have the means to travel to larger centres to obtain these services, they are not as disadvantaged. However,





other research shows that the indicators we use for asserting advantage and disadvantage should be questioned in the face of research that directly asks people about their level of satisfaction with the community in which they live. As research by Cummins et al (2005) shows, 'the highest level of personal wellbeing is achieved by people who live in rural towns'. They add that 'their personal wellbeing is higher than it is for people who live in capital cities and in both of the remote categories' (p. 2). It is clearly more than just economic prosperity that influences people in rural towns to report more favourably about their satisfaction with the towns in which they live than their city counterparts.

#### **In summary**

Local governments provide the key to much that affects small rural towns on a day-to-day basis. While the large rural shires are working hard to ensure the sustainability of the small towns in their jurisdiction, they could do much more. The question for the State Government is how much it wants to do for small rural towns as opposed to how much it wants to empower local government to do this work in the long term. This will require much more than time-limited demonstration projects in a few communities; it needs a resourcing strategy where all small towns are empowered to build on their own creativity and commitment. While this is a large and quite difficult task, it is a journey we believe the State Government should start, to ensure the sustainability of small rural towns in Victoria

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