

FISCAL POLICY AND MOBILITY: THE IMPACT OF MULTIPLE RESIDENCES ON THE PROVISION OF PLACE-BASED SERVICE FUNDING

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ABSTRACT: The propensity for Australians to move about more often and over greater distances as part of their employment, recreation and social life presents challenges for governments in the design and management of equitable fiscal policy to fund infrastructure, education, health and welfare and other services traditionally predicated on place-based criteria. The acquisition of second homes, ostensibly for recreation purposes, is a widely cited example in the debate about who pays how much for locality-based services. Other examples can be found in health service funding, education provision and transport infrastructure. While most people who use two or more dwellings have the financial security and personal wherewithall to live across multiple dwellings there are others who have much less choice and live between different places because personal circumstances dictate this. This paper suggests that fiscal policy predicated on place-based criteria persists because it is administratively simpler for public managers already operating in complex public policy environments. Nevertheless, we argue that place-based and social mobility criteria are not mutually exclusive. Recognition of the growing trend of social mobility may lead to better policy decisions. The paper aims to provide policy makers and public managers with a more accurate understanding of population mobility such that they can begin to effectively factor such trends into place-based fiscal policy.

1. INTRODUCTION

The structure and function of government systems and processes are designed to meet the social and economic needs of the day (Murray 2007). Over time, however, the social, economic and environmental characteristics change. In the Australian state of Victoria a characteristic of contemporary globalisation is that people now move more often than ever before. In this paper we question whether the current systems and processes of government relating to place-based funding reflect the reality of how many Victorians now live.

While communications technology now makes it easier for people to

communicate more often, with whom and whenever they like, those that can are also more disposed to move locations for employment and leisure-related purposes. For some people it is indicative of hyper-consumption (Paris 2007). For others it is a necessary part of their survival to follow locational employment opportunities. Seasonal demand for labour in agriculture and remote locational reality of the resource industries in Australia, are two well known examples of why people are mobile for employment. There are, however, many variations on this theme. For example, while people have multiple residences ostensibly for recreational purposes the use of such homes does change over time as they move to retirement, or their adult children use them as homes, or they are let to provide income as part of a family's changing financial circumstances. Understanding the nature and extent of population mobility will assist policy makers determining appropriate services and providing resources to do so.

Funding processes for the provision of local infrastructure and services are typically based on the size of local populations. In most cases a measure of resident – as distinct to mobile – population is used. This assumes that the resident population is a valid measure of infrastructure and service use. The research outlined in this paper reveals that many locations have higher populations at particular times (seasonal, festive) of the year.

In this paper we outline recent research on population mobility before exploring the fiscal implications for government policy as a result of more people living across multiple residences. First we review the international research on the impact of multiple residences. Second we present four case studies of population mobility in Victoria. Third we look at the policy issues related to greater population mobility. We conclude with a discussion of the fiscal implication for local services delivery historically based on the population census data collected by the Australian Bureau of Statistics every five years.

2. UNDERSTANDING MOBILE POPULATIONS: INTERNATIONAL PERSPECTIVES

Population mobility between different residences is not a uniquely Australian phenomenon. There has been rapid growth of second home ownership in affluent countries, associated with growing household wealth and assets, especially housing assets, as well as growing mobility for large sections of the population (for a review, see Paris, 2007). In England, for example, the most recent Survey of English Housing (SEH) shows that the number of households with second homes increased from around 339,000 in 1994/95 to nearly 600,000 by 2006.¹ The SEH definition of 'second homes' corresponds with the Australian term 'holiday homes', i.e. dwellings owned² and used by family and friends for leisure purposes (not let out on a permanent basis to tenants or primarily let commercially on a short-term basis to holidaymakers). Although

¹ Data on second home ownership in England are collected biannually in the SEH; the figure for 2006 derives from the preliminary results of the 2005/06 SEH.

² In a small minority of cases these second homes are rented for use by family and friends.

the use of such dwellings is primarily for leisure, many scholars have identified the purchase of second homes as an element of life-course planning³ and personal or family investment strategies (Coppock, 1977; Hall and Muller, 2004; Gallent et al, 2005; Paris, 2007; Smith, 2005). Such dwellings are thus both part of 'housing' and 'leisure' markets as their use as 'second homes' is rarely identified as a separate land use category in national systems of residential zoning: hence second homes 'are at the point of overlap between housing and tourism – neither squarely one or the other, but having the nature and implications of both' (Dower, 1977, emphasis in the original).

Second home ownership is prominent in housing policy debates in many countries as politicians, community groups, environmental activists and organisations campaign against further development (Affordable Rural Housing Commission, 2006; Joseph Rowntree Foundation, 2006; Paris, 2007; Wallace et al, 2005). Policy-related concerns about the impact of second homes are often expressed in terms of conflicting interests of 'locals' and 'outsiders'. Many commentators, however, have demonstrated the weakness of using a simple dichotomy between 'locals' and 'outsiders' as it falsely implies that 'locals' all share the same interests and priorities (Gallent et al, 2005; Gustafson 2006; Hall and Muller, 2004; McIntyre et al, 2006). Hall and Muller (2004) also cite many studies that recorded benefits accruing to local economies as a result of growing second home ownership. Overall, the impact of second homes is often strongly contested but growing second home ownership is rarely the only factor affecting a town or region (Butler, 1998; Gallent et al, 2005; Newby, 1979). It is also clear, however, that the growth of second home ownership can have major impacts on national and local housing markets and house building industries and poses particular problems for strategic planning for housing provision. It also has implications for inter-governmental transfers, especially relating to local service provision, in those countries where central governments allocate funding to lower tiers on government on a per capita basis, which is the focus of this paper.

Much of the writing on second home ownership has followed empirical or theoretical perspectives deriving from applied public policy analysis or planning (Gallent and Tewdr-Jones, 2001; Gallent et al, 2005). Following Coppock (1977) most other scholarly writing on second homes derives from leisure and tourism studies, rural studies, and cultural studies (Gallent et al, 2005; Hall, 2005; Hall and Muller, 2004; Hettinger, 2005; McIntyre et al, 2006). This literature explores the combined effects of growing mobility and enhanced capacities for consumption in affluent societies, the changing nature of tourism as a vital element of enhanced mobility, and the many ways in which places are created, changed and 'consumed' by tourists and other leisure users (Hall, 2005; Urry, 1995, 2000, 2004; Sheller and Urry, 2004). Hall (2005) argued that time-space structures have changed enormously over the last 25 years and that 'advances in transportation and communication technology' have enabled increasing numbers of people 'to travel long distances to engage in leisure

³ Many second home owners plan to move permanently to these homes on retirement.

behaviour' as 'part of their routine activities' (Hall, 2005: 24; emphasis added).

There is a substantial literature on international variations and an emerging literature on transnational dimensions of second home ownership (Coppock, 1977; Hall and Muller, 2004; Gallent et al, 2005; McIntyre et al, 2006). There are well-documented traditions of regional or local second homes, often through self-provision in varying vernacular styles, in many European countries, including: Nordic 'summer houses' (Periainen, 2006), 'country' homes in Southern Europe (Leal, 2006) and Russia 'dachas' (Renaud, 1995; Struyck and Angelici, 1996). There have been relatively permissive planning approaches to second homes in Nordic and Mediterranean countries, former Spanish and Portuguese colonies in South America and in English-speaking new world countries.⁴ In many new world countries, moreover, second home development was an element in making 'places', often in previously-unsettled coastal areas. In Australia, for example, 'pioneer' self-built second homes in unsettled coastal zones were often followed by subsequent consolidation and growth into distinctive settlements which have become increasingly dominated by commercial development (Selwood and Tonts, 2006).

Gallent, et al (2005) argued that the development of second homes in Great Britain and the Netherlands, in contrast to countries with permissive planning regimes, has been constrained by restrictive planning, especially in rural areas. Paris (2007) views the growth second home ownership in the UK as a form of 'rural gentrification' (Phillips, 1993, 2005; Smith, 2002; Smith and Phillips, 2001): the restrictive planning regime in Britain has strictly limited new development in high amenity areas so the only way that second home owners and other higher income groups could acquire second homes was by purchasing existing properties, thus contributing to the transformation of the countryside and coastal villages into gentrified sites for leisure, retirement and/or commuting. Paris (2007) brings together insights from various authors to conceptualise an ideal-type 'life course' of second home development in the UK: the first phase comprised 'pioneer' renovation of abandoned or run-down dwellings, the second phase continued through revitalisation of areas and purchase of existing homes from former lower-income residents, and the current phase comprises largely commercial development and redevelopment. This perspective relates the growth of second home ownership to other displacement activities typically affecting 'primary' homes (Atkinson and Bridge, 2004). It also emphasises that other processes of change, including counterurbanisation and retirement migration, often overlap and inter-relate with growing second home ownership.

There has been rapid growth of second home ownership across national borders as residents of rich countries purchase houses, apartments, villas, mansions and country estates (Hall and Muller, 2004; Gallent et al, 2005; McIntyre et al, 2006; Paris, 2007). Rising disposable incomes and growing housing assets in rich countries (Forrest, 2005; Smith, 2005) have enabled the 'export' of second home owners to lower cost housing markets in 'importing' regions. Growing transnational second home ownership was documented in

⁴ The United States, Canada, Australia and New Zealand.

England by the SEH which showed that ownership of overseas second homes had increased much faster than within Britain: from around 90,000 in 1994/5 to 235,000 in 2006,⁵ with the largest shares located in Spain (35 percent) and France (24 percent).

The self-provision of second homes has become less common in most countries, whether planning-restricted Britain or development-friendly Australia or USA, especially in cross-border developments. Large developers typically lead second home and resort projects, often combining the marketing of second homes for leisure use and as 'investments' with other leisure and commercial developments: shopping centres, golf courses, marinas, rental holiday homes and retirement accommodation (Hettinger, 2005). In many cases, recent literature on second homes in the USA, Canada and Australia reveals new conflicts between 'locals', sometimes themselves retirees, and developers and further incoming second home owners (Diamond, 2005; Green, 2004).

3. RECENT AUSTRALIAN RESEARCH ON POPULATION MOBILITY

While this paper focuses on second homes and population mobility in Victoria the phenomenon has been occurring across Australia. For example, the Augusta-Margaret River region south of Perth has experienced growth pressures from people purchasing second homes in the region impacting housing demand and house prices in that region (Kelly & Hosking 2005). Hugo and Rudd (2004) studied second homes in the Fleurieu Peninsula located to the southeast of Adelaide, which includes both hinterland and coastal settlements. As a popular destination for retirees and second home owners based in Adelaide their demand for a rural or coastal getaway also has a significant impact on access to housing in these places. Along the New South Wales and Queensland coast the demand for second homes from capital and regional city-based people also impacts housing availability in these places. As the revenue funding from central government in these states is also largely based on place-based criteria the lessons from the Victorian research will also apply.

3.1 Recent Victorian Research

Robinvale Population Study Victoria 2005

The Robinvale study was conducted in 2005 on behalf of Swan Hill Shire Council located in north western Victoria (Success Works 2005). According to the Australian Bureau of Statistics, on census night in August 2001, the population of Robinvale Statistical Local Area (SLA) was 4,003 persons and by June 2003, the ABS estimated that Robinvale SLA had a population of 4,061. However, the high proportion of mobile residents within this horticultural region had created problems with the 2001 Census count which was widely regarded by service providers in the region to be inaccurate. Reasons for this inaccuracy included:

⁵ Preliminary results from the 2005/06 SEH.

- the fact that the Census was undertaken in August, one of the quietest months in the fruit growing region;
- the high proportion of casual labourers associated with the horticultural industry made Census collection difficult due to the impermanent nature of their residence and accommodation; and
- some of the migrant labour employed in fruit picking were thought to be working illegally or resident illegally in Australia and hence less likely to have participated in an official information gathering process like the Census.

A study was therefore commissioned in order to develop an alternative estimate of the local population. This was done through the collection of data on: school enrolments; hospital admissions; maternal and child health service records, and supermarket transactions.

Following collection of data from local service deliverers, growers, labour contractors and business people, these were collected and compared to other towns to determine whether the official population of Robinvale accorded with the size of its local service catchments. One flaw with this approach is finding other towns which are equivalent in terms of SLA size and area, settlement pattern and functional role of key centres. The relative isolation of Robinvale makes it an important service centre within its SLA area; whereas towns located in more closely settled regions will have greater competition from other centres and hence attract a lower proportion of a total SLA population for service use. The towns used as comparison with Robinvale for the purposes of the study included: Phillip Island, Maryborough, Castlemaine, Rosedale and Kyneton, all of which are in closer proximity to large regional centres and metropolitan Melbourne than is Robinvale.

The final estimate of the SLA population presented in the study was 6,000 to 8,000 people, rising to 8,000 to 10,000 during peak harvest season from February to April. Since the study was undertaken, 2006 Census data have become available along with new Estimated Resident Population (ERP) figures. These indicate that the population of Robinvale SLA was 4,003 (Estimated Resident at 30 June 2006), 3,963 (Usual Resident at August 2006 Census) and 4,122 (Enumerated at August 2006 Census). Once again the methods used for counting local populations for service planning suggests that in some places it severely underestimates the population. In the case of Robinvale it also reflects the dynamic nature labour markets in agriculture.

Macedon Ranges Absentee Landowners Study 2006

Macedon Ranges Shire is located to the immediate north west of Melbourne. The 2006 study of non-resident ratepayers was commissioned by the Macedon Ranges Shire Council and the North Central Catchment Management Authority, with funding support from the Victorian Department of Sustainability and Environment (DSE). The study aimed to better understand absentee landowners within the context of natural resource management. Findings from the research were intended to be used in the development of community engagement strategies that would enable absentee owners to better manage their land and become involved in natural resource management. A key part of the process was

to create a profile of absentee landowners in the Macedon Ranges region in order to better understand their motivations and land use practices.

Primary data was collected via a postal survey (988 surveys sent, 131 useable returns) and through 12 face to face interviews. For the purposes of the study, an absentee landholder was defined as “someone who owns land two hectares or larger, but does not live on it” (Caddick and Marshall 2006, p. 7). The reason for excluding properties smaller in size than 2 hectares is not clearly explained by the report’s authors, but it seems to have created some bias towards working farms rather than small bushblocks or weekenders. The study data indicated that land held by non-resident landowners was being used for: agriculture; recreation, and bush preservation. Motivations for obtaining the property ranged from financial (generating income, tax benefit) to personal (lifestyle, future home site) as well as environmental. A large majority (63 percent) of the landowners lived in close proximity (less than one hour) to their land, and around half reported visiting their property on a weekly basis.

Given the report’s context within natural resource management, the exclusion of small land holdings may make sense. However, in the context of second home owners (rather than rural property owners) the definition creates some limitation in understanding the broad range of mobile populations.

The design of this study points to the motivation of those commissioning the research. This is an important factor in assessing these reports. The theory of population mobility around multiple dwellings, or second homes, is still in its infancy. Our research aims to provide a framework for policy analysis.

Mansfield Non-Resident Ratepayers Study Victoria 2007

Mansfield Shire is located to the north east of Melbourne and is around two hour’s drive from Melbourne’s eastern suburbs. The Shire contains many holiday homes and bush blocks. Around half of Mansfield’s 7,000 ratepayers have their main residence outside the Shire. Mansfield Shire Council was keen to know more about their non-residents, in particular whether they were planning to move permanently to Mansfield at some stage and their likely use of and demand for local services. In partnership with the Council, the Victorian Government prepared a project brief for a non-resident rate-payers survey and Sweeney Research Consultants were hired to undertake the collation and analysis of results. A total of 1,200 useable surveys were returned for coding and analysis.

A review of respondent characteristics revealed that 80 percent were based in Melbourne. The main industry of employment represented in the sample was manufacturing, construction or wholesaling. Thirty four percent of respondents were employed in these industries compared to the Victorian average of 27.5 percent. An additional 17 percent were employed in finance, insurance property or business services compared to the Victorian average of 15 percent.

Purchase of property in Mansfield by non-residents appears to be a steady but ongoing trend. Several groups were found to be more likely to have had their property for less than five years: people aged less than 40; those owning vacant land and those with children under the age of 18. This suggests a lifecycle in the

process of buying land, developing the property and, in some cases, eventually moving or retiring to the location. Other findings in the survey seem to support this with younger families visiting the area less often than older residents, but expecting to spend more time in the Shire in the future.

The main reason for purchasing a property in the Shire was to use it as a holiday home, or a weekender (45 percent). Almost all respondents (96 percent) had visited Mansfield during the previous year. Thirty percent had visited more than once a month with 19 percent visiting at least fortnightly. Those most likely to visit frequently included: owners of working farms; people with large land holdings and people with multiple properties. This suggests that an important component of Mansfield's non-resident community is actually farmers. This interpretation is important as it shows that peri-urban development and multiple home ownership is not just a trend of urban people seeking their bush-block idyll. In fact it may also reflect some of the changes that have occurred in rural industries and communities over recent decades with farmers themselves becoming more mobile and moving between several properties. Like some city counterparts they are no longer tied to a single workplace, but can have a range of working and living arrangements. The fact that 14 percent of non-residents live elsewhere in regional Victoria, rather than in Melbourne, also supports the idea of a sizable minority of farmers working property in the Shire while their permanent residence is elsewhere.

Coastal Population Fluctuations Study Victoria 2007

Coasts have come under pressure from population growth comprising both permanent residents as well as increases in part-time populations (second home owners) and visitors (tourists and day trippers). High levels of mobility are a feature of post modern societies, making statistical collections that rely on counting people by where they normally live, far from perfect. In addition, coastal population are likely to be at their highest in summertime whereas census data collection is conducted in winter time.

In order to better understand the population dynamics of coastal areas, the Victorian Government commissioned a study of coastal population fluctuations in two case study locations: Torquay and Phillip Island (SGS 2007; Urban Enterprise 2007).

Torquay has a permanent population of 8,500 that is strongly growing owing to its proximity to Geelong and Melbourne. Phillip Island has a permanent population of 9,000 that is growing by attracting many families and retirees. Both locations have a strong summertime population peak owing to the prevalence of holiday homes and attractiveness for day-trippers.

The study had two key objectives: to better determine the scale of population fluctuations over the course of a year; and to better understand the impacts of these fluctuations on service delivery, planning and environmental quality. Forty-five interviews were undertaken with service providers and other relevant authorities and data was gathered from various agencies in order to estimate population levels.

In order to estimate the scale of population fluctuations a number of proxy

indicators were examined and their suitability for informing population estimations determined. Indicators included: rubbish collection; tourist centre enquiries; water consumption; traffic counts; tourist visitor survey data, survey of tourist accommodation; ABS census (unoccupied dwellings), and non-resident home owners. Of these indicators, water consumption provided one of the best indications of the pattern of annual peaks and troughs (See Figure 1).

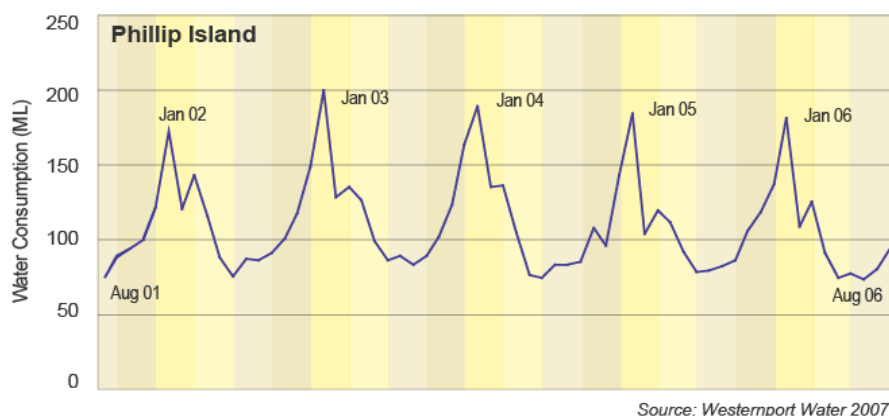


Figure 1. Annual Variation in Water Consumption, Phillip Island

An estimation methodology was then developed for calculating seasonal population fluctuations. The result for Torquay is shown in Figure 2.

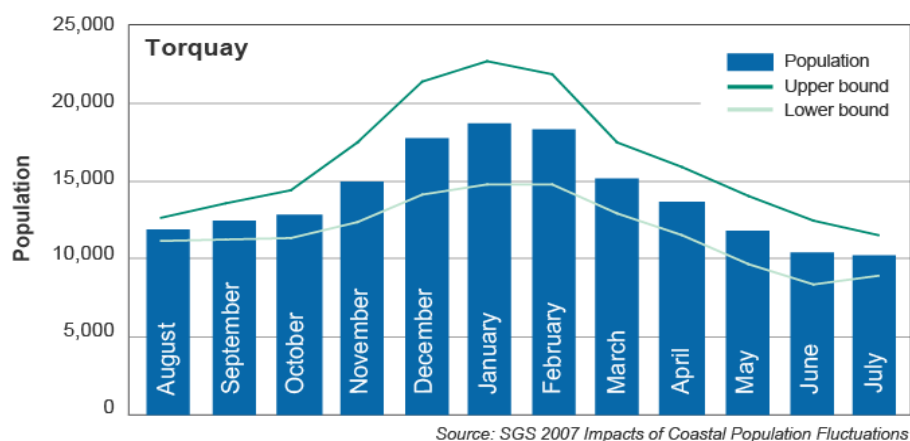


Figure 2. Estimated Population Fluctuation, Torquay

These four case studies reveal that population mobility around second homes changes the nature of the places and communities in which people seek to have their second home. We are interested in how the increasingly dynamic nature of Australian society impacts the ability of local government to cope with this often dramatic variation given that they are funded against historical criteria which may not be as valid as previously.

4. POLICY ISSUES RELATING TO POPULATION MOBILITY

The underlying characteristic of intergovernmental revenue sharing via the Commonwealth Grants Commission is per capita. While government inquiries have raised the spectre of performance-based funding this has been avoided by governments of all political persuasions. While the relative proportion of untied Grants Commission funding has declined relative to Specific Purpose Payments to local and state governments, the significant proportion to local government is in untied grants. Given increased population mobility this raises fundamental questions about questions of equity in funding

The equity principle in Grants Commission Funding process is reflected in their attempts at funding allocation across the state based on horizontal equalisation:

General purpose grants are to be allocated to councils, as far as practicable, on a full horizontal equalisation basis. This aims to ensure that each council is able to function, by reasonable effort, at a standard not lower than the average standard of other councils in the State/Territory.

VGC (2006, p. 12)

The equalisation principles embodied in the federal and state grants commissions aims for all communities to have funding to enable basic infrastructure and service provision. Of interest is the way in which equity is obtained within the current arrangements given that many people are more mobile. Some areas experience dramatic changes in population, both inflows and outflows, yet they receive grants commission funding based on a static view of their population.

The Victorian Grants Commission (VGC) identifies a number of 'cost adjusters' or 'fairness' criteria. These include:

1. Aged pensioners
2. English proficiency
3. Environmental risk
4. Indigenous population
5. Kerbed roads
6. Population density
7. Population dispersion
8. Population growth
9. Population < 6 years old
10. Regional significance
11. Remoteness
12. Scale
13. Socio-economic

14. Tourism.⁶

It is not clear in the VGC annual reports just how these cost adjusters are factored into the overall equation. Given that the allocation is based on a zero-sum game – what is added to one council's allocation comes off the total pool affecting all councils. We are not able to see in this explanation from the VGC the basis on which they include population mobility and thus how it is factored into the allocation decision process.

If people are assumed to be connected to a single location and the infrastructure and service funding is allocated on a place-based per capita measure, then people living across two locations will receive less than a full service if they had been living in one location and counted as such. As they are absent, from time to time, from the location in which they are deemed to be living all of the time, then they cannot realise the services provided for them. In the second location in which they habitate, a location where they were not counted as residing and therefore were not provided infrastructure and service funding, there will be crowding and they and the locals (those counted as residents) will compete for fewer resources as there are more people wanting to access these resources.

The current Grants Commission funding formula takes into account some aspects of a mobile population by considering vacant dwelling rates (non-resident population) and tourism levels (visitor populations). Because mobile populations are still emerging as a topic for detailed research, there is a limited base of evidence and data for such funding processes to be re-examined.

Nevertheless, the recent studies described above do allow some insights into the range of mobile populations and the potential impacts these might have on local government service provision and associated funding issues.

5. IMPLICATIONS FOR LOCAL GOVERNMENT SERVICES

Using survey findings from Mansfield and interview findings from the coastal population fluctuations study, this section highlights some of the ways in which non-permanent populations can affect Local Government funding, planning and service delivery.

Visits to Mansfield by non-residents are quite frequent on average while the length of stay is short. Only four percent of visits were longer than a week. Furthermore, visits were not confined to single peak times but appeared to be spread throughout the year. Interestingly, although Mansfield attracts skiers during the winter snow season, patterns of visitation are by no means confined to the winter months. Evidence from the Macedon Ranges study also points to a high degree of mobility with frequent short visits by non-resident landholders.

The Mansfield survey showed that retail businesses are the main beneficiaries from non-residents. Those most commonly used by non-residents included: groceries (used by 93 percent overall, 54 percent often); hardware (89 percent overall, 50 percent often) and clothing/homewares (70 percent overall, 15

⁶ This adjustor 'recognises that councils in areas attracting significant numbers of tourists have additional expenditure requirements' VGC (2006, p. 22).

percent often). In terms of service use, nearly half the respondents had used the hospital and a third had used property maintenance services and a similar proportion had used tourism businesses.

Use of Council services and facilities such as swimming pool and library was relatively low among non-residents overall. However levels of use were significantly higher for those with properties in Mansfield township where the facilities were located. Twenty-three percent of these non-residents had used the swimming pool in the previous 12 months, 37 percent had used other sport and recreation facilities, 16 percent had used the performing arts centre and 18 percent the library.

The relationship between holiday home ownership and subsequent retirement migration to the second home location has been explored in a number of recent studies. The Margaret River study found that 50 percent of non-resident respondents intended to move permanently to the region at some point in the future (Kelly & Hosking 2005, p. 16). In South Australia, the Fleurieu Peninsula study found the proportion of non-residents planning to move permanently to the Yankalilla region south of Adelaide to be 43 percent (Hugo & Rudd, 2004, p. 34). In the case of Mansfield, the non-resident ratepayers survey found that 36 percent of respondents indicated that they were likely to move to the Shire at some point in the future with the majority expecting to make the move in the coming decade. While the majority (52 percent) of those intending to move to the Shire were planning to do so as retirees, a significant proportion (35 percent) were intending to continue working in either a full time or part time capacity. Given the relatively small population in Mansfield Shire overall, this finding was somewhat surprising as employment opportunities and market size appear to be limited.

Discussions with Shire Councillors suggest that many who come to the Shire seek to base their business there, but also have the capacity to retain clients or businesses outside the Shire. This suggests that some non-residents have relatively flexible working or business arrangements which can be maintained over multiple locations. The industry profile of non-residents outlined earlier in this paper may also indicate the potential for such flexibility. For example, those from construction industries have skills in demand across regional and metropolitan locations and those from a background in business services have the potential to conduct at least some of their work remotely via telecommunications.

This latter style of work does, however, require appropriate infrastructure and the survey results suggest that this is of great importance to non-residents in their consideration of moving permanently to the Mansfield area. Table 1 shows the barriers to moving permanently to the shire and while family and friends remain the most significant factor preventing migration, the importance of telecommunications infrastructure in people's decision-making process is clear; 25 percent cite this as a potential barrier preventing a move to the shire.

Table 1. Factors Preventing a Permanent Move to Mansfield Shire

Factor	No. of respondents	% of respondents
Distance from family and friends	620	61
Lack of telecommunications infrastructure	254	25
Lack of services	203	20
Limited range of shopping	122	12
Employment prospects	61	6
Don't want to live there permanently	51	5
Distance from work / school	51	5

Source: Sweeney Research (2007).

According to Councillors this includes issues of both broadband availability and mobile phone coverage. The desire of people to have both rural amenity and urban quality of services and infrastructure presents a challenge for regional local governments seeking to attract and meet the expectations of such populations.

The pattern of frequent visits, short stays and year-round attraction of the Shire suggests that a great deal of travel is occurring to and from the Shire. One outcome is that, when asked about issues which Mansfield Shire Council should address in the near future, 22 percent of non-residents highlighted roads, particularly sealing of roads, as very important (Table 2). This highlights a common problem experienced by rural councils dealing with urban non-residents who may have high service expectations of their bush retreat.

Table 2. Most Important Issues Mansfield Shire Council Should Address

Issue	Proportion of respondents (n= 1144, multiple responses allowed)
Roads and road sealing	22%
Water management / conservation	20%
Tourism	11%
Managing Lake Eildon	9%
Environment	6%
Recreational activities / facilities	6%
Waste management	6%
Forward planning	6%
Over development	5%
Medical and human services	4%
Recycling	4%
Fire prevention / fighting / safety	4%
Keeping rates low / reducing rates	4%
Weed control	4%

Source: Sweeney Research (2007).

A similar proportion of Mansfield non-residents (20 percent) raised concern about water management and water conservation issues while managing Lake Eildon accounted for concern among a further 9 percent of respondents. Because of the various aspects of 'water' as an issue (conservation, water supply, and recreational aspects) it is somewhat difficult to analyse the data in detail. Respondents were able to nominate issues themselves, so water-related categories may overlap. The ongoing drought experienced in the region and the subsequent record low water level within Lake Eildon has created a range of inter-related economic, social and environmental concerns for the community.

When looking at coastal populations, there are some key similarities and differences to those found in inland 'treechange' regions. In both cases, part time populations who spend part of their time in the city may have urban expectations in terms of service availability and quality. This can place pressure on regional local government areas, particularly when their funding base and planning capacities are limited. Part time populations may have different socio-economic characteristics which can create polarization or levels of resentment in some receiving communities. Infrastructure issues are likely to arise in coastal or inland areas although the nature of the infrastructure issue will vary. The concentrated nature of coastal populations, focused on beach access and views can create issues of road congestion and high peak demands on certain services. Although demands may be more geographically dispersed in a non-coastal location, there are greater issues surrounding network services like roads water, sewerage and electricity, the maintenance of which may be made difficult and costly where population is dispersed.

Regardless of coastal or inland location, absentee property owners can raise issues associated with intermittent land maintenance, security and contactability, and social cohesion and continuity. Nevertheless, both inland and coastal studies seem to be experiencing relatively high levels of visitation among an increasingly mobile population and in the context of increasingly flexible working arrangements and telecommuting possibilities.

One of the key differences between tree change and coastal locations seems to be in the pattern of seasonal peaks. The popularity of coastal areas for summertime holidays and events creates very strong peak populations over the summer months. This is heightened by large visitor populations – including day trippers, who can have a very concentrated impact on coastal areas. In contrast, evidence from Mansfield and Macedon Ranges points to a more even pattern of visitation through the year. As discussed earlier, some of this pattern arises from a proportion of non-residents being farmers rather than holiday makers.

In terms of implications of part-time and visitor populations for local government, findings from the coastal population fluctuation study interviews provide useful insights. A summary of relevant findings is presented in Table 3. Where available, an indication of costs and the agencies or groups upon whom the costs fall, are presented. These are by no means an exhaustive list of the costs and benefits of seasonal populations, but they do point to areas where further economic analysis may be of benefit.

Table 3. Implications of Coastal Population Fluctuations

ISSUE	EXAMPLES OF ASSOCIATED COSTS
Infrastructure	
Water supply.	Infrastructure needs to meet summer peak but funding falls on small rate base. Pressure on council capital works budgets and long-term asset planning
Greater demand for waste collection in peak periods.	Costs fall on local council.
Public toilets – need to meet peak capacity. Cleaning costs increase during peak while maintenance costs borne throughout off peak season as well.	Costs fall on local council.
Telecommunications infrastructure encourages semi-permanent residents to stay longer and conduct business – this can have positive spin offs for local economy.	Cost of infrastructure falls on federal and state government.
Traffic and congestion	
Roads and parking strongly affected by seasonal populations	Affects efficient delivery of council services such as meals-on-wheels and garbage collection and emergency services. Introduction of parking meters creates problem of how to tax the visitors not the locals. Affects delivery of emergency services provided by police, ambulance (State Government) and CFA (volunteer).
Law and order	
Summer peak season brings issues of alcohol consumption including underage drinking, public drunkenness, social disharmony, drink driving and assaults.	Increased demand for youth services during peak periods – harm minimisation strategy developed by local authorities (police, health services, Council) especially during schoolies week and New Years Eve. Additional police presence required (see details below).
Major events – cleanup costs.	Phillip Island annual clean up costs for major events is around \$32,000 for Council and community.
Emergency services	
Increase in numbers of vehicle accidents in holiday season due to higher population and increased traffic	
Peak season coincides with fire season - Surf Coast the highest risk fire area in Victoria in terms of fuel availability and location of houses	Volunteer services (CFA, SES), local council, police involved in fire education and in emergency management and logistics. Involvement by State Government agencies during fires. Visitor populations can increase risk of fire ignition.

Surf life saving – demands higher in peak summer season	Increasing need for volunteers. Non-locals may be unfamiliar with local conditions creating higher demands than local population
Boating and recreational fishing	
Increase in boating and fishing activity has created demand for new jetties, moorings, car parks – demand from day visitors who do not form part of the rates base for infrastructure.	Infrastructure cost falls on council whereas demand is coming from non-ratepayers.
Compliance with maritime and conservation laws.	Increasing patrols for marine safety and illegal fishing by Parks Victoria (State Govt).
Increased infrastructure planning for boating facilities.	Cost borne by local and State Government.
Sewerage & wastewater from boats – infrastructure required on moorings.	Cost borne by local and State Government.
Main issue with recreational fishing is littering (not fish stocks).	Refer above for littering costs.
Environmental	
Removal of natural vegetation; introduction of exotic species/weeds.	Parks Victoria, DPI and DSE (State Government) affected.
Disturbance of wildlife habitats by pets, noise, trampling, trail bikes, 4WD, firewood collection.	Local conservation and Landcare groups involved in education and remediation.
Increase in road kill during peak periods.	Wildlife care provided by local volunteer organisations.
Littering.	Great Ocean Road Coastal Committee (Torquay) spends \$59,000 on beach cleaning between October and April. Education programs to reduce littering cost \$15,000-\$20,000.

From this analysis it is clear that there are many impacts on local places as a result of increased population mobility. These are both positive (creating considerable local economic activity which can carry enterprises through slower months) and negative (largely relating to the lumpy demand for services as well as the impact on infrastructure such as roads, water supply and sewerage). The challenge for government is to allocate resources to communities which endure this increased visitation that is equitable and fair.

6. CONCLUSION

Research on part-time populations is in its infancy. The range of terminology – mobile populations; service populations; absent populations – is itself indicative of the difficulty in labelling a phenomenon that is, by definition, dynamic. Furthermore existing datasets are limited in being able to count such populations due the basis for much demographic analysis being based on the notion of a resident population and an assumption that residence is a single

dwelling. These factors present multiple and inter-related challenges for community associations, local government, state government and federal funding mechanisms. Questions such as who reaps the benefits and who carries the costs, need to be more readily addressed if we are to find equitable and fair means of distributing general revenue to affected areas.

Planning for part-time populations involves more than simply understanding flows and peaks of total population numbers. It also involves a consideration of the social, behavioural and economic context that underpins much of the mobility being seen. As Paris notes:

One recurring problem in trying to define and/or count second homes derives from their transient and fluid nature. As with tenure categories, the status of 'second home' refers to how dwellings are used rather than constituting an enduring characteristic of dwellings. Such use, however, can change frequently over short periods of time. (Paris, 2006, p. 4)

In order to plan for such populations there is a need to move beyond past assumptions about the concept and nature of residence, home and ultimately community. More research into the nature of population mobility and the impact of second home ownership needs to be undertaken with an eye to the impact on government funding of both the places that receive more visitations over time and those places from where they came.

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