Tourism, regional development and the ‘new regionalism’: the case of the Hurunui District, New Zealand

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ABSTRACT: In New Zealand, as elsewhere, the tourism sector is used overtly as a tool for regional development. This is based largely on the assumed re-distributive effects of tourism spending and the regional spread of tourist attractions and icons. In addition, tourist visitation and expenditure patterns are held to support social goals around retention of regional (including rural) population and service bases, infrastructure and communications. Given the public-private sector partnership essential to tourism initiation, growth and management, it is hardly surprising that tourism, arguably more than any other sector, is actively supported and encouraged as a tool for regional economic development. This has significant implications for understanding the public sector financial support for tourism, as tourism sits the crossroads of economic theory and social action. This paper reviews the role of public policy over the last twenty years in shaping tourism development in New Zealand, and critiques the movement away from economic neo-liberalism to more recent policy paradigms informed by the ideologies of the New Regionalism. An exploratory study of the Hurunui District (New Zealand) is used to illustrate the way in which local government has, under this ideological shift, turned increasingly to tourism in order to address issues of regional development within their territorial boundaries. This paper concludes by noting that although tourism has a number of features which make it attractive for the implementation of regional development agendas, the multi-scalar attribute of the present-day New Regionalism-inspired policy framework presents a complex and potentially unwieldy framework from
the perspective of tourism stakeholders, including public and private sector planners, managers and practitioners.

**Keywords:** Tourism, Regional Development, Public Policy, New Regionalism, Hurunui District.

1. INTRODUCTION
In New Zealand, as elsewhere internationally, the tourism sector is used overtly as a tool for regional and district-level economic development. This is based largely on the assumed re-distributive effects of tourism spending and the regional spread of tourist attractions and icons. In addition, tourist visitation and expenditure patterns are held to support social goals around retention of regional (including rural) populations and service bases, infrastructure and communications. Given the public-private sector partnership essential to tourism initiation, growth and management, it is hardly surprising that tourism, arguably more than any other sector, is actively supported and encouraged as a tool for regional economic development. This has significant implications for understanding the public sector financial support for tourism, as tourism sits the crossroads of economic theory and social action.

Sharpley and Telfer (2002) contend that in order to understand the developmental role of tourism, one must first understand the economic, social and political context in which that development is placed. There has been, since the 1980s, two significant paradigm shifts in New Zealand and internationally with respect to public sector polity; economic neo-liberalism (1980s - mid 1990s), and the New Regionalism (late 1990s - 2000s). Each of these policy paradigms have had a significant impact upon the way in which all levels of government have identified and pursued development-related objectives. Thus, recent public sector policy initiatives in New Zealand indicate an ideological shift towards a more pro-active role for government, particularly at the local/regional level, in shaping tourism development in partnership with the private sector. This ideological
shift, encapsulated within an emergent New Regionalism policy framework, anticipates a devolved tourism planning mandate that fosters longer-term strategic and collaborative planning of the sector. This, in turn, will direct the scale, type and contribution of tourism development toward the broader regional development policy objectives focussed on promotion of sustainable communities.

The author acknowledges that central government tourism policy in New Zealand during this time (and historically) has been dominated by a focus on international off-shore marketing. However, of greater significance to the subject matter discussed in this paper is the way in which local government has become increasingly involved in speculative investment in the social and economic development of their regions. The objective of this paper, therefore, is to examine the role and potential of tourism to contribute to regional development, as framed by ‘Third-Way’ governance and informed by the policies of the ‘New Regionalism’. In order to achieve this, an exploratory study of the Hurunui District (North Canterbury, New Zealand) demonstrating tourism and regional development is utilised to better understand the increasing focus of local government on tourism as a driver of development within their territorial boundaries.

This paper is organised into four major sections: (1) the first provides a brief introduction to ‘the region’ and tourism development; (2) the second outlines the public policy context under which tourism development in ‘the regions’ has become focussed increasingly; (3) the third introduces the Hurunui District as an example of changing local government utilisation of tourism development during time; (4) the final section identifies key features of regional tourism development under New Regionalism-inspired public policy and discusses their relevance to, and impact on, the ‘regional’ development experience of the Hurunui District.

2. TOURISM AND REGIONAL DEVELOPMENT

The term ‘regional development’ is somewhat amorphous. Its definition varies according to context, although a common thread relates to some kind of economic and social
improvement. Such improvement, according to Sorensen (2000: 5), can take the form of more and better quality infrastructure, improved community services, a greater and more diverse volume of production, lower unemployment, growing numbers of jobs, rising average wealth, improved quality of life, and so on. These dimensions are, of course, interconnected in some degree, though not invariably so. The following section introduces the term ‘region’ and its usage in this paper. It then provides a brief overview of the use of tourism as a tool for regional development.

2.1 Regions as Peripheral Places

The ‘region’ has a wide range of meanings within the academic literature, with each definition of the term relating to the specific scale and parameters imposed by the context of its use. In some contexts, regions are groupings of nations such as the European Community (EU) or the Association of South-East Asian Nations (ASEAN). In others, regions are areas smaller than the nation and often associated with the jurisdictions of regional or local government. More recently, traditional spatially-deterministic definitions of regions have given way to new definitions which recognise the spatiality of socio-economic and political networks (Graham & Healey, 1999; Mansfield & Milner, 1999). Hettne (1999: 10), for example, offers a conceptualisation of ‘regionness’ which refers not only to a geographical unit, but also to a social system, a system of organised co-operation, a civil society and a set of actions characterised by distinct identity, actor capability, legitimacy and structure of decision-making.

It is important to note that regions exist in both metropolitan and non-metropolitan settings and is therefore not given exclusively to mean ‘rural’. Rather, the term has greater synergies with concept of ‘peripherality’, originally coined by Christaller (1963) and subsequently expanded upon by, for example, Turner and Ash (1975). According to Hall (2007: 25-26), peripheral areas are characterised by a number of interrelated features that impact the development of tourism, as well as other industry sectors. For example, peripheral areas, by definition, are geographically remote from mass markets. In addition, these areas tend to lack effective political and economic control over major decisions affecting their well-being. They are particularly susceptible to the impacts of
globalisation and restructuring through the removal of tariffs and other free-trade regimes (Jenkins et al., 1998). Importantly in the case of tourism, peripheral areas often retain high aesthetic amenity values because of being relatively underdeveloped in relation to core regions. Such high natural amenity value may not only serve as a basis for the development of nature-based tourism, but may also be significant for other types of tourism and leisure developments, such as that associated with vacation homes (Hall & Boyd, 2005; Hall & Müller, 2004).

Given the relatively limited legislative reach and influence of regional government in New Zealand, in this paper the term ‘region’ refers to local authority jurisdictions outside of the major cities of New Zealand (i.e., Auckland, Hamilton, Wellington, Christchurch and Dunedin). Specific mention within this paper of regional development in ‘the Hurunui’ thus refers to the area contained within the Hurunui District Council territorial boundaries.

2.2 Tourism and Regional Development

Tourism has a number of features which make it attractive for the implementation of regional development agendas. It is, for example, the most decentralised of the ‘sunrise’ industries and builds on the natural environment and cultural heritage attractions of many regional areas. It is also labour intensive, and can create jobs not only directly serving tourists but also in a range of related service, construction and manufacturing industries. In addition, it helps to diversify local economies and support the existing infrastructure, and can pay for the development of new infrastructure which, in turn, may help the establishment of other industries (Beer, Maude & Pritchard, 2003: 118). Given these features, tourism is one facet of rural community development strategies which is growing rapid support as a viable and attractive method for generating economic growth, and as a means of “promoting regional development and ameliorating regional inequalities” (Jackson, 2006: 695). Indeed, it has become a worldwide phenomenon that is growing exponentially and, in the words of Butler, Hall and Jenkins (1998: xi), “…has been hailed as a panacea for rural development for thirty years”.
However, with this increased attention on tourism as a rural economic propellant has also come an increased awareness that tourism development in rural areas creates serious impacts and therefore must be considered carefully by planners and policy makers. As Marcouiller (1997: 337) notes, in rural areas tourism has become an important public policy issue because of limited development options, increased public expenditures for promotion, increased local pressures for resultant public services, increased conflict among user groups, and general concerns over societal costs and benefits of public support for tourism development. At a broader level, authors such as Harvey (1989; 2000), Marchak (1991) and Todd (1996) describe the solidification of economics, growth and development. This particular discourse has also come to dominate the arena of local economic development. As Benington's and Geddes’ assessment of local economic development strategies throughout the 1980s contends:

A feature of market-led neo-liberal economic strategy during the 1980s has been a shift away from policies of support for declining industries to explicit or hidden support for growth sectors. This has involved either the active promotion, or at least passive acceptance, of the shift away from manufacturing toward the service and consumption sectors. In relation to local economic development, this orientation has been reflected in the restructuring of many local economies previously dependent on primary or manufacturing industries (Benington & Geddes, 1992: 456).

This theme is continued by Hopkins (1998), who notes that post-industrial restructuring has compelled sites to exploit and promote local tourist attractions in an attempt to minimise, halt or reverse economic decline induced by collapse or contraction in more conventional primary or secondary-based sectors. For those concerned with tourism, authors such as Joppe (1996), Marcouiller (1997) and Reid (2003) argue that the economic growth focus of those who encourage tourism has placed insufficient emphasis upon determining whether or not tourism strategies are feasible for the communities and areas in question. The conflation of tourism and economic development in rural areas is also reflected in the growing body of international research. For instance, Hall and Jenkins (1998) delineate the forces at work to
influence the formation of rural tourism and recreation policies, arguing that the social and economic goals of rural development have not been adequately integrated.

Kearsley (1998) investigated the changing context for tourism development in New Zealand, highlighting the economic challenges facing the country; from the beginning of economic restructuring in the 1970s to the removal of agricultural subsidies, after which he argues:

> It seemed, to many small communities, that only tourism was left as a viable course of jobs and community income. Consequently, many farms attempted to set up tourist ventures, local authorities tried to encourage local festivals and events, and many individuals attempted to set up small enterprises as fishing, guiding or local tours (Kearsley, 1998: 83).

Thus, tourism must be seen as a contested component of these greater forces of rural change, in which the sector has been used as a tool to offset declines in other sectors of regional economies. This sentiment is shared by Mair (2006), who notes that development policy-makers in many rural communities are turning to tourism as a ‘quick-fix’; a relatively benign way to generate growth and development in the face of restructuring.

3. THE PUBLIC POLICY CONTEXT

As discussed in this section, the consideration and treatment of tourism by government in New Zealand until 1999 was informed primarily by a neo-liberal policy paradigm. More recent public policy reforms since this time, however, encompass a wider array of objectives characteristic of a ‘Third-Way’ political ideology, and which draw on a policy approach commonly described as the New Regionalism. The Third-Way is a centrist economic and political ideology that attempts to transcend both ‘old-style’ social democracy and neo-liberalism, thus advocating a new mixed economy that promotes a synergy between public and private sectors (Giddens, 1998).
This shift in economic and political ideology has coincided with a period of significant growth in international visitor arrivals and a concomitant increase in export receipts generated by the expenditure of these visitors whilst in New Zealand (Simpson, 2002). This growth trend has continued to the point where tourism is now, in aggregate, one of New Zealand’s largest export earners by sector. Tourism accounts for 19.2 per cent of all export earnings in New Zealand, nine per cent of New Zealand’s GDP and ten per cent of all employment (Ministry of Tourism, 2007: 8). It is in this context of economic and political restructuring that tourism has emerged as a significant player in national, regional and local economies.

3.1. Neo-Liberalism and Public Sector Reform

Upon its election in July 1984, the Fourth Labour Government embarked upon a process of reform that fundamentally affected New Zealand’s economy and society, replacing the erstwhile social democratic regime with a “textbook case of neo-liberalism” (Baragwanath, 2003: 105). It immediately set about deregulating interest rates and removing international capital restrictions, agricultural subsidies and tax incentives and, in 1985, it floated the New Zealand dollar. Over the next 15 years, domestic market regulations were reformed in favour of contestability and competition, import quotas were eliminated and successive governments established a timetable for reducing tariffs to zero by 2006 (Dalziel, 2002). During this time, New Zealand’s economy was rapidly transformed from one of the world’s most rigid and centralised to one of the world’s most free and unfettered (Simpson, 2002). This process of structural adjustment was accompanied by a corresponding ‘reinvention’ of public management focussing on local government (Ateljevic & Doorne, 2000; Boston, Martin, Pallot & Walsh, 1996; Bush, 1995; Kelsey, 1995), and culminated with the establishment of a ‘middle-tier’ of regional government in 1989. Taken together, the twin thrusts of these reforms – commonly referred to as ‘Rogernomics’ after the Minister of Finance, the Rt. Hon. Roger Douglas – were an acceptance of market forces as a guiding philosophy of national development,

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1 The neo-liberal movement draws on neo-classical economic theory and favours supply-side macroeconomics, free competitive markets and the privatisation of state-owned enterprises (Brohman, 1996).
and a consequent programme of privatisation and restructuring of state-owned assets and activities (Simpson, 2003).

In adopting a neo-liberal policy framework, New Zealand mirrored the international rejection of Keynesianism occurring in the 1970s and 1980s across the West, exemplified in the rise of ‘New Right’ conservative governments in the USA, Canada, Britain and West Germany (Baragwanath, 2003; Brohman, 1996; Shone, Horn, Simmons & Moran, 2005; Telfer, 2002). New Zealand, however, went further and faster than any other country in its restructuring programme. Hence, the decision to initiate reforms is not what marked New Zealand’s reform programme as unique, but rather its extent (Baragwanath, 2003; Henderson, 1996).

In New Zealand, the peripheral economies of regional and rural areas were faced with the effects of the reform process with more immediacy and greater acuity than their larger urban counterparts. These conditions were further reinforced by waning business confidence in the rural sector and investment decisions becoming increasingly directed toward the major centres of commerce. With smaller regional centres facing declines in the profitability of primary production and a workforce migrating to the main centres, tourism was perceived as a suitable means by which to stem this outbound flow of capital investment and labour2 (Shone et al., 2005: 87). Thus, in New Zealand, as in many peripheral economies internationally, tourism has been identified as a suitable mechanism for economic diversification and a promising generator of foreign exchange.

The tendency during this time of economic neo-liberalism to privatise and commercialise functions that were once performed by government substantially affected the nature of government involvement in tourism the industry in many countries (Elliot, 1997; Hall, 2000; Pearce, 1992). Prior to this period in New Zealand, central government

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2 This pattern of regional decline is a classic reflection of the relationship between core urban centres and peripheral regional or rural areas, and appears to contradict the assumption of ‘trickle-down’ economic benefits associated with the theories of right-wing economics.
involvement as a tourism provider was wide-ranging and included operation of tourist information services, hotels and the national airline. However, most of this involvement came to an end with the advent of these neo-liberal reforms, when central government divested itself of all assets associated with tourism operations and privatised the national airline (Zahra, 2006).

The relative absence of a strategic local or regional perspective in tourism planning during this period was further compounded by limited co-ordination and collaboration within and across regional and local government jurisdictions. Under this institutional setting, regional government involvement in tourism was largely undefined, with tourism-related agency responsibilities centring principally on regulatory issues of environmental quality and urban public transportation funding. Likewise, territorial local government tourism-related responsibilities during this time, while being more wide-reaching than their regional-level counterparts, were also largely undefined (see, for instance: Jones, Shone & Memon, 2003) and suffered from being strongly growth-oriented, ad hoc and reactive rather than offering a more balanced, strategic local and regional perspective. Moreover, provision for infrastructure for tourism development went largely unrecognised in under-funded peripheral rural local authorities.

Collectively, the above changes meant that during the 1990s the government approach to tourism development was dominated by a strongly non-interventionist, market-led stance; the result of which saw tourism activity in New Zealand becoming polarised increasingly in a few core destination regions, with little central government encouragement to encourage development to locate in other regions. In particular, the focus of government tourism policy during this time was oriented strongly toward international offshore marketing, with relatively little regard for issues of inter-sectoral collaboration and destination management.

3.2. Rediscovering Regions: the Rise of the New Regionalism
Since the late-1990s there has been a revival of interest in regionalism and regional development strategies in many Western democracies; most notably in Britain and the
United States after periods of government by the ‘New Right’ – whose leaders regarded government agencies as being, at best, “necessary evils to be abolished or reduced in size wherever possible” (Elcock, 2003: 78) – but also in many internationally-peripheral economies such as New Zealand. This interest, while stimulated in no small measure by the election of centre-left Third-Way administrations in the UK and USA during this time, was influenced more heavily by functional pressures for economic and social regeneration in stimulating demands for an integrative approach to regional governance (Elcock, 2003; Parks & Elcock, 2000).

In common with recent Third-Way governments, regional development policy in New Zealand draws on an approach described variously as an institutionalist or evolutionary perspective on regional development or as the ‘New Regionalism’ (Amin, 1999; Cooke & Morgan, 1993; Danson, 2000a; 2000b; Gibbs, Jonas, Reimer & Spooner, 2001; Healey, 1999; MacLeod, 2000; Morgan, 1997; Schöllmann & Nischalke, 2005). Proponents of the New Regionalism regard ‘regions’ as key economic units, with localised geographical agglomeration and spatial clustering stimulating economic revitalisation and/or development (MacLeod, 2001). Moreover, localised networks, institutions and other un-traded interdependencies are seen as having significant roles in determining the success of regions, particularly as centralised government becomes less involved with regional economies and governance.

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3 Un-traded interdependencies, or ‘relational assets’, refers to the interdependencies or relationships which exist between actors. Akin to notions of social capital, these interdependencies, which are un-priced and therefore ‘un-traded’, include tacit knowledge based on face-to-face exchange, routines, habits and norms, conventions of communication and interaction (Storper, 1995; 1997). Un-traded interdependencies are claimed to have a direct impact on localities’ competitive potential insofar as they constitute part of the learning environment for firms and provide access to resources such as information, knowledge, technology and skills. In Storper’s version, the concept is closely linked to a geographical view on economic activity, where spatial proximity is the key in explaining why actors share common features.
This approach to regional integration tends to favour bottom-up and region-specific policy actions guided by regional governance (Jessop, 1998). It also conceptualises regional development policy as a ‘policy of innovation’, rather than a purely market-driven or welfare-based approach. According to Schöllmann and Dalziel (2002: 7), this differs from previous approaches to regional development through its focus on local strengths and advantages, and is aimed at enabling more autonomous and less dependency-based sustainable regional development. Thus, roles for central government are focussed on facilitation and support of the development of local economic development strategies, the building of capability, the development of regional infrastructure, and the co-ordination of policy and service delivery across agencies (Schöllmann & Dalziel, 2002: 4). For local government, the most significant impact of this ideological transformation with respect to agency roles and responsibilities can be seen as a shift from the traditional ‘roads, rats and rubbish’ role to speculative investment in the social and economic development of their regions (Bush, 1995).

As was the case in the UK and USA, regional policy in New Zealand during the 1980s and 1990s was influenced primarily by a neo-liberal political agenda. However, a change in government in November 1999 (to the Labour-Alliance coalition government) led to a turn in New Zealand’s approach to the perceived challenge of regional economic development (Dalziel & Saunders, 2003; 2005) and the potential role of tourism as a tool for regional development. In order to accommodate this shift towards a more whole-of-government political philosophy, the former Ministry of Commerce was expanded and renamed the Ministry of Economic Development, which was given responsibility for preparing and implementing a new regional development strategy (Anderton, 2000a; 2000b; Schöllmann & Dalziel, 2002). The policy objectives underpinning this regional development strategy were guided by a focus on “the application of sustainable development at a regional scale, in order to assist individuals, business and communities within regions to identify local opportunities, develop capability to respond to opportunities, and exploit those opportunities” (Schöllmann & Dalziel, 2002: 4).
Since 2000, a suite of industry and regional development programmes have been developed in New Zealand to address various aspects of key factors identified as influencing regional development; the ‘flagship’ policy being the Regional Partnerships Programme (RPP). The objective of this programme was to encourage and foster co-operation amongst local and regional stakeholders, and emphasised a collaborative approach to regional development through “building strong and well-governed partnerships with an increased focus on strategic thinking and greater knowledge of regional strengths and advantages” (Ministry of Economic Development, 2005: 15). Administered by the government agency ‘New Zealand Trade and Enterprise’ (NZTE), the programme provided up to NZ$2m in funding for regional initiatives, and was open to “communities of interest” (i.e., groups involving a cross section of agencies such as local government, Maori iwi, economic development agencies, community and business groups). The RPP has since been disestablished (in 2007) and replaced with a number of contestable government funds (i.e., the Regional Strategy Fund; the Enterprising Partnerships Fund) that seek to better align regional policy with central government’s focus on economic transformation.

Given these points, the changes to regional economic development policy are designed to encourage regions to think about their contribution to the national economic development picture. In particular, they seek to focus regions on improving the quality of the business environment in their region in order to support the development, attraction and retention of globally competitive firms by focusing on those levers that were at their disposal and on problems that required a uniquely regional solution (Ministry of Economic Development, 2007). The attributes of tourism have made it very amenable to its adoption as a key lever for regional development.

4. TOURISM DEVELOPMENT IN THE HURUNUI DISTRICT
The Hurunui District is situated in the North Canterbury region of New Zealand’s South Island. This district is rural in character, but is typical of many rural areas in New Zealand insofar as it occupies a large land area (8,646 sq. km) but is sparsely populated
(resident population 10,476). The district area itself is divided into six municipal wards, with the administrative capital located at the southern end of the district area in the township of Amberley, approximately 85 km in distance from Hanmer Springs; arguably the district's premier tourist destination (see Figure 1 for Location Map). The strong farming presence within the district economy, while now complemented by recent growth in tourism and viticulture, thus signals the Hurunui’s traditional and ongoing links with the agricultural sector. In fact, this history of pastoralism characterises the early histories of many settlements throughout the wider Canterbury region, with much of the socio-economic development experienced in these rural areas said to have been carried “on the sheep’s back” (Gardner, 1983: 433).

The recent history of the area now occupied within the district boundaries is punctuated by change. While the social histories of the Hurunui reach back over 100 years, the Hurunui District itself is a relatively new incarnation, having only been gazetted in 1989. A series of three amalgamations at the local government level, beginning in 1968 and finishing in 1989 (under the Local Government Act 1989), saw the area go from a group of individually-administered county council territories to the present-day Hurunui District. In addition to these changes, the Hurunui District experienced a period of significant upheaval in the primary sector during the late 1980s and early 1990s under the neo-liberal policies of the day. As a consequence of this upheaval, the district economy was compelled to diversify and broaden its base in order to off-set the potential losses from a declining rural sector.
For a district that had always gained its income from primary production, a major shift in thinking was necessary to recognise the valuable role that tourism could play in the region’s economy. The Hurunui District Council, realising that tourism could provide jobs and income for local residents, while also supporting established local businesses, took a lead in encouraging tourist development (Lovell-Smith, 2000: 206). According to John Chaffey, the Mayor of the Hurunui District during this time of economic instability and political reform, tourism was seen as a way of revitalising the district in the early 1990s:

Farming was in the doldrums, schools were struggling to stay open and services such as banks were packing-up and leaving town. I was looking at
ways of keeping school leavers in the district and putting a bit of ‘heart’ in communities (Bristow, 2005: 21).

One of the first initiatives taken by the council was a joint venture with the Department of Conservation to run a visitor information centre at Hanmer Springs, opened in 1991. This was followed by a newspaper advertising campaign promoting the North Canterbury Triangle touring route (now known as the Alpine Pacific Triangle); from the ‘wine country’ of Waipara in the south, to the marine tourism of Kaikoura in the north-east, through to the alpine spa tourism of Hanmer Springs in the north-west. Other developments in the district during the 1990s included the launch of arts and crafts trails, heritage trails, wine and food festivals, and the opening of a new visitor information centre at Hanmer Springs (Lovell-Smith, 2000: 206).

More formal promotion of the district began in May 1992 with the formation of the Hurunui District Promotions Association. The following year, an interim promotion board was elected to plan for the future promotion of the district, and in 1995 the Hurunui District Council commissioned the development of a tourism strategy. This led to the appointment of a tourism development co-ordinator in September 1996, and eventually to the establishment of a Tourism Board in 1999. Later in that same year a full-time tourism manager was appointed. Since that time, a targeted Tourism Rate (local government tax levied at accommodation providers in the district) has been introduced by the council in 2005 as a means by which to off-set the total operating costs of the district promotions organisation, now called Alpine Pacific Tourism.

The core focus, however, of the Hurunui District’s tourism development is centred on the alpine spa village of Hanmer Springs (resident population 746). Hanmer Springs is unlike many rural townships in New Zealand insofar as it is not, nor has it been, a farming service centre for the surrounding pastoral hinterlands. Rather, it is a township whose initial establishment and subsequent development has been based largely upon the thermal springs and hot pools situated in the area. The natural amenity of these hot pools, along with the scenic alpine beauty of the township’s location, has combined to
make Hanmer an extremely attractive, and popular, visitor destination. These thermal springs thus represent, arguably, the dominant tourism resource in the Hurunui District and are, as such, a catalyst for growth and associated development in both the township and wider district area.

There were major developments at the Hanmer Springs Thermal Reserve (thermal pools) during the 1990s. Ownership of the Thermal Reserve was transferred to the Hurunui District Council in 1989 via the process of local government reforms, and a management committee established, initially on a trial basis. The result of this committee’s work was a further redevelopment of the thermal pools, which re-opened in 1992 and greatly increased the numbers of visitors to both the Hurunui District and Hanmer Springs4. This programme of redevelopment has continued, with the addition of activity pools and waterslides in 1998 and the opening of a Vichy Day Spa and Beauty Treatment facility within the thermal reserve complex in 2006. Further expansions to the complex are planned for the near future, although the scale of this work will be subject to land availability in the adjacent Queen Mary Reserve.

The pools continue to be managed by the Hanmer Springs Thermal Reserves Management Committee; which is a Reserves Committee within the Hurunui District Council. The thermal pools have gone from being an unprofitable operation and financial drain on council resources during the early 1990s, to a being a lucrative source

4 Ministry of Tourism regional tourism data for the Hurunui District indicate that international and domestic travellers made 1.09 million visits to the district in 2005 (72% of these visits were by domestic visitors). These visitors accounted for 745,300 visitor nights (82% of these visitor nights were by domestic visitors). Visitor expenditure for this same period in the district was NZ$93.3 million (81% of this expenditure was from domestic visitors). No accurate data presently exists for visitor flows to Hanmer Springs. However, approximately 520,000 tourists visited the Hanmer Springs Thermal Reserve in 2006 (25% international visitors, 65% Canterbury residents, 10% domestic New Zealand residents). It is estimated that these visitors represent approximately 89% of total visitation to Hanmer Springs per annum (Hanmer Springs Thermal Pools and Spa: Information Kit, n.d.).
of revenue for the council in the present-day. In fact, such has been the financial turn-around of the Hanmer Springs Thermal Reserve that in 2007-2008 Financial Year it delivered a net operating surplus of NZ$1.5 million to the Hurunui District Council (Garry Jackson, Mayor of Hurunui District, personal communication, August 6, 2008). A portion of the operating profits from the Thermal Reserve are made available for the development of Reserves within the district’s six constituent municipal wards, thus ensuring that some of the financial benefits from tourism activity in Hanmer Springs are spread amongst the remainder of the district area.

The importance of Hanmer Springs, and of tourism generally, as a key growth pole for the Hurunui District has been further confirmed with the commissioning – by the Hurunui District Council – of the Hanmer Springs Development Plan (Hurunui District Council, 2003), followed by the release of the Hanmer Springs Growth and Management Strategy and Town Centre Development Plan (Hurunui District Council, 2006a). Both of these documents have sought to provide a future ‘vision’ for urban and rural growth in Hanmer Springs, and to help the community capitalise on the recent growth in visitation and economic activity in Hanmer Springs. This has been further complemented by the identification of tourism growth and development in Hanmer Springs as a key strategic area in the Hurunui District Council’s Long-Term Council Community Plan 2006 (a ten-year long-term planning document), thus signalling the anticipated role of tourism generally, and tourism in Hanmer Springs specifically, as a significant contributor towards broader regional development objectives within the Hurunui District area.

Thus, while agriculture continues to be the single largest contributor to the Hurunui economy, recent times have seen an expansion in sunrise industries such as tourism. As a consequence of this growth, both Hanmer Springs and the Hurunui District are presently experiencing significant levels of tourist visitation. The Hanmer Springs Thermal Reserve, Mt. Lyford Ski field and the Waipara wine producing area are thus recognised as ‘anchor’ destinations that have been a catalyst for significant business investment in the District (Hurunui District Council, 2006b: 14). In fact, the ongoing growth and development of these sunrise industries in the Hurunui District during the
mid-2000s has been such that in 2006 the district was ranked as New Zealand’s third-fastest growing territorial authority economy (out of a total of 74 territorial authorities in New Zealand) (Business and Economic Research Limited, 2006).

It is important to note, however, that this economic growth cannot be attributed solely to ongoing tourism development in the district. Rather, tourism has acted to broaden the economic base of the Hurunui District and to complement the recent growth in the district’s primary sector; most notably associated with growth of the Waipara Valley wine producing region, but also with the District’s strengthening dairy industry. In addition, the close proximity of the District’s southern settlements of Leithfield Beach and Amberley to Christchurch City (the South Island’s largest city and centre of commerce), and the relative ease of rural-urban commuting that such proximity affords, has also contributed to growth in urban development experienced presently in the Hurunui District.

5. DISCUSSION

In New Zealand, as elsewhere, the rhetoric of tourism development is “preached like a mantra” (Müller & Jansson, 2007:3), and it has become something of a truism to say that tourism is a significant tool for regional development (Hall, 2007). This is based on the assumed redistributive effects of tourism spending and regional spread of tourist attractions and icons. In addition, tourist visitation and expenditure patterns are held to support social goals around retention of regional populations and service bases, infrastructure and communications. The potential for tourism to contribute towards regional development objectives is also identified in the New Zealand Tourism Strategy 2015, which asserts that “tourism helps drive regional economic growth and supports revitalisation of towns and communities” (Ministry of Tourism, 2007: 9).

Importantly for the tourism sector, the changing ideas about the nature of economic organisation – exemplified in the public policy shift from economic neo-liberalism to the New Regionalism – are also evident in changes occurring in the organisation of tourism
(Dredge, 2005: 304). Notably, this includes a shift in government from a period of relatively centralised regulation and administrative control to a broader, governance-oriented, role. This has likewise been matched by a movement towards more specialised patterns of production and consumption. Regulation theorists argue that during the last quarter of a century, Fordism has yielded to a more flexible and dynamic pattern of production and consumption, categorised variously as: ‘post-Fordism’; ‘flexible-accumulation’; or ‘flexible-specialisation’ (Milne & Ateljevic, 2001). Significantly for the proponents of the New Regionalism, this post-Fordist era is characterised by a number of features relevant to the structure of government, including an increased role for local and regional stakeholders in fostering economic development (MacLeod, 1999).

Against this background, many destinations have been actively involved in constituting (and re-constituting) regional structures, which support the development of specialised modes of tourism production to attract niche markets. This typically involves the clustering of complementary tourist attractions, services and products with a view to establishing a unique ‘product identity’ and to increase competitive advantage. In the case of the Hurunui District, this is exemplified by the development and promotion of the Alpine Pacific Triangle Touring Route, incorporating the wine tourism attractions of the Waipara Valley (the southern tip of the triangle), the marine-based tourism attractions of Kaikoura (the eastern tip of the triangle) and the alpine spa and adventure tourism attractions of Hanmer Springs (the western tip of the triangle). The marketing and promotion of this touring route is managed and co-ordinated by the Hurunui District tourism promotions body: Alpine Pacific Tourism. In addition, close working relationships between Alpine Pacific Tourism, the Hurunui District Council and Enterprise North Canterbury – the economic and business development agency for the North Canterbury region comprising the Hurunui and Waimakariri Districts – has seen the development of a number of tourist or visitor ‘trails’ clustered around complementary visitor attractions within the district (e.g., food and wine trails, health trails, arts and crafts trails).
Such clustering of attractions thus represents the manifestation of a collaborative approach to regional tourism development espoused by the principles of the New Regionalism. The concept of clustering is particularly compelling in the case of tourism, as visitor experiences are seldom compartmentalised neatly within specific or discrete territorial boundaries (Dredge, 2005: 305). As such, these clusters (or networks of attractions) are developed and promoted according to the style and type of tourism products offered, rather than by the spatial characteristics associated with boundaries, borders or jurisdictions. In this way, the New Regionalism principles of integration, collaboration and co-operation appear to be ideally suited to stimulate the formation of local and regional-level tourism partnerships and networks. Moreover, the formation of such structures confirms the significant role of localised networks, institutions and other un-traded interdependencies in regional economies and governance.

In addition, the ideological shift from economic neo-liberalism to the New Regionalism has also seen a shift in the role of agency for local government. As noted earlier in this paper, arguably the most significant impact of this transformation has been manifested as the new role for local authorities to provide for the economic and social well-being of their constituent communities (Bush, 1995; Boston et al., 1996). This shift has variously been referred to as the transition from managerialism to entrepreneurialism (Harvey, 1989), or as the adoption of ‘economic localism’ (Lowe, 1993). Prominent in this shifting focus for local government has been the active support for a range of sunrise industries, including tourism. On this point, and drawing on Harvey’s (1989) discussion of the transformation of urban governance, Ateljevic and Doorne (2000) contend that there are three key issues surrounding tourism entrepreneurship in local government: (1) public sector involvement in speculative construction of place; (2) the establishment and utilisation of public-private sector alliances; and (3) the ability of ‘significant individuals’ or ‘local heroes’ to influence the climate and patterns of development within a locality. In the case of the Hurunui District, each of these key issues feature prominently in the District’s tourism development pathway over the last 25 years, and can be seen in: (1) the ongoing investment of significant levels of public monies into urban redevelopment programmes as well as key tourism resources and/or assets. This includes, for
example, the commissioning of various urban redevelopment plans and growth management strategies for Hanmer Springs township (and associated programme of public works), as well as the ongoing Council-funded expansion of the Hanmer Springs Thermal Reserve; (2) the active support of cross-sectoral alliances and partnerships by the district council and its neighbouring local authorities; and (3) the strong advocacy for tourism within the Hurunui District specifically, and North Canterbury region generally, by a number of ‘significant individuals’; most notably the District’s inaugural mayor, John Chaffey.

In essence, the present regional development policy framework which encapsulates tourism in New Zealand represents a devolved mandate towards away from government towards ‘governance’. Importantly, governance eschews the rigid divide between the state and the market in favour of a repertoire of alliances, networks and partnerships (Keating, 2002), and thus represents a more bottom-up approach to regional polity. This shift thus represents a fundamental feature of the more recent tourism policy reform discourse in New Zealand. The resulting dialectic, however, between the attempted regional hegemony and local reassertion of difference – from a marketing and promotion perspective – can often reduce the effectiveness of inter-regional partnerships, as prospective partners are not only potential collaborators but also potential competitors. In addition, there is also a ‘horizontal dialectic’ (Dredge, 2005: 314) where, in the sub-regional context, the politics of local destination identity and the pursuit of local industry interests create competition and assertion of difference. As markets change, and new niches and market specialisations emerge, local destination identities continue to be created and re-created. According to Schöllmann and Nischalke (2005: 56), the above dilemma points to a more profound problem with regional development policy: it brings to the fore the tension between discrepant policy goals in the area of regional development.

In addition to the above challenges, the issue of regional integration, and the concomitant requirement to align sub-national tourism development objectives with national-level strategies and ‘visions’, remains problematic. As noted above, this is
because local and regional actors, agencies and organisations are, at the same time, potential tourism partners and potential tourism competitors. This apparent dichotomy represents a significant obstacle to be negotiated by tourism stakeholders. While the tenets of the New Regionalism advocate a bottom-up, integrative approach to regional development based on stakeholder co-operation and collaboration, the pursuit of local and regional-level collectivism can serve to heighten inherent tensions between vested actors, agencies and organisations. This inherent tension is also noted by Schöllmann & Nischalke (2005), who assert that the realisation of such integrative regionalised ‘solutions’ are often fraught with conflicting agency roles and competing agendas. Perhaps of greater concern, however, is the recognition that such approaches to regional (tourism) planning and development may also create new conflicts, as marginal groups become more articulate and elites are able to gain a greater slice of participatory benefits through their own networks (Milne & Ateljevic, 2001). This, potentially, can lead to the eventual ‘capture’ of key tourism resources by dominant individuals, organisations and/or agencies.

6. CONCLUSION
The exploratory study presented in this paper confirms the prominent position held by tourism as a favoured mechanism for stimulating regional economic development. The use of tourism for this purpose in the Hurunui District reflects, in turn, wider national and international trends that identify the tourism sector as a key lever by which to address issues of regional decline. While many regional economies and communities worldwide experienced varying degrees of economic hardship under neo-liberalism, the more recent adoption of a policy framework informed by the New Regionalism represents a philosophical ‘return to the regions’ by governments. This policy paradigm promises a more integrative bottom-up approach to regional governance than experienced previously under neo-liberalism.

The multiscalar attribute of the New Regionalism policies, however, also presents a complex and potentially unwieldy planning framework from the perspective of
stakeholders, planners and tourism practitioners. The challenge for regional tourism planning and development in the context of sustainable community development, therefore, is to reconcile issues of democracy and economic rationality in the planning process; overcome discrepant policy goals in the area of regional development; foster collaboration and co-operation between potential tourism rivals; and facilitate the alignment of multiple tourism ‘visions’ toward a common goal, so that broader regional development and sustainable community objectives can be achieved.

REFERENCES


52. Tourism, Recreation Research and Education Centre (TRREC). Lincoln University, New Zealand.


