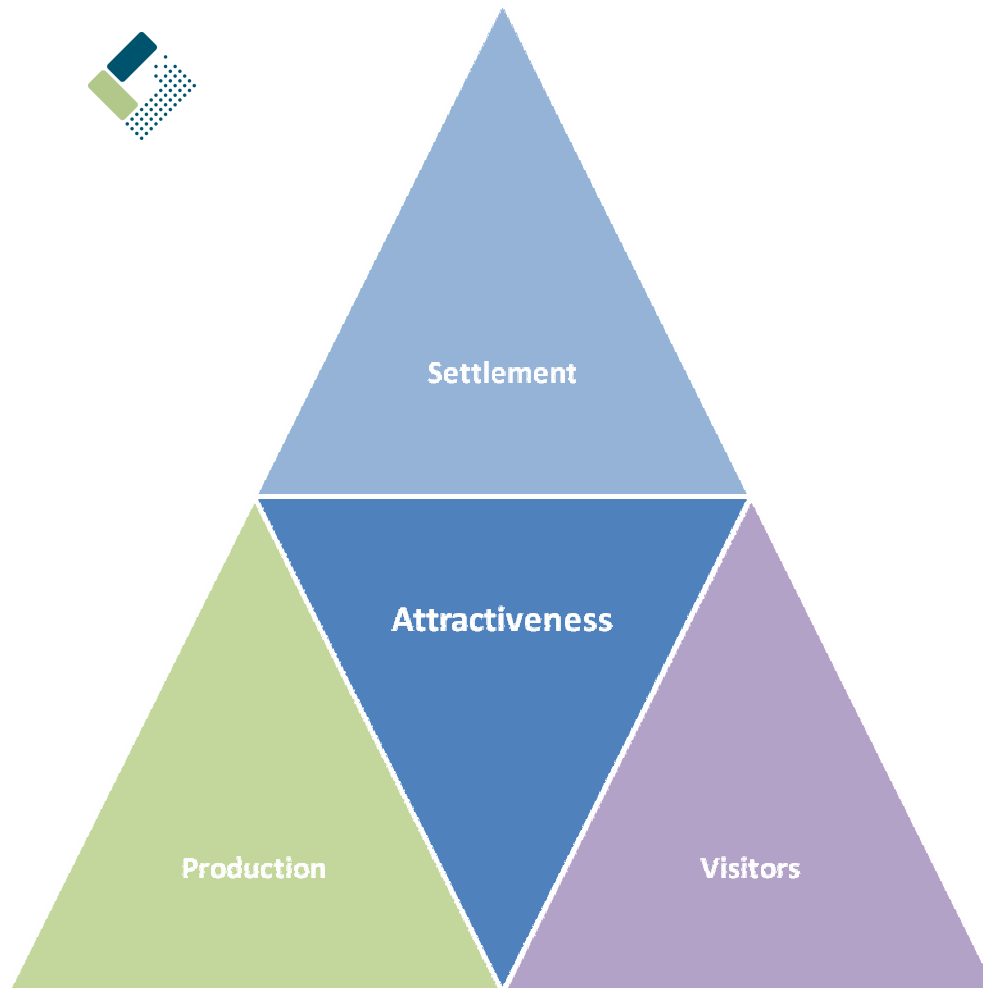


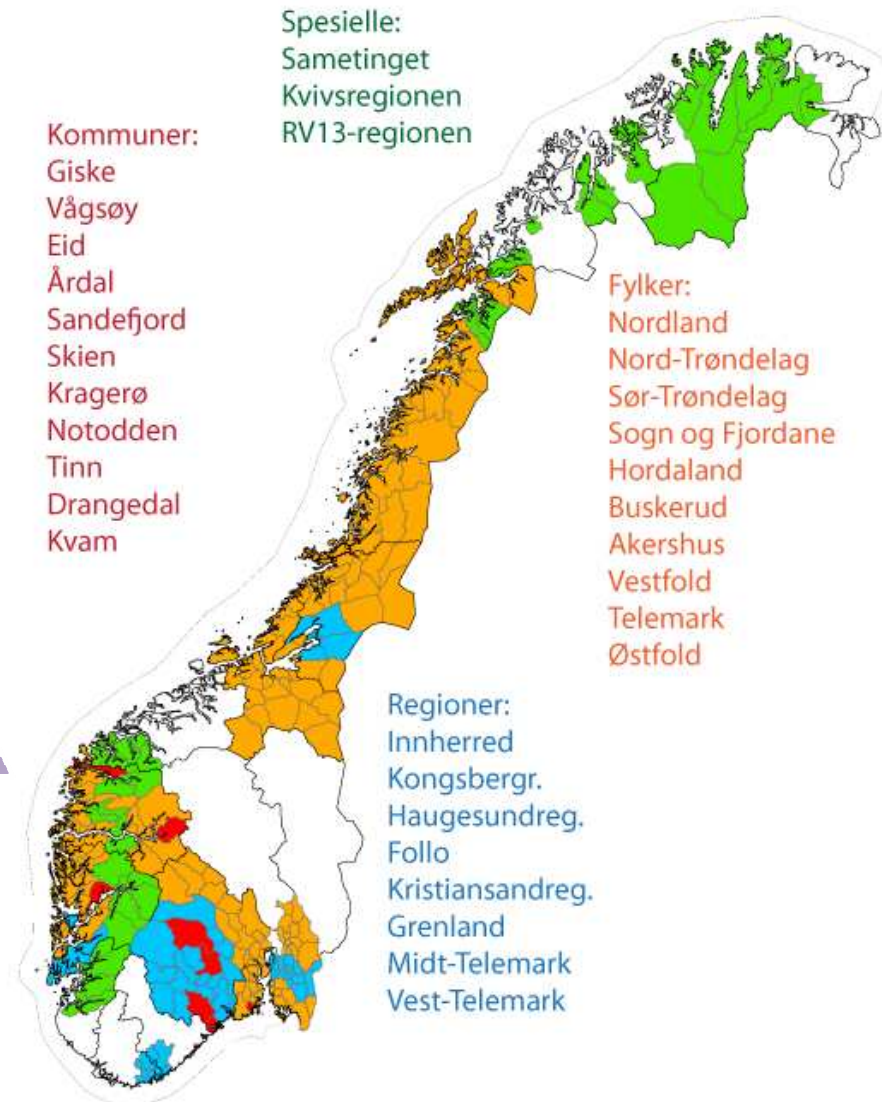
Options of Actions for shrinking cities

OP-ACT Workshop
14 februar, Notodden

Knut Vareide
Telemark Research Institute



Områder som er analysert med bruk av Attraktivitetspyramiden:

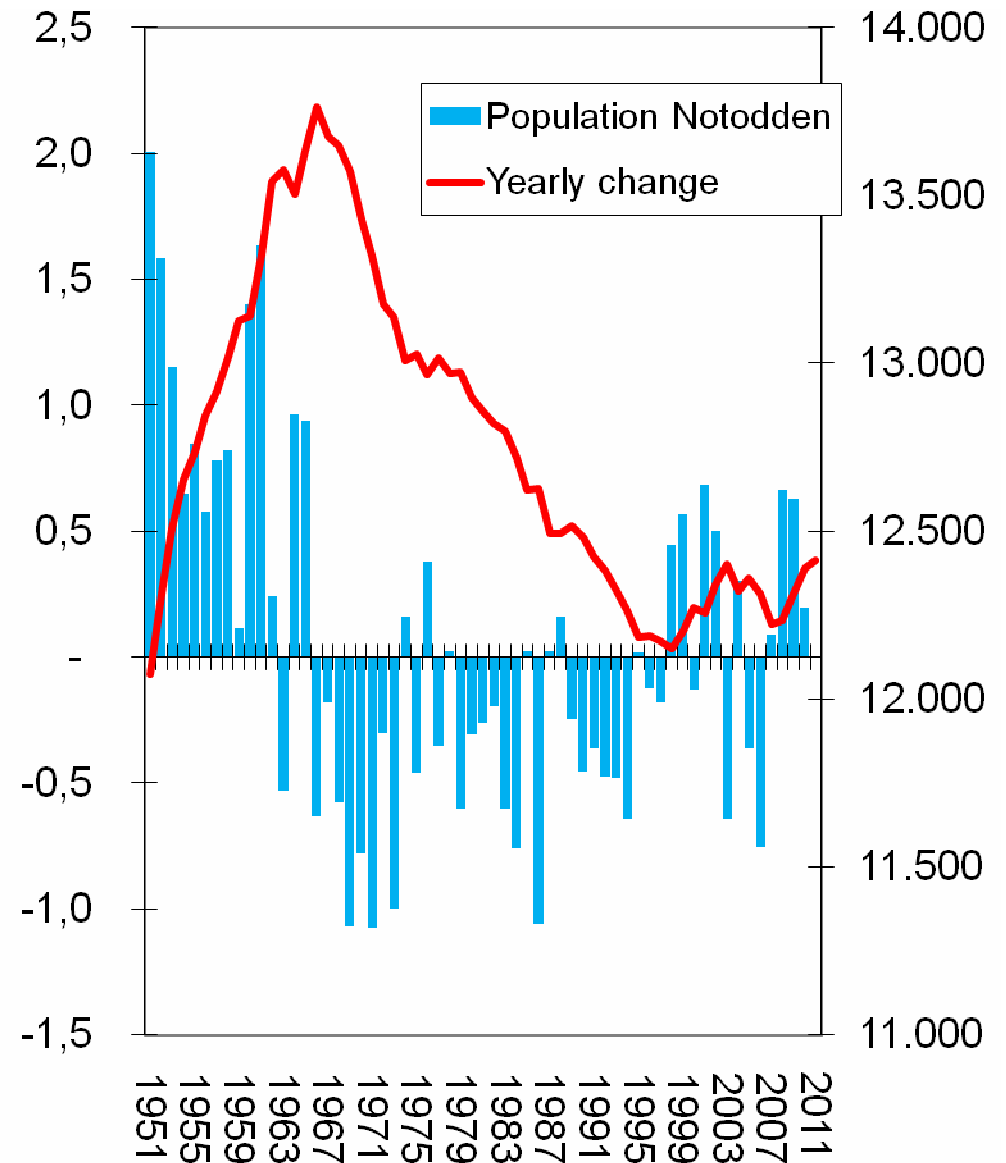




Demographics Notodden



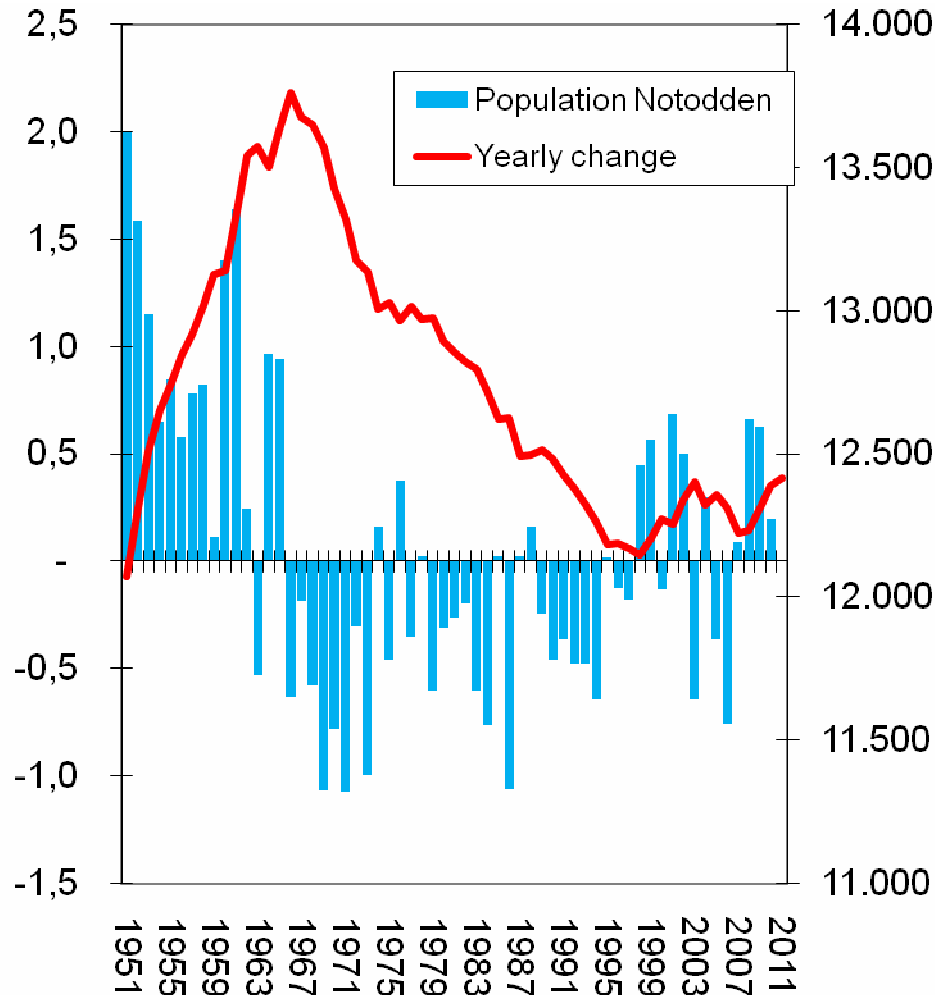
Notodden had a shrinking population, but has grown lately.



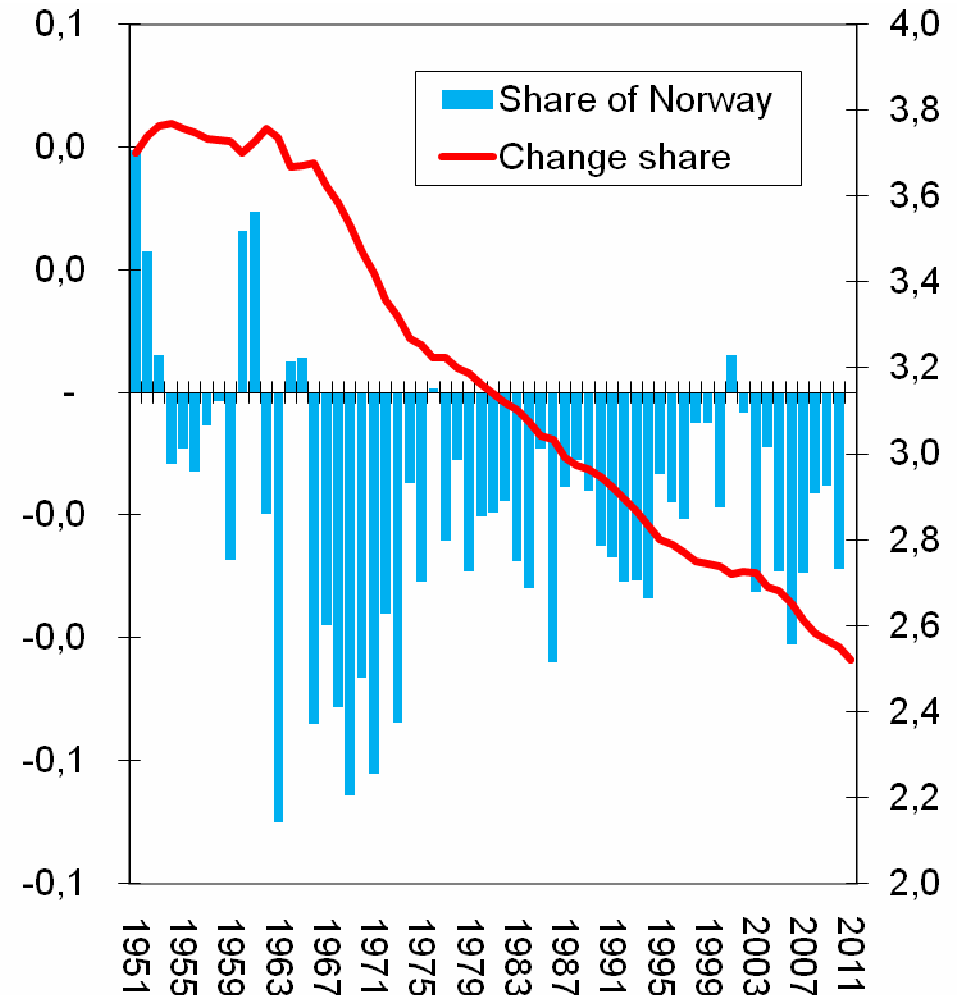
Population(right axis) and yearly change in percent (left axis) for Notodden.



Two ways of measuring growth:



Population as number of persons

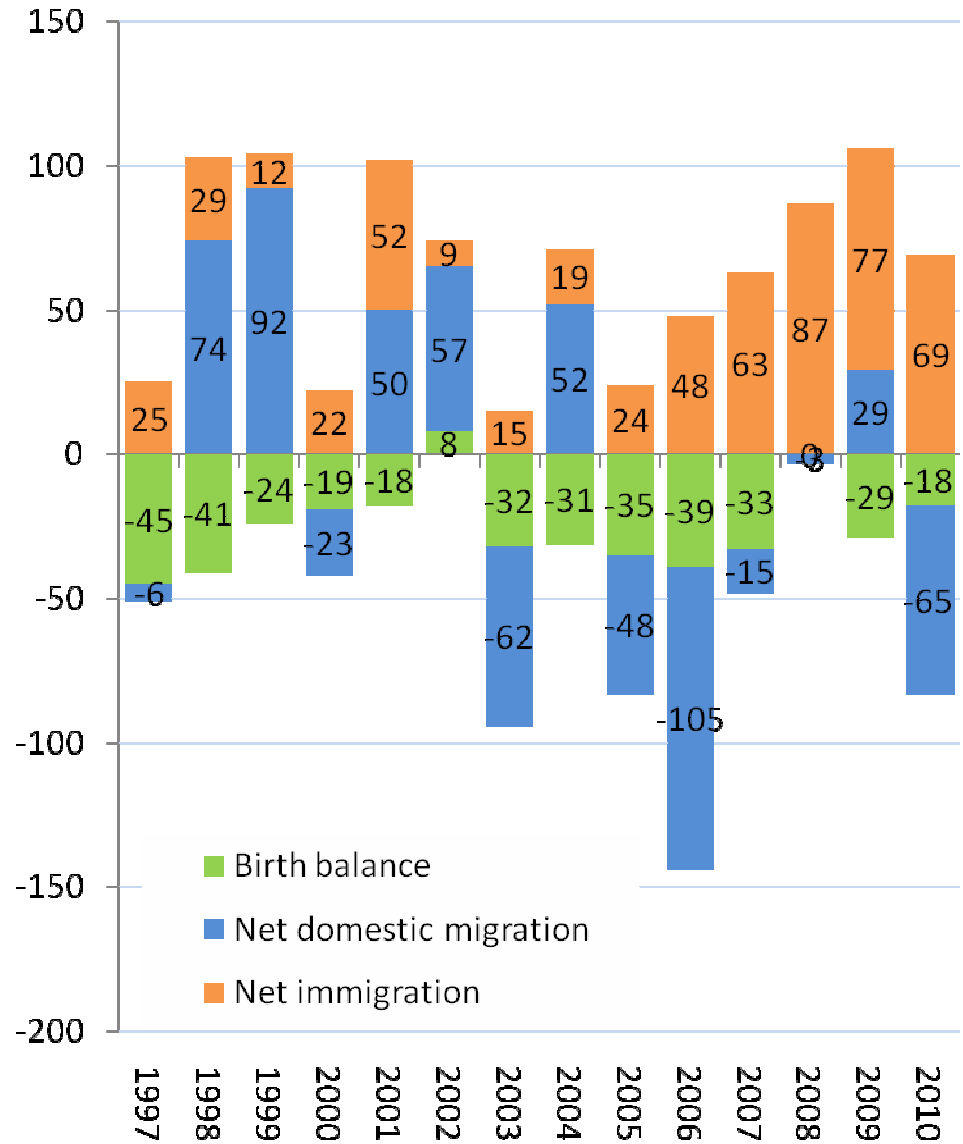


Population as share of the nation



Immigration keeps
Notodden from
shrinking.

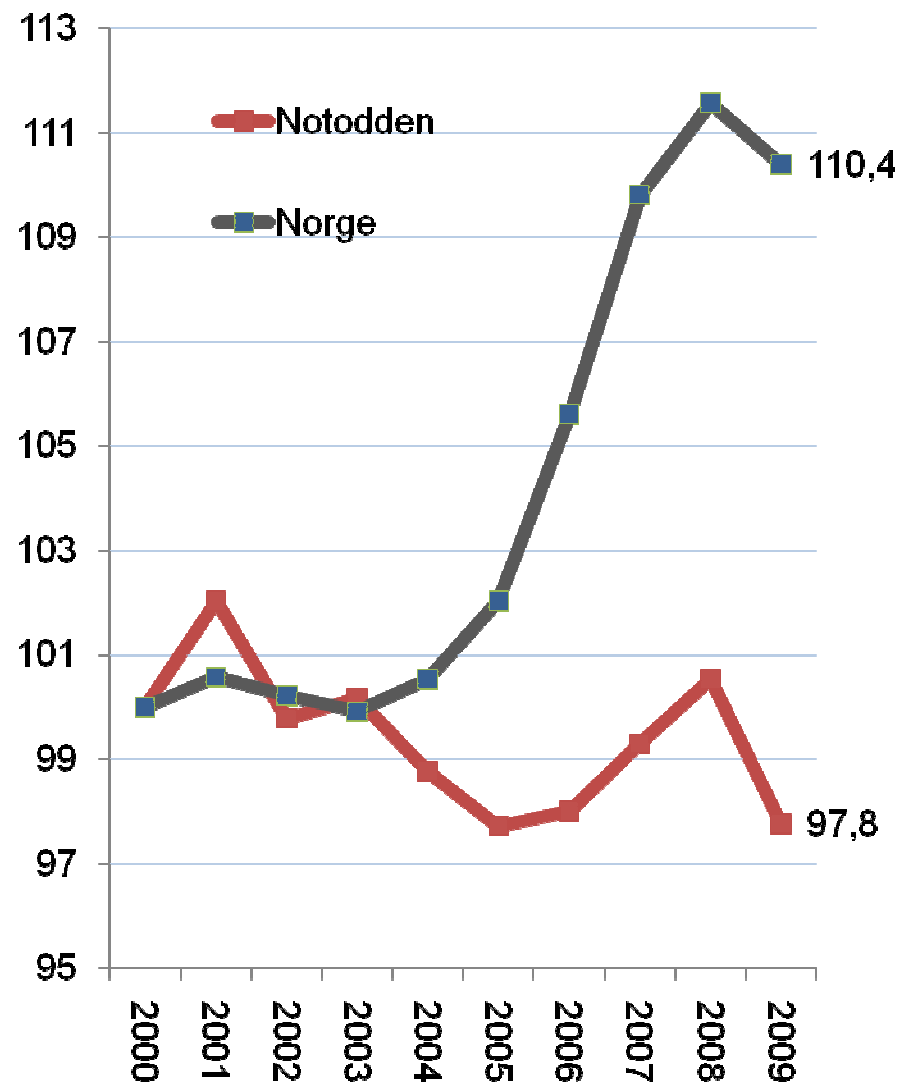
Notodden does not
attract migration from
other parts of Norway



Population change in Notodden,
decomposed.



The number of jobs has declined in Notodden since 2000.



Development in number of jobs in Notodden and Norway



Notodden is a shrinking city

The question is why
And what to do about it -
options for actions



Attractiveness Pyramid

- Place attractiveness in three dimensions
- A model to understand why some places grow, and some shrink
- A strategic tool to build strategies



Settlement

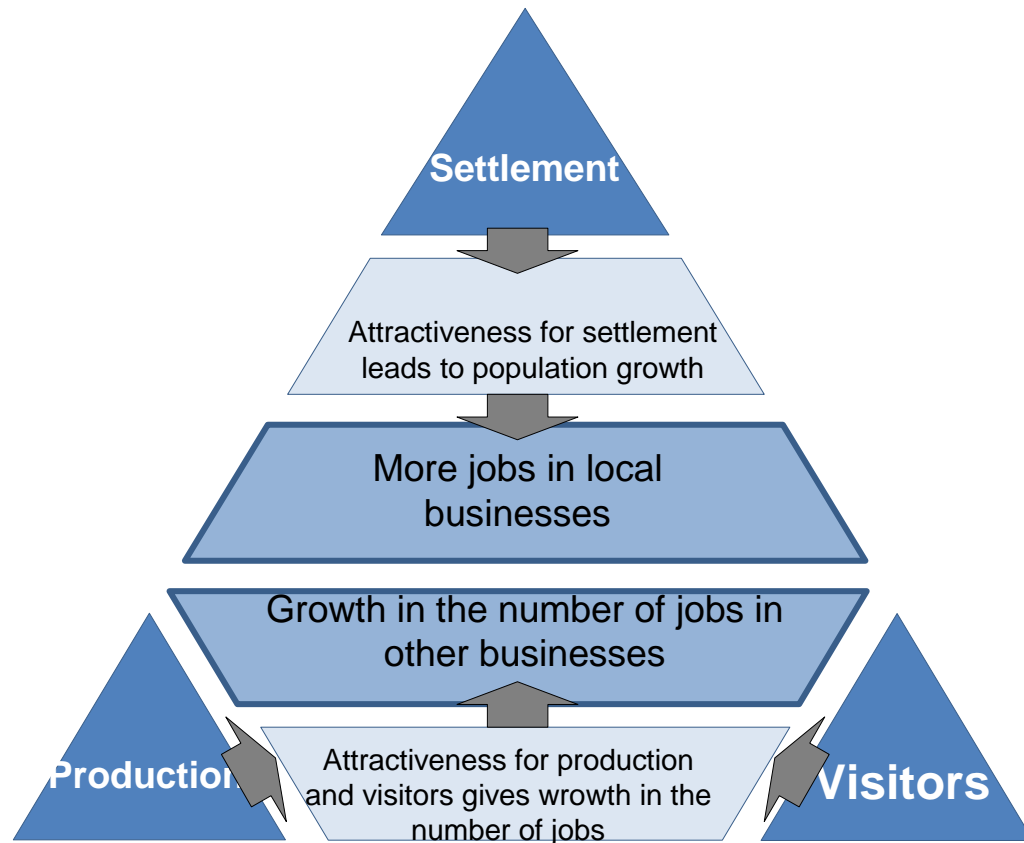
Every place is
attractive

In one way or another

Production

Visitors

Attractiveness Pyramid



Production: Businesses that exports products or services out of the place.

Visitors create businesses in retail, restaurants, hotels and culture/entertainment.

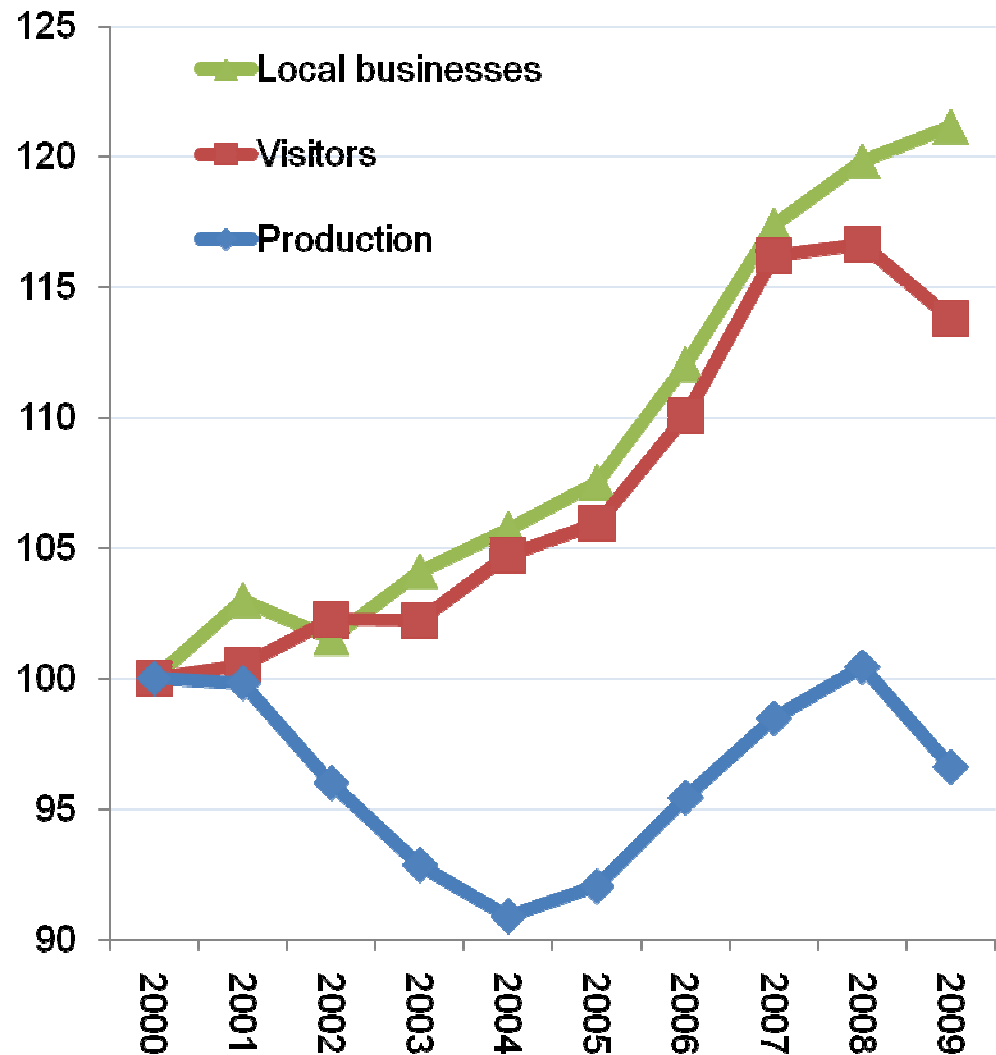


A shrinking number of jobs in businesses that export products and services

Growing number of jobs in businesses for visitors

Local businesses grows fastest

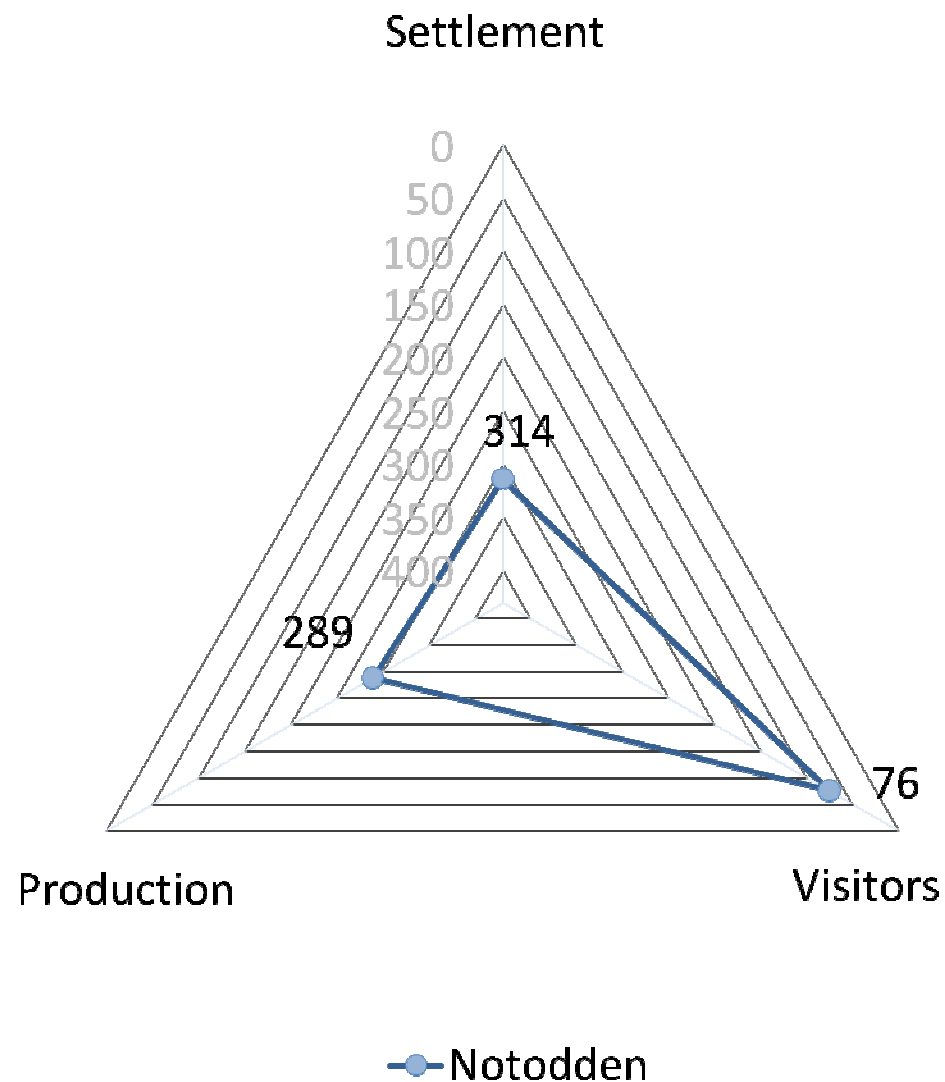
Attractiveness for visitors and settlement is becoming more important



Development of the number of jobs, indexed 2000=100.



Notoddens strongest side is attractiveness for visitors.



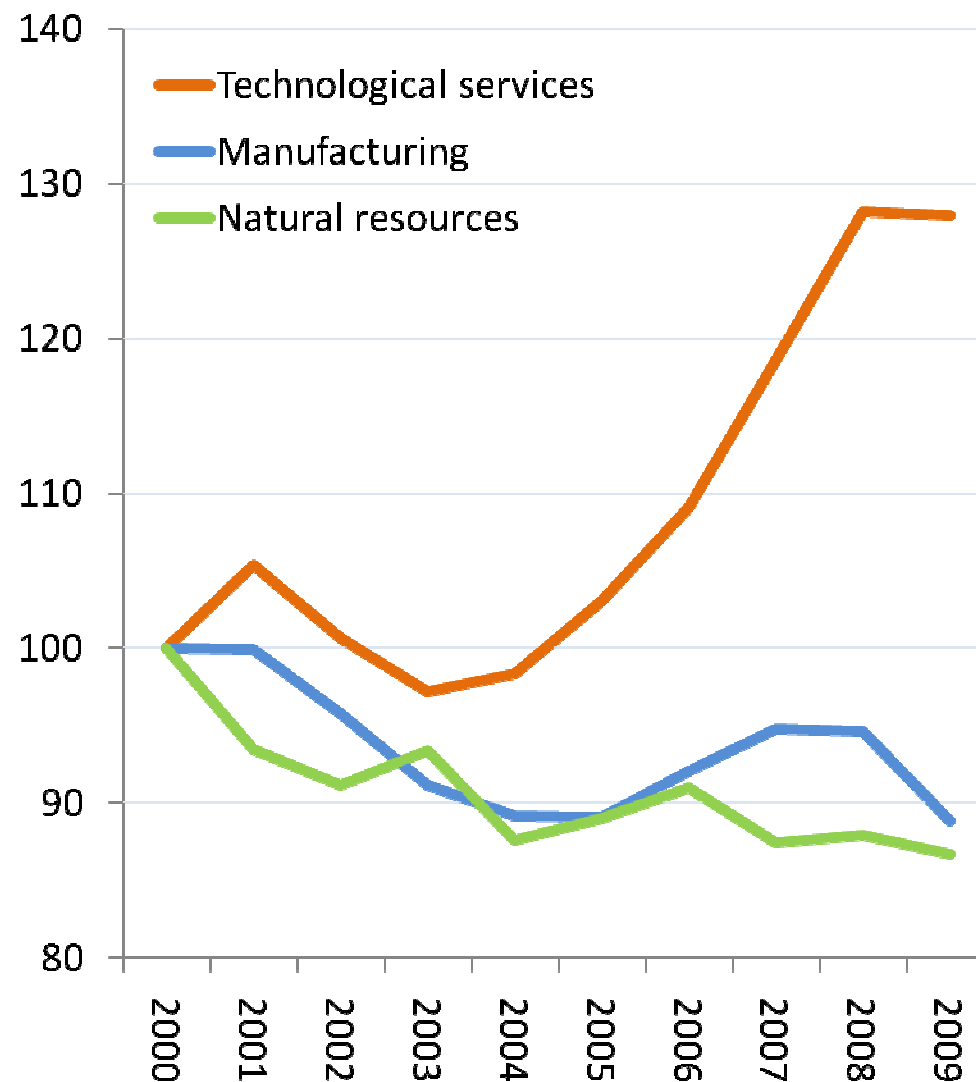
Attractiveness profile for Notodden 2009. The numbers is Notoddens rank among the 430 municipalities in Norway.

Attractiveness for production:

Businesses based on natural resources and manufacturing are declining.

Technological services are growing fast.

Technological services needs competent workers, not resources, infrastructure, large areas, etc.

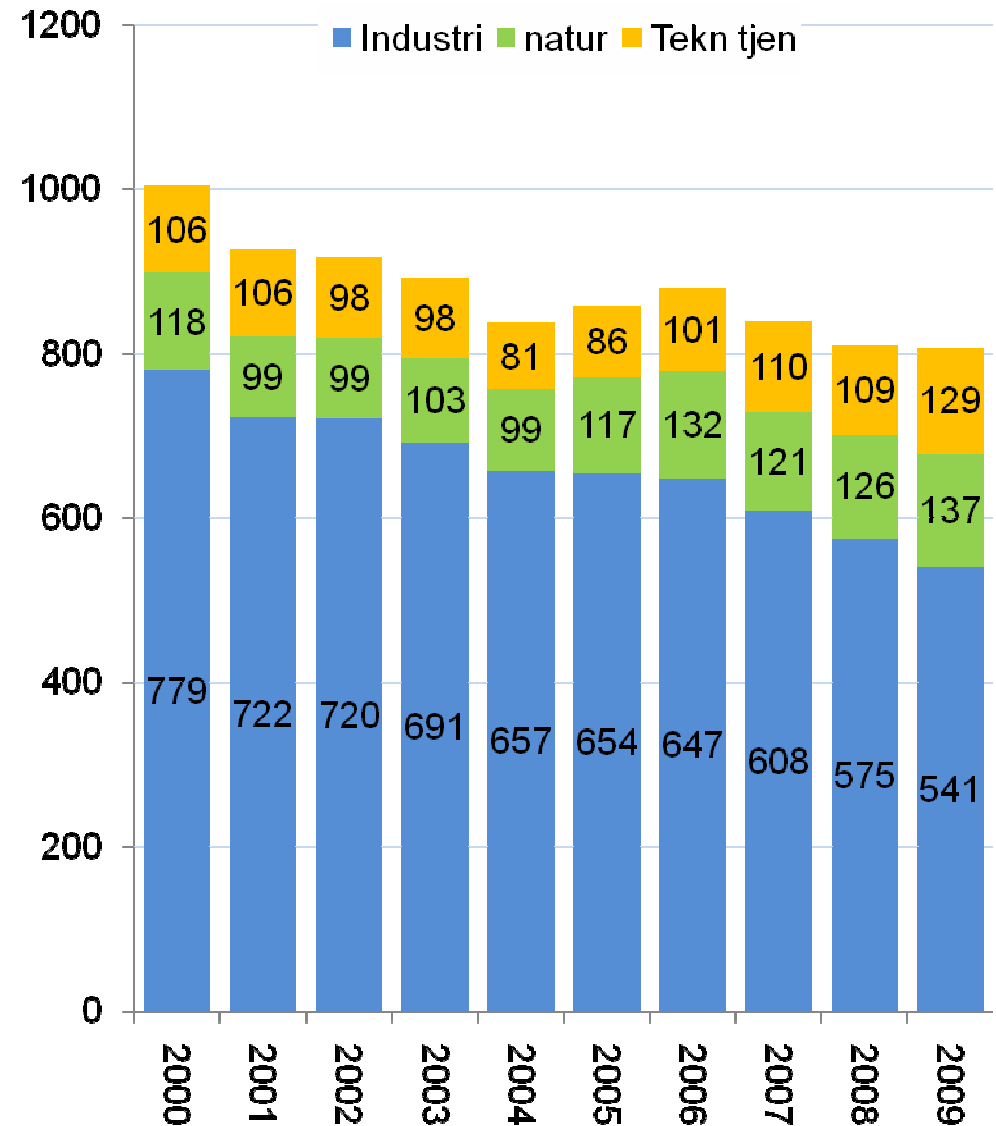


Development in the number of jobs, indexed 2000=100.



Notodden has had a drastic reduction in the number of jobs in the "production businesses" since 2000.

Not enough jobs in the fast growing technological services to counter decline in manufacturing and agriculture.



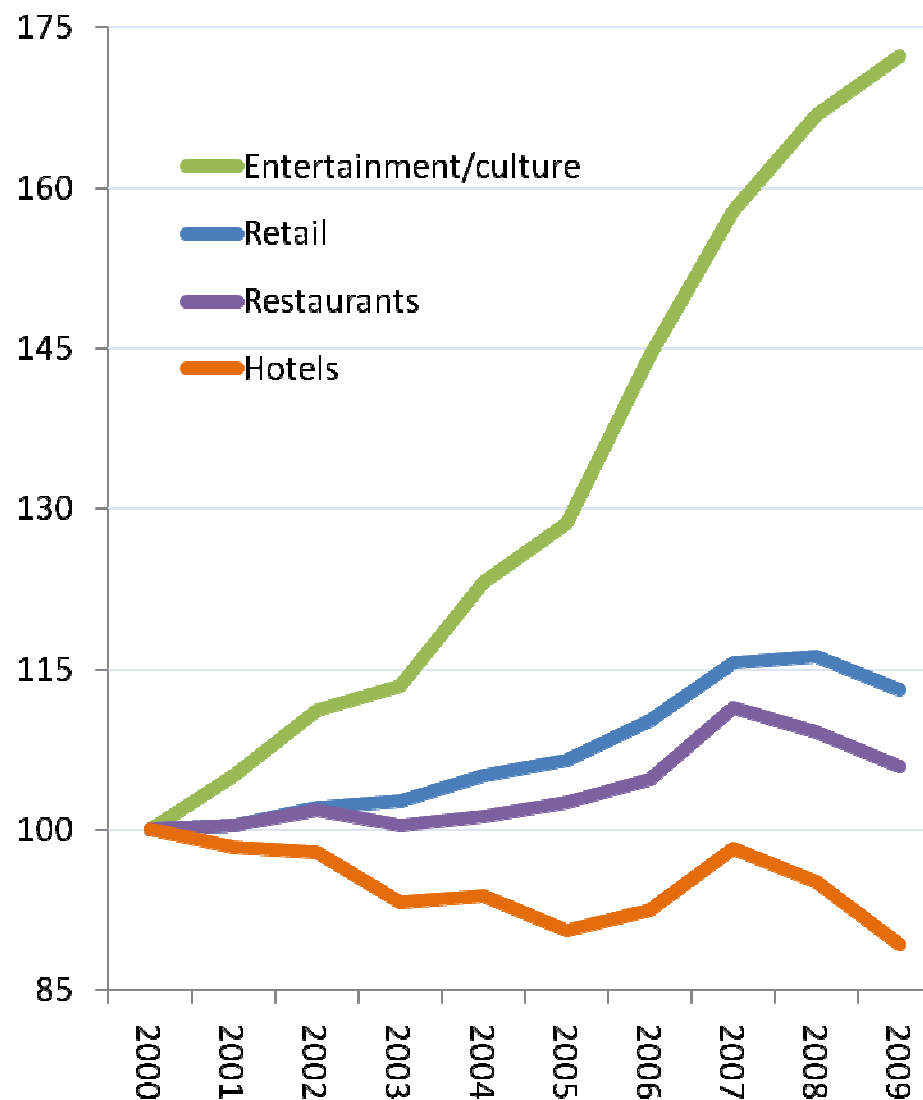
Development of the number of jobs in "production businesses" in Notodden

Attractiveness for visitors

Entertainment and culture are fastgrowing.

Retail and restaurants grows.

The number of jobs in hotels are declining.



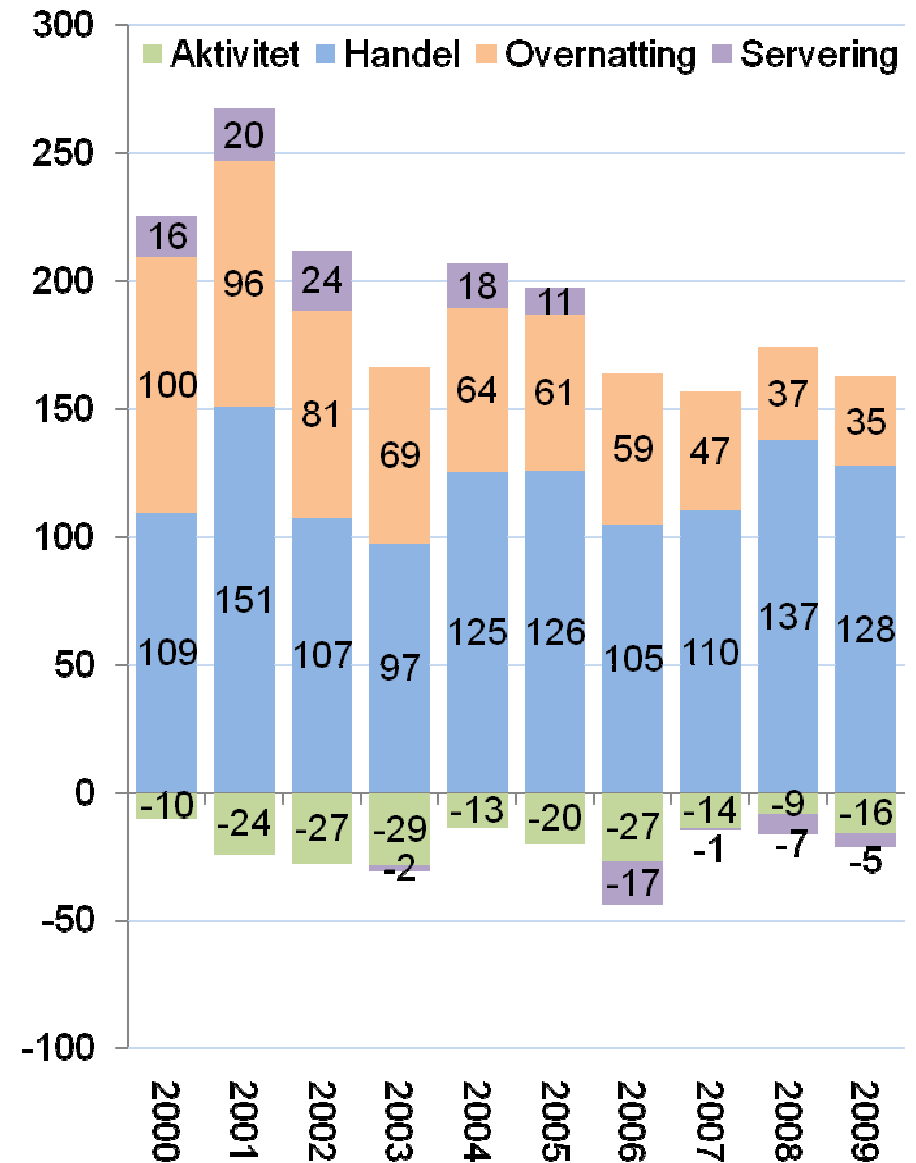
Development of the number of jobs in different kinds of visitor businesses, indexed so that the level in 2000=100.



Notodden has a growing number of jobs in retail. Notodden attracts visitors from the neighbourhood municipalities for shopping.

Traditional tourism is shrinking.

Visitor businesses in Notodden are declining.



Development of the number of jobs in the visitors businesses.



Attractiveness for Settlement

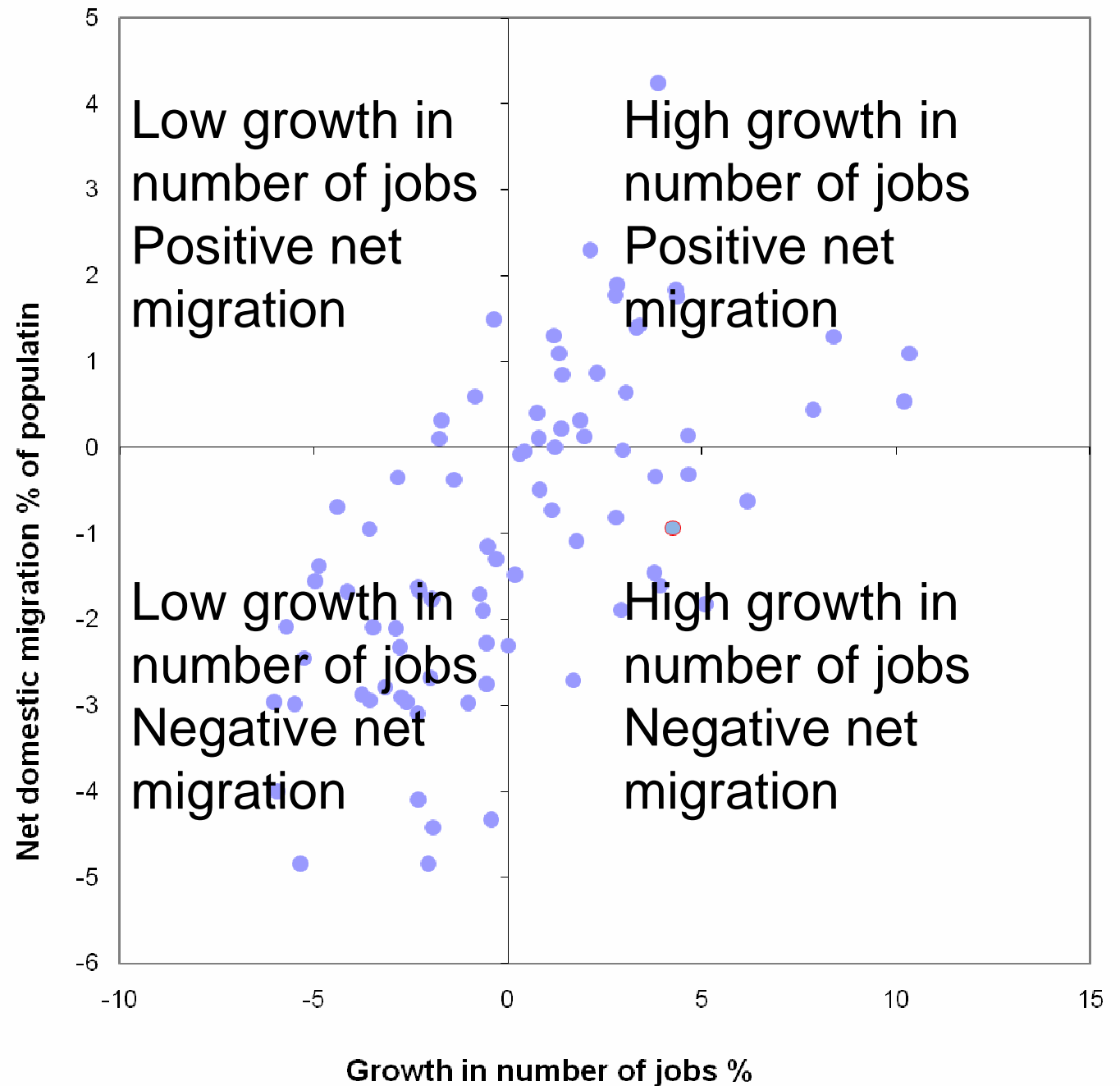
- How do we measure it?

The 83 regions
in Norway

For some, jobs
is not enough

For others, they
grow anyway

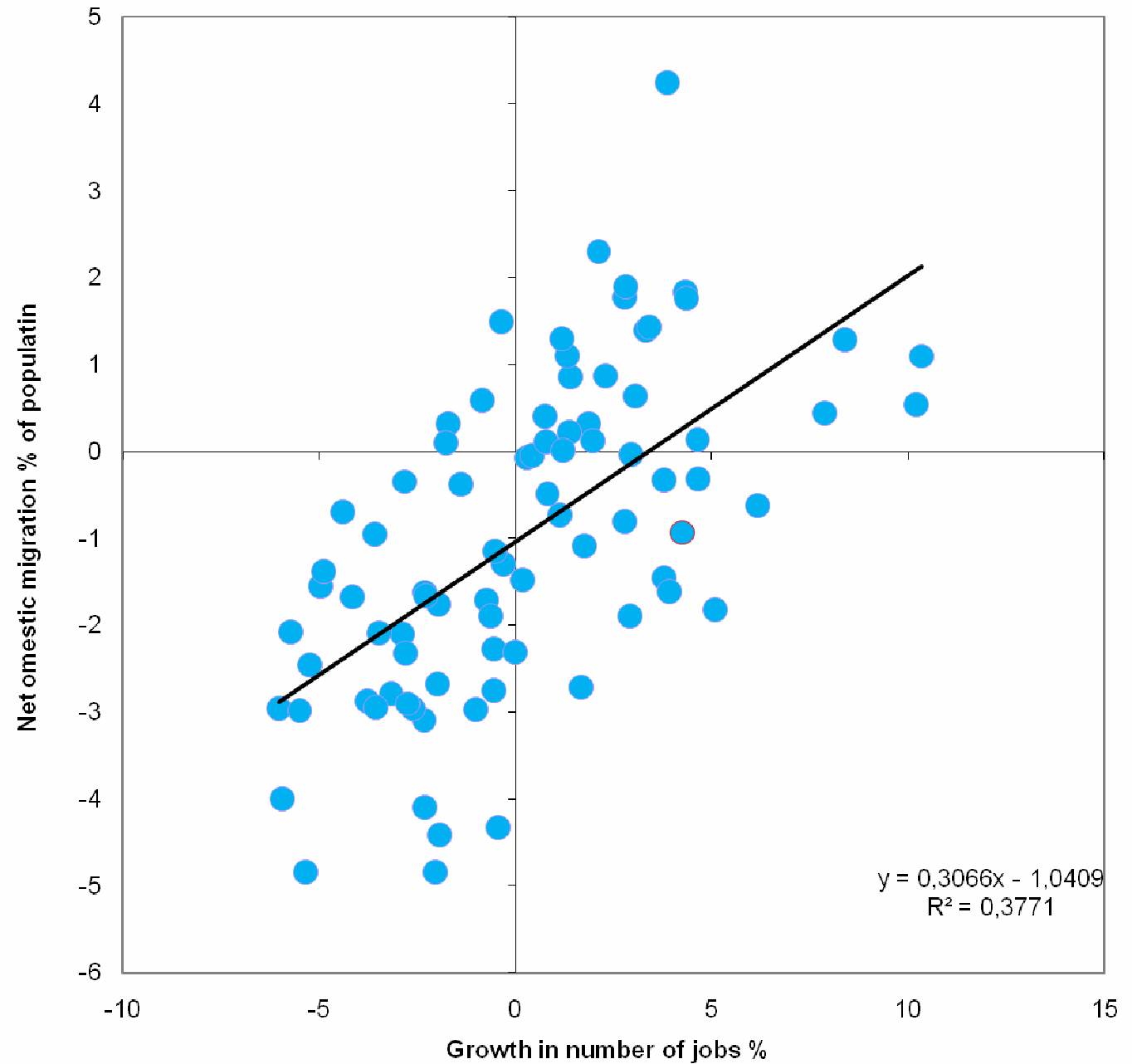
Some regions
need both: More
jobs and higher
attractivity



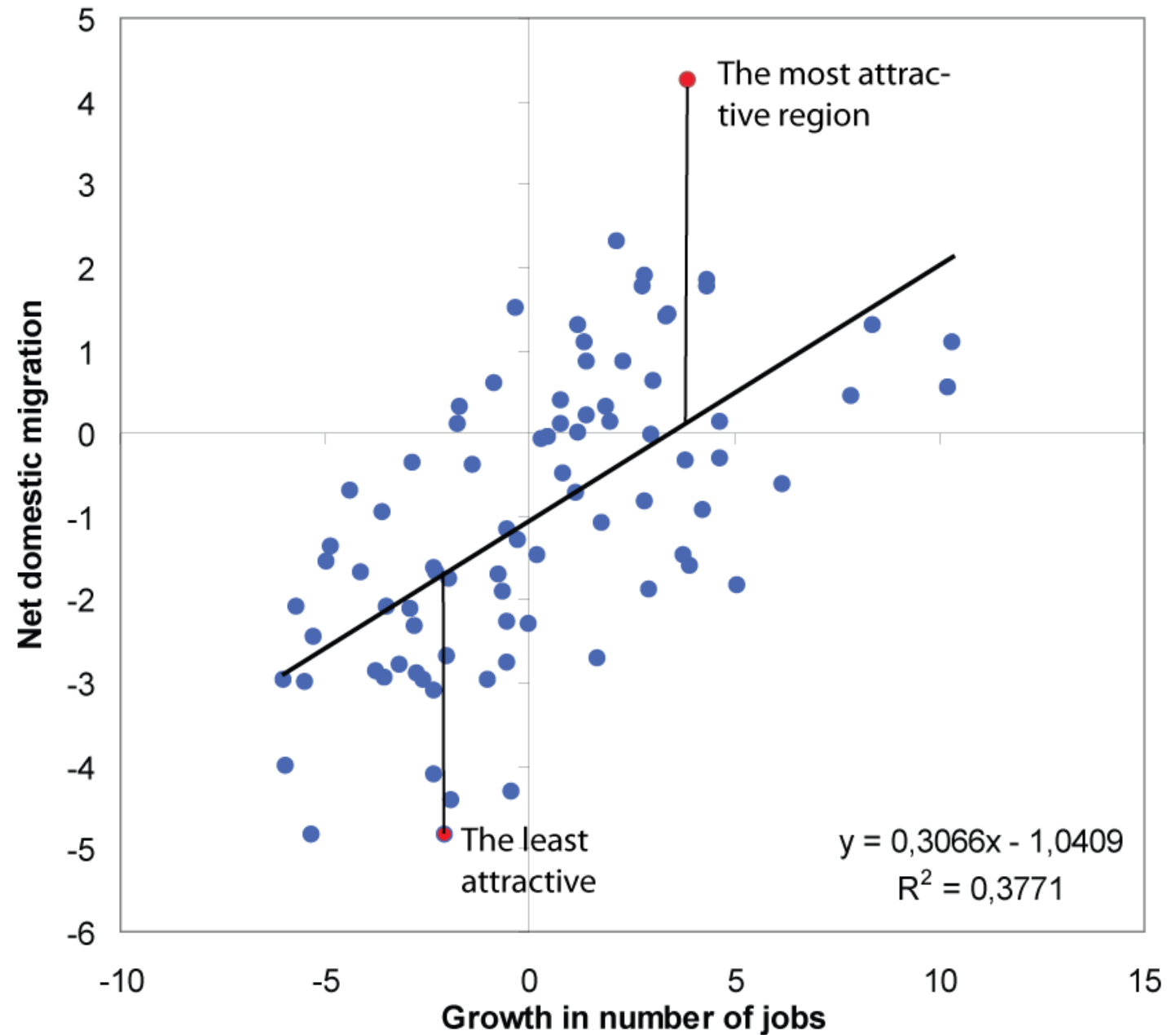
The line is the statistical normal relation between growth and net migration.

Regions above the line are attractive

Regions below are not attractive



A regions
attractivity is
measured
by its
distance
from the
normal

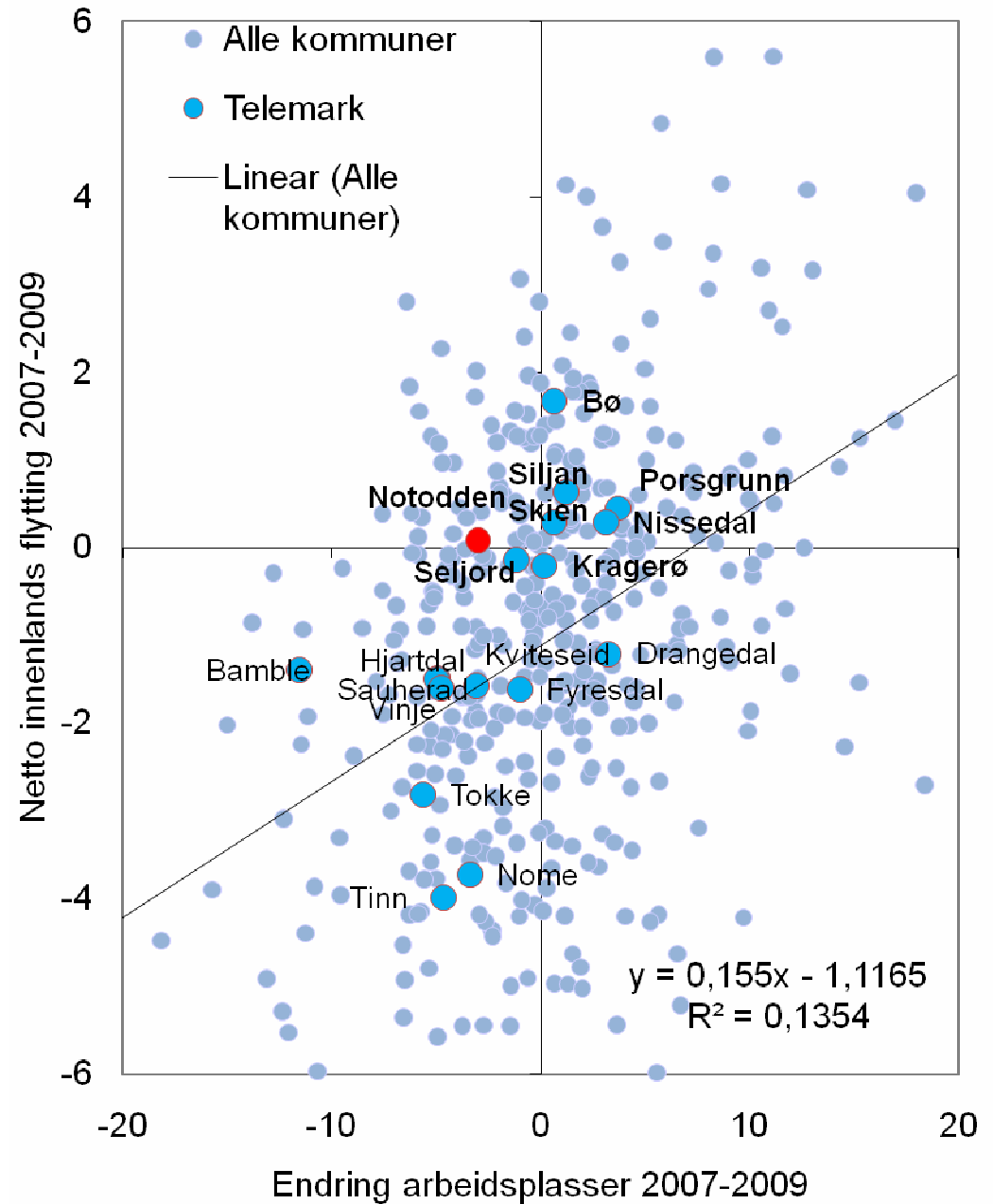




Notodden: Decline in the number of jobs while the rest of the country is growing.

But no out-migration.

Means that Notodden must be attractive for settlement.





Summary

The development of places is a result of the attractiveness for:

Settlement

Visitors

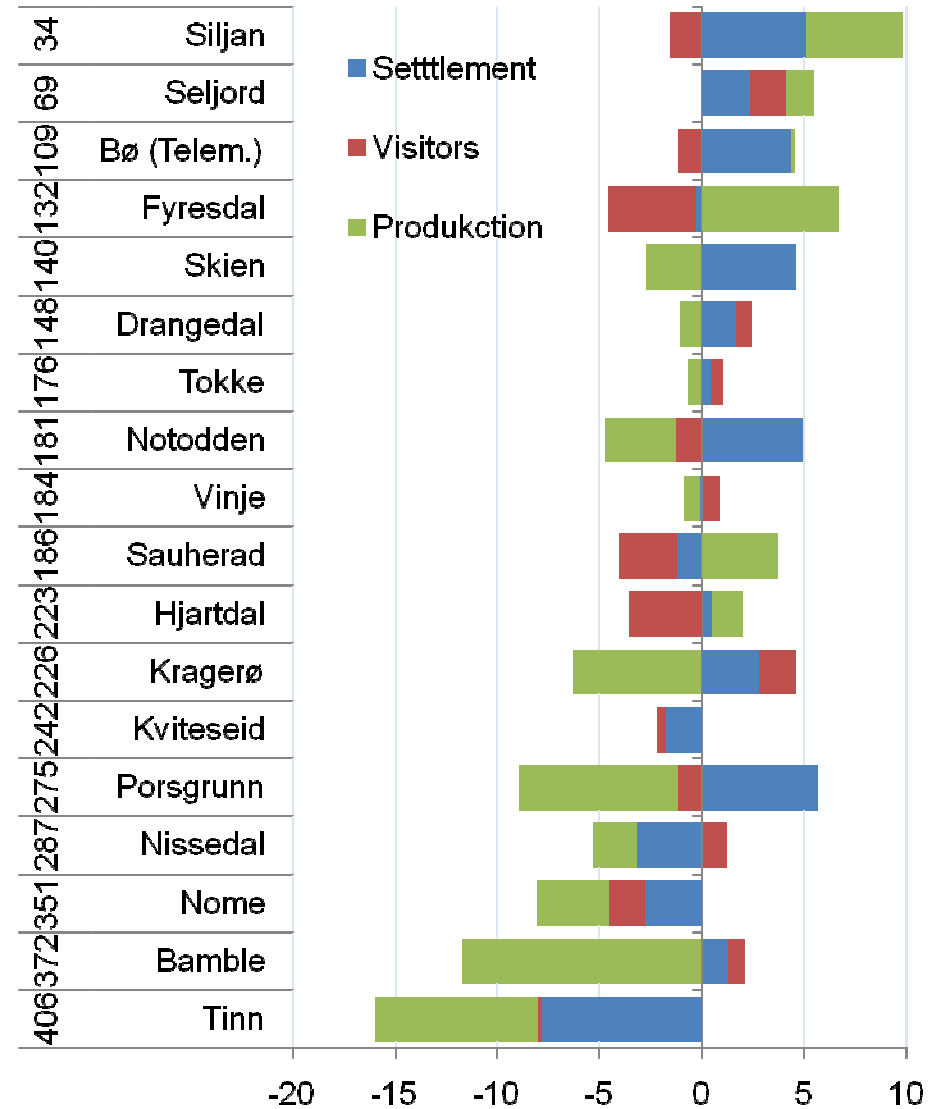
Production (for export)



Attractiveness for
Notodden the last 10
years:

Attractive for
settlement

Not attractive for
visitors or production.



Sum of attractiveness for the three dimensions
for municipalities in Telemark.



Strategic considerations:

Go with the flow:

Attractiveness for settlement

Why are some regions more attractive?

Statistical analyses show that attractive regions have:

1. High house construction (stimulate house construction)

2. Many cafes, restaurants and pubs (centre development)

3. Many commuters (improve communications)



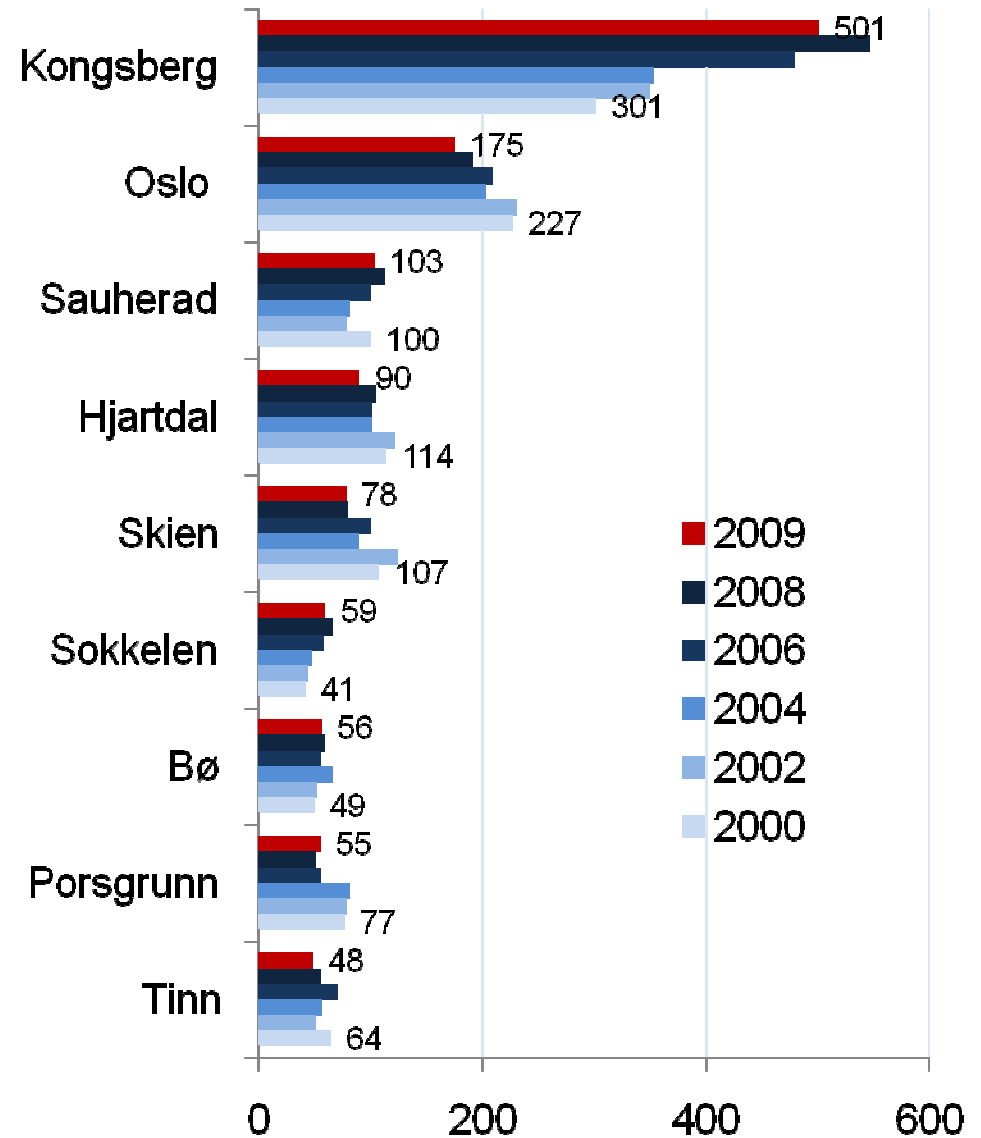
Attractive regions for settlement don't have:

- Beautiful nature, or any specific nature qualities (coastline, climate, ,,,)
- A wellknown name, good image or high reputation
- Strong sosial or cultural identity
- Good public services
- Low criminality, or good score on other welfare indicators
- Clean environment
- Low unemployment rate
- Many cultural institutions



Attractiveness for settlement often means an increase in the number of commuters.

For inhabitants of Notodden, Kongsberg has the highest and a growing number of commuters.



Number of commuters living in Notodden and commuting to different municipalities



Strategic considerations 2:

Concentrate on the strengths:
Attractiveness for visitors



How to enhance attractiveness for visitors:

1. Stimulate building of second houses
2. Get the locals to use local supply of services, entertainment and shops.
3. Attract people from the adjacent cities
4. Traditional tourism?
5. Image and reputation?



How to enhance attractiveness for production:
(focus on strengthening the weakest side)

1. Stimulate innovations, or network or clusters for innovation
2. Stimulate new establishments
3. Infrastructure, industrial areas etc.
4. Attractiveness for settlement?



Takk for oppmerksomheten!

Knut Vareide