Providing affordable housing and tackling disadvantage

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Overview on spatial distribution of disadvantage in Sydney

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Background/context

- Paper draws on analysis of spatially concentrated disadvantage in Sydney, Melbourne and Brisbane
- Place-based disadvantage recognised as priority in social inclusion agenda
- Key underpinning research hypotheses:
  - a) Disadvantaged places have diverse social and housing market structures, and
  - b) Appropriate policy responses vary accordingly
- Builds on Australian ‘geography of poverty’ tradition going back to 1970s
- Presentation focuses on outputs from stats analysis—framing structure for primary fieldwork
Australia’s income distribution less skewed than UK/US—but rising inequality post-90s

De-industrialisation limited compared with many other OECD countries

Little post-industrial heritage of blighted localities or regions

Ongoing migration-fuelled population growth—approx 2% p.a.

Highly urbanised—Sydney, Melbourne and Brisbane = 50% of national population

96% of housing privately owned
1. What is the (people-based) geography of disadvantage across the three cities?
2. How can we understand and capture heterogeneity of disadvantaged areas?
3. How is the geography of disadvantage changing over time and what are the policy implications?
Step 1
Pinpointing disadvantaged places

- Population-based concept of disadvantage adopted
- Reference made to ABS census-based index of deprivation—Socio-Economic Indicator for Areas (SEIFA)
- Analysis based on CDs (avg popn: 600) and suburbs (avg popn: 6,000)
- ‘Disadvantaged area’ threshold: lowest SEIFA quintile, nationally
- Variant analysis used SEIFA lowest decile threshold

Key outputs of analysis
Sydney, Melbourne, Brisbane

<table>
<thead>
<tr>
<th>Disadvantaged suburbs</th>
<th>177</th>
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<tbody>
<tr>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Population in disadv suburbs as % of total city population</td>
<td>16</td>
</tr>
<tr>
<td>% of disadv CDs in disadvantaged suburbs</td>
<td>72</td>
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</tbody>
</table>
In all three cities, disadvantaged suburbs clustered in middle and outer urban locations.

In Sydney, agglomerations to W, SW and far NE of metro area.

Red areas show lowest decile disadv suburbs.

Geography of disadvantage radically reshaped since 1980s.

Key role of inner area gentrification.

Rental housing disproportionate, but public housing only 13%; home ownership: 54%.
Disadvantaged suburbs in Melbourne, 2006
SEIFA quintile and decile thresholds

Disadvantaged suburbs in Melbourne
Threshold levels
- Second lowest decile
- Lowest decile
- Other Melbourne suburbs
- Built-up area
- Central business district

Kilometres

Port Phillip Bay
20km
40km
Disadvantaged suburbs in Brisbane, 2006
SEIFA quintile and decile thresholds
Typical low-income housing forms in Sydney
Step 2
Classifying disadvantaged places

- Suburb-level census data analysis of:
  - Residential mobility
  - Demographic profile
  - Area socio-economic trajectory

- Cluster analysis identifies common permutations in indicator scores

- Four distinct disadvantaged area categories emerged

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Indicator(s)</th>
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<tbody>
<tr>
<td>A</td>
<td>% of hhlds moved in last 5 years</td>
</tr>
<tr>
<td>Residential mobility</td>
<td>% of hhlds moved from overseas in last 5 years</td>
</tr>
<tr>
<td>B</td>
<td>% over 65s not in labour force</td>
</tr>
<tr>
<td>Lifecycle stage/demo-graphic profile</td>
<td>% young people</td>
</tr>
<tr>
<td></td>
<td>% single parent families</td>
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<tr>
<td></td>
<td>% couples with dependent children</td>
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<tr>
<td></td>
<td>% lone person households</td>
</tr>
<tr>
<td>C</td>
<td>2001–11 % pt change - unemployment rate</td>
</tr>
<tr>
<td>Socio-economic status change</td>
<td>2001–11 % pt change - early school leavers</td>
</tr>
<tr>
<td>over time</td>
<td>2001–11 % pt change - 15–24 NEETs</td>
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<tr>
<td></td>
<td>2001–11 % pt change - low income hhlds</td>
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<td>2001–11 % pt change - low skilled workers</td>
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## Typology results

### Summary

<table>
<thead>
<tr>
<th><strong>Distinguishing socio-economic characteristics</strong></th>
<th><strong>Housing market designation</strong></th>
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<tbody>
<tr>
<td><strong>Type 1</strong>&lt;br&gt;High on young people &amp; single parent households</td>
<td>‘Isolate suburbs’&lt;br&gt;High social rental; median sales prices and rents far below city-wide norms</td>
</tr>
<tr>
<td><strong>Type 2</strong>&lt;br&gt;High on overseas movers</td>
<td>‘Lower price suburbs’&lt;br&gt;Relatively affordable house prices and distinct low rent market</td>
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<tr>
<td><strong>Type 3</strong>&lt;br&gt;High on residential mobility, (domestic movers), high on older people</td>
<td>‘Marginal suburbs’&lt;br&gt;Remote from mainstream markets; high concentration of low sales prices &amp; rents</td>
</tr>
<tr>
<td><strong>Type 4</strong>&lt;br&gt;High on overseas movers, high on reduced unemployment &amp; incidence of low status jobs</td>
<td>‘Dynamic improver suburbs’&lt;br&gt;Sales prices and rents moving rapidly towards city-wide norms</td>
</tr>
</tbody>
</table>
Disadvantaged area types highly spatially grouped and/or spatially distinctive

Type 1 area distribution influenced by public housing geography

Type 3 areas v peripheral

Types 2 and 4 distinguished by accessibility

Observations also hold true for patterns in Melb and Brisbane
Change over time 2006–11

- SEIFA rankings 2006 and 2011 compared to analyse change over time
- Socio-spatial segregation continuing to intensify as shown by:
  - Rising % of disadv small areas in disadv suburbs
  - Faster increase in ‘most disadv’ suburbs

<table>
<thead>
<tr>
<th>Measures of change, 2006–11</th>
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<tbody>
<tr>
<td>% of suburbs disadv 2006</td>
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<tr>
<td>% of suburbs disadv 2011</td>
</tr>
<tr>
<td>Absolute change 2006-2011</td>
</tr>
<tr>
<td>% of disadv CDs in disadv suburbs 2006</td>
</tr>
<tr>
<td>% of disadv SA1s* in disadv suburbs 2011</td>
</tr>
<tr>
<td>Absolute change 2006–11</td>
</tr>
<tr>
<td>% chg in no of disadv suburbs—quintile threshold</td>
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<tr>
<td>% chg in no of disadv suburbs—decline threshold</td>
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The spatial anatomy of change over time

- *Net change* in no of disadvantaged suburbs reflects dynamic process—not just minor addition to existing disadvantaged cohort
- ‘Becoming disadvantaged’ areas include disproportionate no of suburbs akin to ‘isolate’ and ‘marginal’ areas—local housing market conditions implicated as underlying driver of evolving social geography
- Suburbs akin to Type 4 (‘dynamic improver’) areas overrepresented within ‘ceasing to be disadvantaged’ cohort

<table>
<thead>
<tr>
<th>Sydney, Melbourne and Brisbane</th>
<th>All disadv suburbs 2006</th>
<th>All disadv suburbs 2011</th>
<th>Ceased to be disadv 2011</th>
<th>Became disadv 2011</th>
</tr>
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<tbody>
<tr>
<td>Avg distance from CBD (km)</td>
<td>28.7</td>
<td>30.2</td>
<td>23.1</td>
<td>35.6</td>
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International contextualisation

- Post-2000 suburbanisation of disadvantage a general trend in US cities:
  - poor population ↑53% 2000–10 in suburbs of 100 largest US metro areas: cities ↑23% (Berube & Kneebone 2011)
- Disproportionate rise in suburban poverty in Canada post-1970—‘The Three Cities of Toronto’ (Hulchanski 2011)
- UK—similar dynamics moderated by more extensive social housing but (esp in London) catalysed by post-2010 welfare reforms
- Inner city (high value) social housing disposal debated
Suburbanisation of disadvantage: does it matter?

- Less mobile populations increasingly in less accessible places—potentially remote from jobs and services
- General suburbanisation of employment in US means reduced access to services possibly more problematic
- In Australia’s mono-centric cities CBDs and inner areas continue to dominate ‘knowledge economy’ job growth [next slide]
- Sydney: jobs growth in ‘global arc’ 2.1% pa but disadv population increasingly dispersed to Western Sydney—job growth 0.5% pa Without assertive employment planning policy, Australia’s major cities face policy choice:
  - Protect and promote inner area affordable housing (e.g. via assertive inclusionary zoning) or
  - Large-scale transport investment to facilitate greater commuting flows
Disadvantaged suburbs in Sydney
Change over time 2006–11
Summary

- Distinct types of disadvantaged places can be identified—likely to differ in extent to which ‘a policy problem’
- Strong connections between local housing market conditions and area socio-economic profiles/trajectories
- Disadvantage becoming more polarised and more suburbanised
- Especially problematic in mono-centric cities where that very mono-centrism is a driving force of the process itself
References


Hulchanski, D 2010, The three cities within Toronto: income polarization among Toronto’s neighbourhoods, 1970–2005; Toronto: University of Toronto


