

# Urban disadvantage in Australia

## Evolution, anatomy and policy responses

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# Empirical findings on neighbourhood disadvantage in Australia

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# Theoretical underpinnings of neighbourhood disadvantage

- That processes work to channel disadvantaged populations into specific neighbourhoods.
- That these processes have a new spatial dimension: the ‘suburbanisation of disadvantage’.
- That the features of places where disadvantaged people live are such that their disadvantage can be compounded.
- That spatial disadvantage is not as wide, deep nor as permanent as in the US or UK.

# Neighbourhood disadvantage

What does look like in Australia?

- What is the geography of poverty across Sydney, Melbourne and Brisbane?
- How can we understand and capture the heterogeneity of disadvantaged areas?
- What is the nature of disadvantage in each place?
- What interventions are in place to address the challenges facing areas with high levels of disadvantage and how well do they appear to work?

# Developing a typology of disadvantaged places

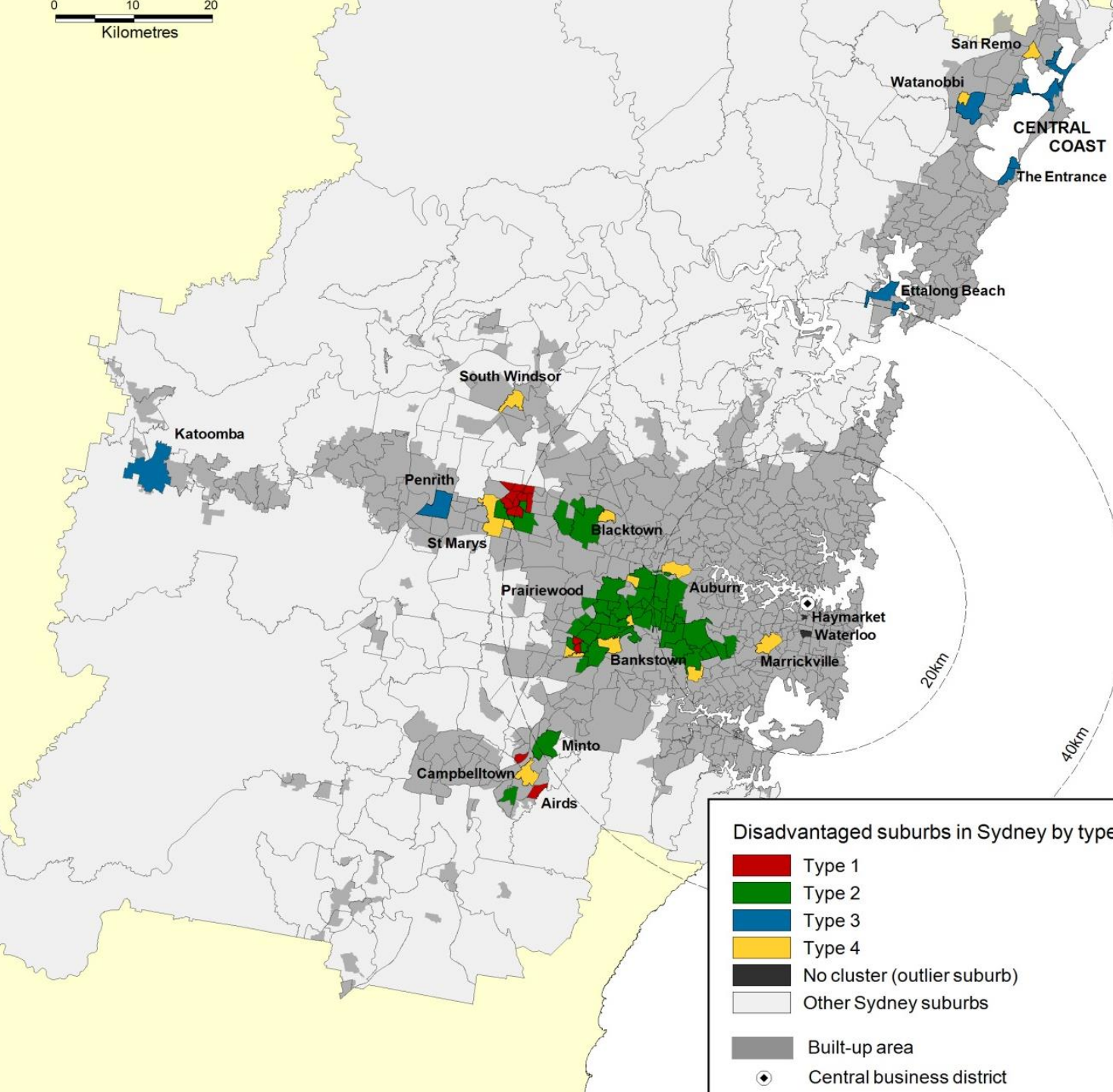
- Population-based concept of disadvantage adopted.
- Reference made to ABS census-based index of deprivation: Socio-Economic Indicator for Areas (SEIFA).
- Analysis based on CDs (average pop. 600) and suburbs (average pop. 6000).
- Variant analysis used SEIFA lowest decile threshold.
- Second stage analysis of housing market changes in disadvantaged suburbs compared to parent city.

# Typology results

	<b>Distinguishing socio-economic characteristics</b>	<b>Housing market designation</b>
<b>Type 1</b>	High on young people & single parent households	<b>‘Isolate suburbs’</b> High social rental; median sales prices and rents far below city-wide norms
<b>Type 2</b>	High on overseas movers	<b>‘Lower price suburbs’</b> Relatively affordable house prices and distinct low rent market
<b>Type 3</b>	High on residential mobility, (domestic movers), high on older people	<b>‘Marginal suburbs’</b> Remote from mainstream markets; high concentration of low sales prices & rents
<b>Type 4</b>	High on overseas movers, high on reduced unemployment & incidence of low status jobs	<b>‘Dynamic improver suburbs’</b> Sales prices and rents moving rapidly towards city-wide norms

0 10 20

Kilometres



CENTRAL COAST

Ettalong Beach

South Windsor

Katoomba

Penrith

St Marys

Blacktown

Prairiewood

Auburn

Haymarket

Waterloo

Bankstown

Marrickville

20km

40km

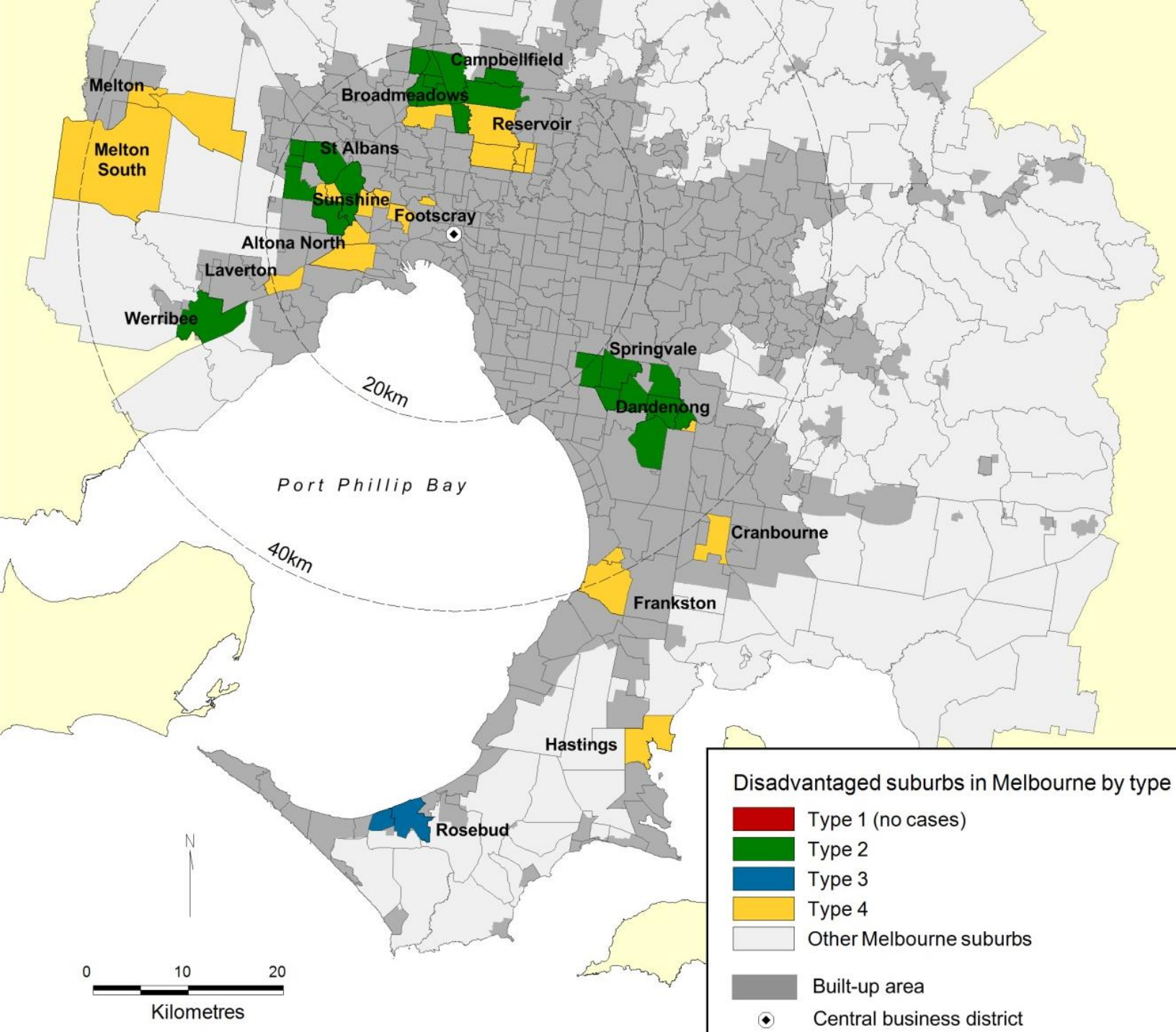
Campbelltown

Minto

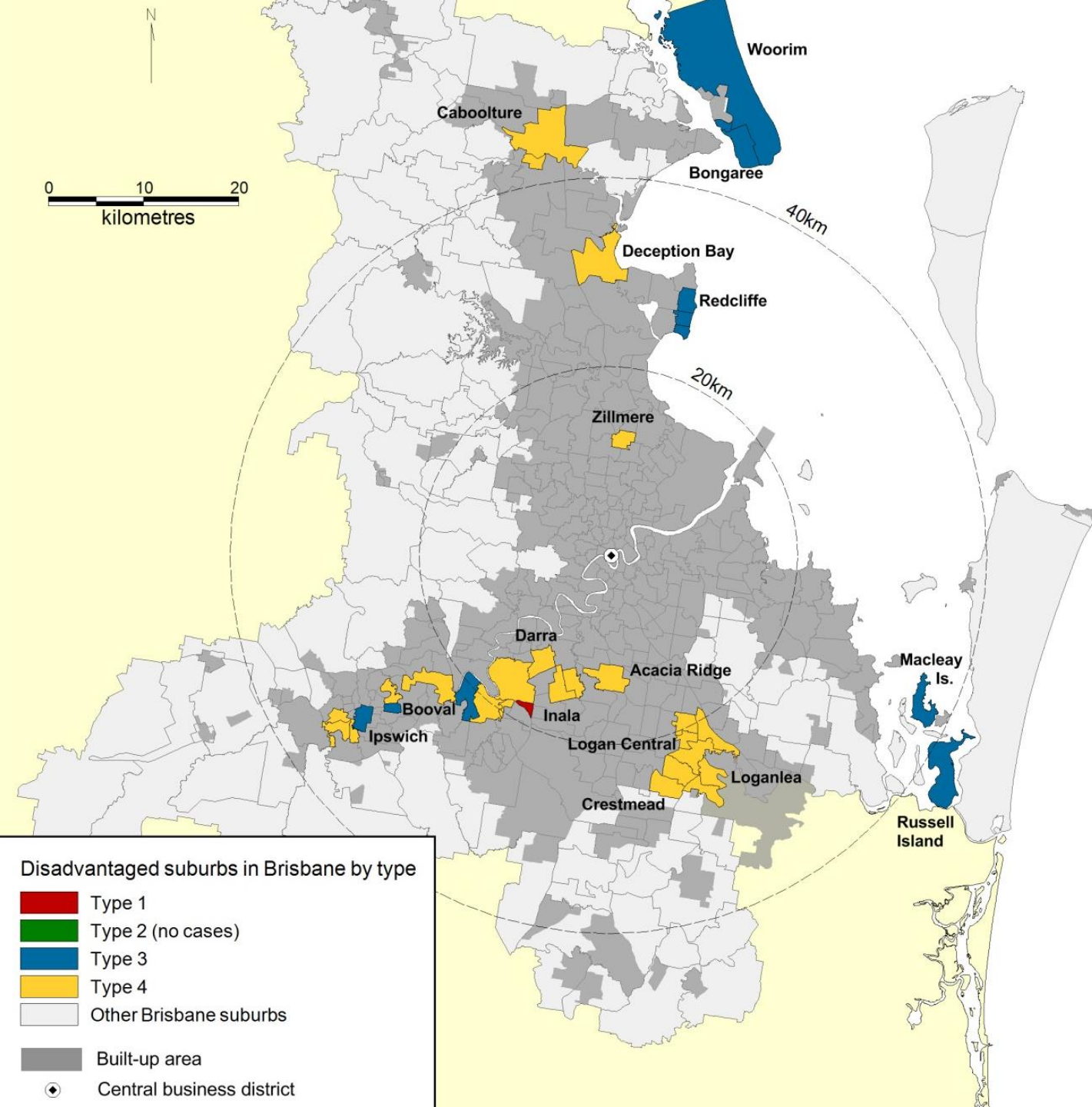
Airds

### Disadvantaged suburbs in Sydney by type

- Type 1
- Type 2
- Type 3
- Type 4
- No cluster (outlier suburb)
- Other Sydney suburbs
- Built-up area
- Central business district







# Selection of case studies for detailed analysis

- Selected from suburbs with:
  - at least 50% of CDs falling in lowest decile
  - most extreme values of census variables noted as distinctive for each suburb type
  - no sense of being ‘over-researched’ or influenced by local events

	Typology category			
	1	2	3	4
<b>Sydney</b>	Emerton	Auburn		
<b>Melbourne</b>		Springvale		Braybrook
<b>Brisbane</b>			Russell Island	Logan Central

# Places where disadvantaged people live

Demographic characteristics, % difference from respective GMA (2011)

	Emerton	Auburn	Springvale	Russell Island	Braybrook	Logan Central
Typology category	Isolate	Lower priced	Marginal	Improver		
% aged 5–17	46%	8%	-10%	21%	7%	22%
% aged 65 or older	-17%	-36%	18%	101%	-21%	-14%
Couple family household with children	-23%	13%	-11%	-60%	-23%	-20%
Couple family household without children	-44%	-27%	-16%	14%	-37%	-39%
Single parent family	124%	0%	22%	18%	66%	65%
Other family household	92%	108%	184%	-40%	100%	68%
Lone person household	-2%	-36%	-11%	64%	0%	18%
Group household	-32%	24%	2%	-22%	0%	-15%
% population born in Australia	1%	-47%	-53%	-2%	-39%	-29%
% of households moved in previous 5 years from overseas address	-59%	132%	85%	-70%	36%	52%
ATSI population	417%	-83%	-60%	60%	40%	105%
% needed assistance with core activity	45%	20%	40%	186%	24%	36%

# Places where disadvantaged people live

Employment and education characteristics % difference from respective GMA (2011)

	Emerton	Auburn	Springvale	Russell Island	Braybrook	Logan Central
Typology category	Isolate	Lower priced	Marginal	Improver		
% who left school at year 10 or before <sup>1</sup>	19%	-32%	-6%	30%	-14%	1%
% left school at year 12 <sup>1</sup>	-60%	-25%	-23%	-55%	-30%	-53%
% with vocational qualification <sup>1</sup>	-43%	-46%	-35%	-11%	-47%	-44%
% with tertiary qualification <sup>1</sup>	-87%	-44%	-49%	-67%	-49%	-82%
% employed full-time <sup>1</sup>	-33%	-36%	-26%	-65%	-31%	-39%
% employed part-time <sup>1</sup>	-38%	-13%	-16%	-38%	-26%	-36%
% unemployed <sup>2</sup>	133%	89%	91%	227%	127%	149%
% youth (15–24) unemployed <sup>3</sup>	162%	8%	14%	321%	63%	106%
Participation rate <sup>1</sup>	-26%	-22%	-18%	-48%	-23%	-28%
% in low-skilled/low status jobs <sup>4</sup>	119%	65%	88%	65%	58%	88%
% households with weekly income less than \$600	58%	29%	45%	25%	60%	61%

# Places where disadvantaged people live

Dimensions of place disadvantage by suburb type

Suburb type	Location	Dimensions of place disadvantage							
		Stigma	Low emp. prospects	Poorly serviced	Low housing afford.	Poor access	High (fear of) crime	low attachment	Dynamic?
<b>1. Isolate</b>									
Emerton	far outer	YY	Y	N	Y 21.0%	Y	Y	N	N
<b>2. Lower priced</b>									
Auburn	middle	Y	Y	N	Y 33.0%	N	Y	N	Y
Springvale	outer	N	Y	N	Y 19.5%	N	N	N	Y
<b>3. Marginal</b>									
Russell Island	far outer	YY	Y	Y	Y 26.7%	Y	N	?	N
<b>4. Improver</b>									
Braybrook	inner	YY	Y	N	Y 20.0%	N	Y	N	Y
Logan Central	outer	YY	Y	N	Y 33.0%	N	Y	N	?

# Housing affordability

Percentage of housing costs in disadvantaged suburbs relative to city means. Median prices by dwelling type (2001–11)

	Detached/Torrens		Other dwellings	
	% of GMA median 2001	% of GMA median 2011	% of city median 2001	% of GMA median 2011
<b>Sydney</b>				
Disadvantaged suburbs	69.7	69.7	60.9	65.4
Other suburbs	110.6	111.5	106.3	107.2
<b>Melbourne</b>				
Disadvantaged suburbs	69.2	78.6	56.5	75.5
Disadvantaged suburbs	109.7	106.1	106.5	105.7
<b>Brisbane</b>				
Disadvantaged suburbs	56.3	67.6	70.6	82.7
Other suburbs	104.7	103.9	102.6	102.4

# Housing affordability

Percentage of housing costs in disadvantaged suburbs relative to city means. Median entry rents by dwelling type (2001–11)

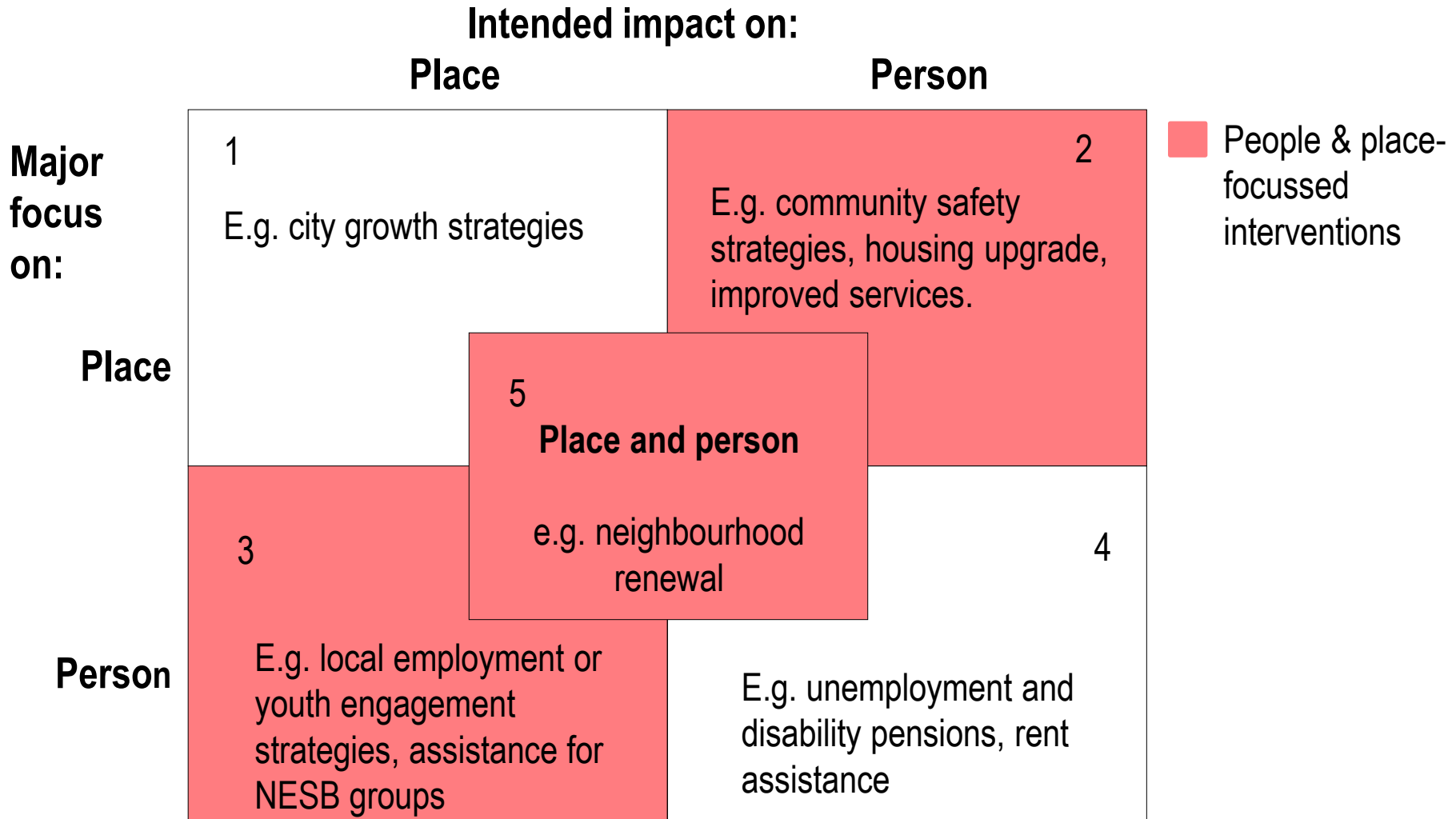
	<b>3 bedroom detached dwellings</b>			<b>1-2 bedroom other dwellings</b>		
	% of city median 2001	% of city median 2011	% change real rent 2001–11	% of city median 2001	% of city median 2011	% change real rent 2001–11
<b>Sydney</b>						
Disadv. suburbs	85.4	91.3	37.0	65.4	74.4	44.8
Other suburbs	104.2	108.8	33.8	105.8	104.7	25.9
<b>Melbourne</b>						
Disadv. suburbs	85.0	88.2	35.7	77.8	80.6	48.4
Other suburbs	105.0	102.9	28.2	108.3	104.5	38.1
<b>Brisbane</b>						
Disadv. suburbs	84.6	85.7	39.9	75.8	81.7	50.8
Other suburbs	102.6	105.7	42.3	103.0	103.3	40.3

# Summary of disadvantaged suburbs

	People	Place
<b>Isolate suburbs</b>	Comparable levels of Australian-born to GMA, but higher ATSI; high social rental; <b>very high unemployment.</b>	Stigmatised, <b>limited employment, low housing affordability</b> , poor access, crime.
<b>Lower priced suburbs</b>	high overseas arrivals (incl. refugees) and low Australian born; low ATSI; <b>high unemployment.</b>	<b>Limited employment, low housing affordability</b> , crime (Auburn).
<b>Marginal suburbs</b>	Old, single households needing assistance; higher home ownership, <b>high unemployment.</b>	Stigmatised, <b>limited employment, low housing affordability</b> , poorly serviced, poor access.
<b>Improver suburbs</b>	Mixed population: moderate new arrivals (incl. refugees); longer-term migrants; higher ATSI, high social rental; <b>high unemployment.</b>	Stigmatised, <b>limited employment, low housing affordability</b> , crime.



# Policy interventions for tackling disadvantage



# Case study area-interventions

	<b>Policy type 1 Place / Place</b>	<b>Policy type 2 Place / People</b>	<b>Policy type 3 People / Place</b>	<b>Policy type 5 People / Place</b>
<b>Isolate</b>				
Emerton		✓	✓	✓
<b>Lower-priced</b>				
Auburn	✓	✓	✓	
Springvale	✓	✓	✓	
<b>Marginal</b>				
Russell Island		✓	✓	
<b>Improver</b>				
Braybrook		✓	✓	✓
Logan Central	✓	✓	✓	✓

# When people and place policies are not integrated

Tension between people and place in terms of likely effects:

- **place-focused** interventions can improve areas by overcoming stigma, attracting more affluent residents or investment, improving services etc.
- but they can also lead to the displacement of the poor and reduction of services for disadvantaged groups
- also anecdotal evidence that they attract low-income groups to the area
- they may also have negative flow-on effect to other neighbourhoods not subject to intervention

# When people and place policies are not integrated

Cont...

- local **people-focused** interventions can meet local needs and are a cost-effective way of targeting a concentrated group of disadvantage people, but ...
- disadvantaged people not living in those areas can miss out
- those whose circumstances improve as a result may leave the area
- the effect is that the dynamics of the areas as a whole remain unchanged or worsen

# Addressing the underlying dynamics of disadvantage

- Place-based interventions can address the local features of places that disadvantage their residents and/or challenges faced by particular social groups
- But the same fundamental problems occur in all disadvantaged places regardless of their composite population, features and interventions
  - poor housing affordability
  - limited employment opportunities
- Place-based interventions alone cannot address the social economic structural drivers of poverty, such as the housing and labour market
- Places to watch out for: isolated and marginal

# References

- Griggs, J, Whitworth, A, Walker, R, McLennan, D & Noble, M 2008, *Person- or place-based policies to tackle disadvantage? Not knowing what works*, Oxford University & The Joseph Rowntree Foundation, Oxford.
- Hulse, K, Pawson, H, Reynolds, M & Herath, S 2014, *Disadvantaged places in urban Australia: analysing socio-economic diversity and housing market performance*, Final Report no. 225, Australian Housing and Urban Research Institute, Melbourne.

# Acknowledgements

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