

EXPLAINING SPATIAL CONCENTRATIONS OF THE POOR IN METROPOLITAN MELBOURNE

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Analysis of data from the 1996 Census for six Melbourne localities suggests that some recent explanations for spatial concentrations of the poor in metropolitan areas are incomplete. In these middle-suburban locations the better-off are moving out, leaving behind those with less resources. While people of Australian or English-speaking background are more likely than those of non-English-speaking background (NESB) to leave, the inflow from overseas is predominantly of poor NESB people. Together, these two processes are adding to the spatial concentrations of the poor in Melbourne.

This article explores the extent of spatial concentrations of the poor in metropolitan areas. This issue has been the subject of considerable attention from urban analysts since the late 1980s. Much recent research was provoked by the then Labor Government's interest in the problem.¹ Initial work suggested poor families were being pushed out to the suburban fringe, a perspective captured in Badcock's² observation that 'Australian cities are remarkably distinctive to the extent that significant concentrations of lower income households can be found in the outer suburbs'. This finding has been questioned by more recent analysis of outer suburban growth, like that carried out by McDonald and Moyle³ which cast the outer suburbs in a different light — they were places of choice for many residents, a point made by Chris Maher.⁴

Another perspective has stressed the effects of structural economic adjustment. The argument is that the poor tend to concentrate in areas where there has been the greatest contraction in manufacturing industry employment. This idea has been most clearly (and influentially) articulated by economists at the Australian National University, Bob Gregory and Boyd Hunter. They claim that over the 1971 to 1991 period there was a sharp polarisation in the level of employment and income between localities at the top

and bottom of the socio-economic scale and that the deteriorating position of those at the bottom is linked to a related downturn in manufacturing employment.⁵ While they do not specify which areas are being affected, others have drawn on their ideas to suggest that these linkages apply to depressed areas of Melbourne and Sydney. Mark Latham in his book *Civilising Global Capitalism* is an influential example. He sees unemployment 'as spatially concentrated among those locations most affected by the loss of routine production work'.⁶

These perspectives do not help to account for the location of low income people in suburban Melbourne. Trends observed from analysis of the 1996 census show that the total number of jobs in suburban areas is continuing to rise, even in places where unemployment is a problem.⁷ It seems a different perspective on the spatial concentration of the poor is called for.

There seem to be two other possible explanations of the persistence of local unemployment in locations where job growth has occurred. One is that the new jobs may differ from the old jobs and that the original workers, as well as those who have recently entered the labour market, lack the skills to meet the new demand. This explanation draws upon aspects of education, training and skill which,

although relevant, are not the prime focus of the current paper. We place emphasis on a second explanation, which focuses on the forces shaping the local housing market.

We propose that there is substantial churning of residents as people shift in response to new opportunities and leave older areas, with many maintaining their original jobs. Factors other than access to employment influence residential location. This outcome can be seen in changes in patterns of journey-to-work, as observed by Forster.⁸ The very local patterns of the 1970s have loosened and been replaced with subregional, and often attenuated, corridor links. This is indicated in Table 1 which shows changes in the proportion of journeys-to-work which were contained within the workers' municipality in a number of industrial suburbs in Melbourne between 1971 and 1996. The measure displays the proportion of the local jobs taken by people who lived in the municipality.

The main point of the data in Table 1 is that suburban work opportunities are not tied to residential location as they once were. Local job availability is only one of many possible determinants of residential location. As Maher put it, 'but more than access, location also implies a social milieu, made up of neighbours, schools, clubs and community facilities'.⁸

Table 1: Within-municipality self-containment of journey-to-work travel 1961-1991: selected suburban municipalities

LGAs	1961	1971	1991	Nearest LGA/SLA 1996 ^a	1996
Sunshine	44.6	43.7	31.5	Brimbank (C)	24.4
Moorabbin	45.7	37.5	31.8	Kingston (C)	34.0
Oakleigh	37.7	37.5	30.3	Monash (C) - South West	20.8
Preston	51.2	40.2	26.0	Darebin (C)	25.3

^a The 1996 areas do not match the earlier years exactly because of boundary changes and data limitations. However, the data is indicative of recent trends. LGA refers to Local Government Areas, SLA refers to Statistical Local Areas.

Source: Journey-to-work tabulations from 1991, 1971, 1991 and 1996 Censuses.

Should any aspect of this social milieu change for the worse, as with the deterioration of schools, this could lower the evaluation of an area. As an illustration, Winter and Bryson¹⁰ argue that the stigma attached to the housing stock may lower an area's appeal. They argue that old public-housing estates (like Doveton which they cleverly label as a 'Holdenist' suburb) now suffer not so much from the lack of accessible employment but from the community's status as a former public-housing estate. They observe that this has contributed to its lack of appeal to those who can afford something better. Thus there has been an accumulation of the more disadvantaged who have been left behind in the residential churning that is reshaping work-residence links in these areas.

The implications of the Winter and Bryson perspective are straightforward. An unfavourable perception of residential character by house-seekers leads to lower demand which lowers prices and rents relative to surrounding areas which in turn provides housing opportunities accessible to low-income earners. Those who have sufficient finance are likely to move out, while those left behind will tend to be those who cannot afford to leave or who have been forced to locate in the area because they have no other effective choice. If, at the same time,

these low-income people are unable to find work (perhaps due to the skill elements identified earlier) a concentration of poor and disadvantaged households will emerge even as local job growth takes place. This research addresses the housing market perspective. It shows that there are

cultural as well as economic biases in the rate of residential relocation — biases which have a powerful effect upon the clustering of poorer households.

IDENTIFYING THE SPATIAL CONCENTRATIONS OF THE POOR

To identify locations of the poor in Melbourne, we assembled information on two indicators: the proportion of men aged 25-64 earning less than \$300 per week at the 1996 Census and the proportion of children aged less than 16 living in households that qualify for a Above Minimum Family Payment from the Department of Social Security (DSS). Table 2 shows the Statistical Local Areas (SLAs) with more than 30 per cent of men in the low income category, and also displays the DSS recipient status. From

this list we chose six areas for closer study (shown in italics). The areas selected were those where the process of spatial polarisation was most apparent. They were also primarily middle-suburban locations where recent patterns of industrial change could have influenced routine work opportunities in the local community.¹¹

In order to identify the factors that shape the location of the poor in Melbourne, we purchased a customised data base from the 1996 Census which allows examination of the movements of people to and from all local government areas (LGAs), and in some cases SLAs within LGAs, in Melbourne over the period 1991 to 1996. (An SLA is a unit of area used by the Australian Bureau of Statistics for data collection. An SLA and

LGA may be identical but in many cases, especially in metropolitan and regional urban areas, an SLA may only be part of a LGA.) The data set provides linkages between people's residential location in 1991 and 1996. It is based on information provided by people who lived in Melbourne in 1996 as to where they lived in 1991, as well as by people who lived elsewhere in Australia in 1996 but had lived in Melbourne in 1991 (by each Melbourne locality, the rest of Victoria, Australia and overseas where relevant). Details on the occupation, qualifications, personal income, family type and birthplace [Australia, English speaking background (ESB) country and non-

Table 2: Melbourne: Statistical Local Areas selected on two measures of economic disadvantage, 1996

Statistical Local Areas	% of men aged 25-64 earning < \$300 per week	% of children aged 0-15 in families receiving Above Minimum Family Payments
Mornington Peninsula (S) - South	37.1	60.0
<i>Hume (C) - Broadmeadows</i>	32.6	59.6
<i>Maribyrnong (C)</i>	38.5	58.1
Darebin (C) - Preston	34.6	57.7
<i>Brimbank (C) - Sunshine</i>	35.2	57.1
<i>Moreland (C) - North</i>	32.7	56.5
<i>Gr. Dandenong (C) - Dandenong</i>	30.2	56.3
<i>Gr. Dandenong (C) - Balance</i>	30.8	55.1
Moreland (C) - Brunswick	35.1	49.2
Darebin (C) - Northcote	32.9	42.8
Moreland (C) - Coburg	32.1	52.0
Yarra (C) - North	32.0	48.5
Yarra (C) - Richmond	31.4	49.1
Melbourne Statistical Division	23.3	38.1

Notes: (C) means City. (S) means Shire. The suffix (e.g. 'Balance') refers to the Statistical Local Area within the City or Shire (Local Government Area). In the case of Greater Dandenong, the SLAs of Greater Dandenong (C) - Dandenong and Greater Dandenong (C) - Balance combine to make the LGA of Greater Dandenong (C).

Source: 1996 Census, unpublished; Department of Social Security and Australia Bureau of Statistics, Estimated Resident Population 1996, unpublished

English-speaking background (NESB) country] are also held. These data have been organised to compute numbers and rates of movement to and from the six selected areas by each of these characteristics.

The resulting tables provide the best way of assessing the degree of mobility of people into and out of localities. To the extent that such movement has occurred we can identify the birthplace, occupation, qualifications and family type of the movers (and of those who stay put). We can also identify persons moving from overseas to Australia between 1991 and 1996 and the contribution they may have made to any concentrations of rich or poor.

Because of the wholesale changes to SLA and LGA boundaries in Melbourne between 1991 and 1996, it is not possible to use published data to compare SLA or LGA populations through cross-tabulations of income, occupation and so on between 1991 and 1996. What we are measuring in this paper is relative inequality as determined by the extent to which people have rearranged their residential location between 1991 and 1996 in areas known to be poor.

RESIDENTIAL MOBILITY IN POOR AREAS OF MELBOURNE

Table 3 shows the rates of movement into these six selected SLAs. The reason for limiting the analysis in this table to men aged 25-64 is to narrow the focus to the group most likely to be affected by the factors highlighted in the structural adjustment thesis.

As can be seen in column 1, for each area we have a base population of men, who indicated in 1996 that they had lived in the area in 1991. They are shown according to their income as reported to the Census in 1996. Column 2 shows the

net residential relocation of men by each income category who were resident in Australia in both 1991 and 1996. This is calculated by subtracting those who moved out of the area from those who moved into the area between 1991 and 1996. This figure is then expressed as a rate of the base 1991 population in column 3. For example, there was a net loss from Greater Dandenong (C) - Balance of 35.3 per cent for men earning \$1,000 per week between 1991 and 1996.

The evidence in Table 3 indicates that there is a higher net rate of residential relocation for the better-off in all six areas studied. In all cases, apart from Maribyrnong (C), the percentage figure for net residential out-migration increases as income rises. In Maribyrnong (C) the relative movement of the wealthier group is not as significant, most likely because parts of the area are becoming gentrified. Otherwise the net internal relocation percentage shown in column 3 shows a clear cut pattern: the better-off residents are leaving at a much faster rate than their lower income neighbours. This suggests that economically selective residential relocation is a major force in the changing character of these areas. Many analysts think of disadvantaged areas as those which accumulate persons who are pushed out from other more attractive and thus more expensive areas. Our information suggests another process is going on: the poor are left behind as the better-off leave.

There is an additional contributor to the process. This is the effect of the residential location decisions of recently arrived poor men from overseas. Column 4 shows that, in all cases, the new arrivals were overwhelmingly in lower income categories. Hence the six areas are not only housing those who may be unable to afford to relocate, they are also

Table 3: Men aged 25-64 by weekly income, residential location and net movement, 1991 and 1996

Residence and weekly income	Residential relocation ^a Residents of Australia in 1996 who lived in the location in 1991	Net internal movement 1991-1996	Net internal movement as % of 1991 residents	Movement to location of persons who lived overseas in 1991	Net movement including overseas arrivals	Net internal and overseas as % of 1991 residents	Residents 1996 ^b
Greater Dandenong (C) - Balance							
< \$300	5,443	-862	-15.8	717	-145	-2.7	5,513
\$300-\$599	8,396	-1,349	-16.1	578	-771	-9.2	7,911
\$600-\$999	4,955	-1,237	-25.0	133	-1,104	-22.3	3,908
\$1,000+	1,031	-364	-35.3	22	-342	-33.2	692
Total	20,400	-3,913	-19.2	1,512	-2,401	-11.8	18,906
Greater Dandenong (C) - Dandenong							
< \$300	3,750	-309	-8.2	546	237	6.3	4,168
\$300-\$599	5,839	-686	-11.7	485	-201	-3.4	5,830
\$600-\$999	3,676	-749	-20.4	112	-637	-17.3	3,084
\$1,000+	907	-261	-28.8	27	-234	-25.8	679
Total	14,551	-2,032	-14.0	1,210	-822	-5.6	14,560
Brimbank (C) - Sunshine							
< \$300	6,279	-338	-5.4	457	119	1.9	6,649
\$300-\$599	7,665	-611	-8.0	299	-312	-4.1	7,555
\$600-\$999	4,573	-899	-19.7	95	-804	-17.6	3,836
\$1,000+	1,016	-249	-24.5	12	-237	-23.3	794
Total	20,101	-2,099	-10.4	893	-1,206	-6.0	19,836
Maribyrnong (C)							
< \$300	5,180	-472	-9.1	708	236	4.6	5,711
\$300-\$599	5,561	-734	-13.2	381	-353	-6.3	5,376
\$600-\$999	3,279	-395	-12.0	95	-300	-9.1	3,018
\$1,000+	864	-77	-8.9	18	-59	-6.8	811
Total	15,326	-1,744	-11.4	1,257	-487	-3.2	15,863
Hume (C) - Broadmeadows							
< \$300	4,948	-278	-5.6	388	110	2.2	5,232
\$300-\$599	6,096	-312	-5.1	235	-77	-1.3	6,161
\$600-\$999	3,948	-423	-10.7	73	-350	-8.9	3,662
\$1,000+	1,090	-203	-18.6	19	-184	-16.9	924
Total	16,614	-1,240	-7.5	749	-491	-3.0	16,869
Moreland (C) - North							
< \$300	3,173	-141	-4.4	283	142	4.5	3,415
\$300-\$599	3,991	-251	-6.3	175	-76	-1.9	4,015
\$600-\$999	2,702	-397	-14.7	41	-356	-13.2	2,391
\$1,000+	672	-161	-24.0	18	-143	-21.3	532
Total	10,857	-983	-9.1	532	-451	-4.2	10,874

^a Residential relocation refers to those who moved within Australia between 1991 and 1996.

^b Residents in 1996 includes those who did not state their place of residence for 1991.

Totals include those who did not state their income.

Source: 1996 Census, Customised Matrix held by the Centre for Population and Urban Research, Monash University

accommodating recently arrived migrants who are poor.

In each of the six areas listed, when the effects of residential location decisions of both Australia residents and those recently arrived from overseas are combined, the

proportion of poor men living in the area in 1996 relative to 1991 grew relative to the rich. In all cases except Greater Dandenong (C) Balance there was a small absolute increase in the number of poor men (those earning less than \$300 per

week) but there were declines in the number of men in the categories earning more than \$300 per week. These declines increase as the income bracket gets higher — thus the ratio of poor to better-off has increased substantially in each area over the period 1991 to 1996.

It could be argued that these findings were affected by the absence of data on movements from Australia to overseas during the 1991-1996 period. As can be seen in Table 4, the six areas identified are all areas of high NESB concentration. If a large number of poor NESB residents left Australia between 1991 and 1996 then Table 3 would show a movement out of the poor much like that of the better-off, thus diminishing the concentration of the poor. However, this is very unlikely to be the case since we know from overseas migrant arrival and departure data that relatively few NESB residents leave Australia, and that there is a much higher rate of out-migration of the highly skilled (and thus more affluent residents) than of the lower skilled.

THE INTERSECTION OF CONCENTRATIONS OF PEOPLE ON LOW INCOME AND NESB MIGRANTS

The data displayed in Table 3 drew our attention to the contribution of recently arrived migrants to change in the characteristics of the areas under analysis. For that reason we have carried out more detailed analysis of birthplace characteristics of residential relocation. Previous research on Australian cities has drawn attention to the fact that there is an increasing overlap between residential concentrations of the poor and people of NESB origin.¹² With this in mind we explored the extent to which there were birthplace differences in the patterns of residential relocation. Table 4 displays

the rates of movement of people into and out of the six areas by birthplace category. In this case the data are for all persons and not just men aged 25-64. The 1996 figures do not include children aged 0-4 since they were not around in 1991. Almost all of these children are born in Australia. If the figures in Table 3 had included 0-4 year olds the loss of Australian-born persons would look less striking. But since our concern is to chart movements between 1991 and 1996, the figures do give an accurate indication of the propensity of people from different birthplaces to relocate.

In each of the six areas there are higher net rates of out-migration on the part of both Australia-born and ESB-born residents than of NESB-born residents. Thus if we exclude from the analysis, for the moment, persons moving into the area from overseas, it follows that the tendency for the NESB-share of each locality's population to increase is primarily due to differential rates of out-migration.

This result did surprise. Like other analysts we had expected to find that many poor NESB persons were moving from gentrifying inner-city areas — in effect being forced out by the rising price of housing — and that many of these persons would end up in cheaper suburban areas like the SLA of Brimbank (C) - Sunshine or the LGA of Greater Dandenong (C). But this movement was quite small over the 1991-1996 period. Hence older models of inner-to-outer movement are no longer relevant to the issue at hand. Rather, the spatial concentration of poverty is the result of locally constrained residential location decisions.

The reasons for the differences in locational decisions by birthplace group could be that the Australian and ESB groups have no ties to culturally specific

Table 4: Persons by birthplace, residential location and net movement, 1991 and 1996

Residence and birthplace	Residential relocation ^a		Net internal movement as % of 1991 residents	Movement to location of persons who lived overseas in 1991	Net movement including overseas arrivals	Net internal and overseas as % of 1991 residents	Residents 1996 ^b
	Residents of Australia in 1996 who lived in the location in 1991	Net internal movement 1991-1996					
Greater Dandenong (C) - Balance							
Australia	35,170	-8,342	-23.7	145	-8,197	-23.3	27,559
ESB countries	4,648	-1,121	-24.1	260	-861	-18.5	3,889
NESB countries	28,503	-2,635	-9.2	5,710	3,075	10.8	33,080
Total	69,217	-12,316	-17.8	6,151	-6,165	-8.9	66,222
Greater Dandenong (C) - Dandenong							
Australia	27,891	-4,333	-15.5	154	-4,179	-15.0	24,383
ESB countries	4,847	-971	-20.0	301	-670	-13.8	4,311
NESB countries	18,114	-1,325	-7.3	3,896	2,571	14.2	21,582
Total	51,503	-6,693	-13.0	4,378	-2,315	-4.5	52,129
Brimbank (C) - Sunshine							
Australia	37,350	-5,384	-14.4	188	-5,196	-13.9	32,903
ESB countries	2,811	-472	-16.8	95	-377	-13.4	2,490
NESB countries	28,892	-25	-0.1	3,135	3,110	10.8	33,165
Total	69,982	-5,974	-8.5	3,427	-2,547	-3.6	70,755
Maribyrnong (C)							
Australia	28,809	-2,767	-9.6	222	-2,545	-8.8	27,060
ESB countries	2,374	-175	-7.4	220	45	1.9	2,525
NESB countries	20,633	-2,776	-13.5	4,146	1,370	6.6	23,095
Total	52,635	-5,821	-11.1	4,618	-1,203	-2.3	55,077
Hume (C) - Broadmeadows							
Australia	36,457	-3,394	-9.3	218	-3,176	-8.7	34,053
ESB countries	2,832	-405	-14.3	113	-292	-10.3	2,596
NESB countries	18,100	75	0.4	2,378	2,453	13.6	21,160
Total	58,317	-3,789	-6.5	2,718	-1,071	-1.8	59,828
Moreland (C) - North							
Australia	26,151	-2,418	-9.2	100	-2,318	-8.9	24,359
ESB countries	1,703	-258	-15.1	154	-104	-6.1	1,640
NESB countries	11,978	-54	-0.5	1,538	1,484	12.4	13,825
Total	40,464	-2,766	-6.8	1,795	-971	-2.4	41,170

^a Residential relocation refers to those who moved within Australia between 1991 and 1996.

^b Residents in 1996 includes those who did not state their place of residence for 1991.

Totals includes those who did not state their birthplace.

Source: 1996 Census, Customised Matrix held by the Centre for Population and Urban Research, Monash University

networks and services in the six areas, so they respond to alternative residential opportunities in surrounding areas. As a result the NESB community becomes a more significant group in the social structure of an area. This may encourage more moves by the Australian and ESB group if they associate the changing ethnic characteristics with change in the social milieu that Maher indicated was

critical to residential location choice.

The significance of the NESB group within these areas is underscored by the fact that recently arrived migrants from NESB background have selected these places as a first point of residence within Melbourne. Analysis of the larger pattern of overseas migration to Melbourne shows that the six areas are receiving a disproportionate share of the NESB

migrant intake. The areas made up 11.7 per cent of Melbourne's population in 1996, but were home to 22.5 per cent of all migrants arriving in the city between 1991 and 1996 from NESB birthplaces. As can be seen in column 4 of Table 4, in every case the pattern of NESB concentrations has intensified as the vast majority of recent migrants settling in the six areas are from NESB birthplaces (for example, 5,710 out of 6,151, or 93 per cent in the case of Greater Dandenong (C) - Balance). In every case the overseas migration movement adds significantly to the sharp increase in the ratio of NESB-born people to ESB and Australia-born residents over the 1991-1996 period.

As a consequence, the correspondence between areas where low income persons are located in Melbourne and the residences of NESB-born migrants is becoming more apparent. The overseas immigration component is important, not so much because of the scale of the numbers settling in the six areas, which is modest, but because the overseas arrivals are overwhelmingly NESB and poor. The column on numbers of men aged 25-64 by income and birthplace in Table 3 (column 4) shows that around 50 per cent of the men who arrived between 1991 and 1996 were earning less than \$300 per week by 1996.

Most of these people entered under the Family and Humanitarian categories. Because of lack of English or skills in demand, most struggle, at least in their first years of residence in Australia, to find employment. Our data show that 47 per cent of all NESB males in the 25-64 year old category who arrived in Melbourne between 1991 and 1996 were earning less than \$300 per week in 1996, compared with 14.2 per cent of those from ESB birthplaces. While the ESB

migrants tend to disperse across the city (with the notable exception of the six areas identified) the NESB pattern is quite different. Very few NESB migrants are locating in outer-fringe suburbs like Casey or Craigieburn. Some are moving to inner-city areas (no doubt attracted by sponsoring family members). But as indicated, a substantial share are locating in the poorest middle suburban areas. They are doing so in part because they are joining family and fellow ethnic community members, but also probably because they have little choice but to locate in these areas.

RE-THINKING THE LOCATION OF THE POOR

These results call for a rethink of the approaches to the problem. Gregory and Hunter's arguments hinged heavily on assumptions about low residential mobility. They assumed that individuals are relatively immobile. The data assembled for this paper show that this is not the case within Melbourne. To underscore that point, Table 5 shows the movements of people to and from the SLA of Greater Dandenong (C) - Balance by income and birthplace for men aged 25-64. The table shows the 'churning' in the housing market with people moving both in and out at very high rates. For example, 40.2 per cent of Australian-born male residents earning less than \$300 who lived there in 1991 had moved out by 1996. The income and birthplace biases in the out-movers are also readily apparent.

The residential relocation movements mean that creating more new jobs in the areas alone would not redress the concentration of poor. In addition there is the substantial effect of overseas migration. As indicated earlier, around half of the men who arrived between 1991 and 1996 and settled in the six areas were earning less

Table 5: Greater Dandenong (C) - Balance, males aged 25-64 by income, birthplace, residential location and net movement, 1991 and 1996

Weekly income of country of birthplace	Residents of Australia in 1996 who lived in the location in 1991	Residential relocation				Movement to location of persons who lived overseas in 1991		Total net movement	Total net movement as % of 1991
		Inflow	Outflow	Outflow as % of 1991 residents	Net flow	Netflow as % of 1991 residents			
< \$300									
Australia	1,774	237	714	40.2	-477	-26.9	3	-474	-26.7
ESB	356	51	150	42.1	-99	-27.8	9	-90	-25.3
NESB	3,270	511	788	24.1	-277	-8.5	705	428	13.1
Total	5,443	802	1,664	30.6	-862	-15.8	717	-145	-2.7
\$300-\$599									
Australia	3,371	502	1,398	41.5	-896	-26.6	6	-890	-26.4
ESB	596	94	223	37.4	-129	-21.6	18	-111	-18.6
NESB	4,363	727	1,030	23.6	-303	-6.9	551	248	5.7
Total	8,396	1,329	2,678	31.9	-1,349	-16.1	578	-771	-9.2
\$600-\$999									
Australia	2,511	310	1,138	45.3	-828	-33.0	3	-825	-32.9
ESB	527	48	237	45.0	-189	-35.9	21	-168	-31.9
NESB	1,893	314	540	28.5	-226	-11.9	109	-117	-6.2
Total	4,955	681	1,918	38.7	-1,237	-25.0	133	-1,104	-22.3
\$1,000+									
Australia	647	42	329	50.9	-287	-44.4	3	-284	-43.9
ESB	114	12	54	47.4	-42	-36.8	12	-30	-26.3
NESB	267	37	72	27.0	-35	-13.1	7	-28	-10.5
Total	1,031	91	455	44.1	-364	-35.3	22	-342	-33.2
Total									
Australia	8,587	1,112	3,695	43.0	-2,583	-30.1	18	-2,565	-29.9
ESB	1,613	208	670	41.5	-462	-28.6	60	-402	-24.9
NESB	10,044	1,631	2,475	24.6	-844	-8.4	1,431	587	5.8
Total	20,400	2,975	6,888	33.8	-3,913	-19.2	1,512	-2,401	-11.8

Totals for each income group include those who not state their birthplace. The table total includes those who did not state their income.

Source: 1996 Census, Customised Matrix held by the Centre for Population and Urban Research, Monash University

than \$300 a week by 1996. Their situation is unlikely to be caused by job losses after their arrival (especially given that Melbourne's economy improved over the 1991-1996 period). We need to look to other factors to explain their location and the growing concentration of poor households in the areas in question.

Another reason to doubt the contribution of changes in job opportunities at the local government level is the evidence drawn from journey-to-work patterns displayed earlier (see Table 1). Only a minority of employed persons live and work in the same municipality. The point

is that any local job losses affect people living in a wide field of residential areas. In addition, a number of the localities under discussion are in fact 'job rich': Greater Dandenong and Broadmeadows have more jobs than resident workers, implying that local opportunities for people with the necessary skills do exist. This situation does not apply in all cases, although several of the areas are close to the job-rich inner city.

The discussion above shows that local job availability is not the dominant issue in the geography of poverty within Melbourne. We believe factors that shape

Table 6: Median house prices, selected Melbourne Local Government Areas and suburbs, 1991 and 1996

LGA Suburb	1991	1996	% change
Melbourne (C)	157,000	166,650	6.1
Port Phillip (C)	180,000	211,000	17.2
Yarra (C)	147,000	175,000	19.0
Hume (C)	110,000	103,000	-6.4
Broadmeadows	83,000	72,500	-12.7
Moreland (C)	115,000	118,000	2.6
Glenroy	105,000	95,000	-9.5
Coburg	110,000	114,000	3.6
Brunswick	118,000	135,500	14.8
Boroondara (C)	220,000	223,500	1.6
Monash (C)	139,800	138,000	-1.3
Brimbank (C)	109,000	100,000	-8.3
Sunshine West	90,000	80,000	-11.1
Sunshine	88,000	80,000	-9.1
Maribyrnong (C)	95,000	99,500	4.7
Braybrook	84,500	67,000	-20.7
Footscray	95,000	102,500	7.9
Footscray West	95,250	96,500	1.3
Gtr Dandenong (C)	107,000	94,000	-12.1
Springvale	112,000	100,000	-10.7
Dandenong	97,000	87,987	-9.3
Dandenong Nth	106,500	95,500	-10.3
Noble Park Nth	115,000	103,750	-9.8
Melbourne Statistical Division	127,000	123,000	-3.1

The bolded type shows Local Government Areas (LGAs). The normal type face shows suburbs (which are smaller than SLAs) within the LGAs.

Source: *A Guide to Property Values*, The Office of the Valuer General, 1996

housing market decisions are more important. A notable feature of the six areas is that, in respect of residential relocation within Australia, more people left each locality between 1991 and 1996 than arrived. Obviously, the areas were not deemed attractive to these local residents. That lack of attractiveness can be seen in the house price information in Table 6. The six areas are among the cheapest in Melbourne and in most of the areas prices fell between 1991 and 1996. This outcome probably reflects the quality and social reputation of the housing stock. All the six areas were built up around the 1960s and thus much of the stock is outdated by contemporary standards. In the case of Broadmeadows and

Maribyrnong, they contain substantial residuals of public housing estates. Other factors may be involved, including poor physical conditions (pollution, congestion and so on), social instability as reflected in crime or delinquency and the state of the areas' schools. At the same time these areas may be experiencing social changes in schools, shops and community facilities associated with increased NESB populations, which reduce their attractions to ESB and Australian-born residents.

IMPLICATIONS: POLICY REVIEW

The concentrations of the poor in locations of low property prices implies that a segment of the population is being left behind in areas where many people do not want to live. As has often been suspected, there is a process of spatial polarisation going on in

Melbourne, even as the local economy improves. Winners and losers in the economic race are sorting themselves out geographically through the agency of the private housing market. We have identified areas covering at least 11 per cent of Melbourne's population as poor areas where the ratio of poor to better-off persons is increasing. This puts a new perspective on what has been a long-term interest in urban analysis in Australia. It also raises a number of questions concerning appropriate public policy responses.

A central issue is the level of attention that is paid to job growth. Approaches to this problem which cite the role of structural adjustment naturally led to an

emphasis upon local job creation programs in problem areas. As matters stand at present, job creation within such areas will probably lead to better equipped outsiders taking up the opportunities. Rather, attention should be directed to the welfare, housing, educational and training needs of the people living in these areas, and the social and physical amenity of the residential areas.

Recent celebration in Victorian Government and press accounts of 1996 Census findings stress developments in inner city Melbourne.¹³ These miss the main story. The focus on Melbourne's inner area changes shrouds the parallel development of disadvantaged areas in the middle suburbs identified in this study. They need special assistance, but to date are not getting it. The form of this assistance should not be obscured by theories about the importance of structural change in leaving residues of unemployed persons behind. Job creation is a strategy more appropriate to new fast-growing outer-suburban areas with a younger workforce where distance does constrain job accessibility. Such policies have less relevance for the middle suburbs under study.

As regards the Victorian Government, glib talk about the benefits of overseas immigration is not helpful. There is a case to be made for skilled migration. But Melbourne primarily attracts migrants from the Family and Humanitarian streams.¹⁴ They are adding to the spatial polarisation problem in Melbourne. These migrants, and the areas they are settling in, need help, help which is not likely to come while immigration advocates shield their eyes from the reality of the social outcomes in their midst.

References

¹ Past findings are reviewed comprehensively in C. A. Maher, 'Locational disadvantage and

concentrations: a review and evaluation of the findings', paper prepared for the Seminar on Spatial Inequality, Department of Housing and Regional Development, Canberra, 1995.

² B. Badcock, ' "Stressed-out" communities: "out-of-sight, out-of-mind"?' *Urban Policy and Research*, vol. 12, no 3, 1994, p. 194

³ P. McDonald and H. Moyle, 'Perceptions of suburban life in Sydney and Melbourne', *People and Place*, vol. 3, no. 4, 1995, pp.13-18.

⁴ C. A. Maher, 'Housing need and residential mobility: the mismatch debate in perspective', *Urban Policy and Research*, vol 13, no. 3, 1995, pp. 7-19

⁵ B. Gregory and B. Hunter, 'Increasing regional inequality and the decline of manufacturing', in P. Sheehan, et al, eds. *Dialogues on Australia's Future*, Victoria University, Melbourne, 1996, pp. 309-324

⁶ M. Latham, *Civilising Global Capital*, Allen & Unwin, Sydney, 1998, p. 108

⁷ K. O'Connor, 'Modern suburbanisation: research for policy formation', Paper presented to Public Policy Forum, University of Melbourne, 1998

⁸ C. Forster, 'Sustainability and the journey to work', *Research in Honour of Chris Maher*, to be published by the Department of Geography and Environmental Science, Monash University, forthcoming 1999

⁹ C. A. Maher, 'Locational disadvantage and concentrations: a review and evaluation of the findings', *op.cit.*, p. 8

¹⁰ I. Winter and L. Bryson, 'Economic restructuring and state intervention in Holdenist suburbia: understanding urban poverty in Australia', *International Journal of Urban and Regional Research*, vol. 22, no. 1, 1998

¹¹ The six areas identified pinpoint the parts of Melbourne which are clearly at the disadvantaged end of the spatial polarisation process. While Darebin (C) - Preston was clearly a possibility, it was not included because data limitations prevented deeper analysis. There are also some other areas, which show similar though less pronounced polarisation tendencies. They are all located on the periphery of the areas identified. Neither the six areas selected nor the areas on their peripheries include any of the inner-city areas once known for their aggregations of poor persons. The poor are still heavily represented in Yarra, which encompasses Richmond and Collingwood and in Brunswick (whose boundary is four kilometres from the centre of Melbourne). But in the case of Yarra, the poor are a diminishing proportion of the area's population, mainly because more left than arrived during 1991-1996 and because there was some evidence of gentrification. As a consequence, the income range of Yarra's residents, (as with the rest of inner-city Melbourne) is becoming more diverse and thus, at the LGA level, spatial polarisation is diminishing. In Brunswick, the poor are increasing relative to the rich, but otherwise the pattern of change differs from

other poor areas. This is because the source of extra poor people mainly derives from an influx of young (and Australian-born) people between the ages of 15-24.

All of the six SLAs are located on what were fringe areas of Melbourne in the 1960s. Currently, the main fringe residential areas include Melton and Wyndham to the west, Craigieburn to the north, Whittlesea to the north east and Berwick and Cranbourne in Casey to the south east. All of these are mainly attracting middle or battler income earners (over \$300 per week), that is those who can afford to purchase a new home. Maher was correct. Melbourne's outer suburban development areas are not repositories for the poor.

At the other end of the income spectrum we find evidence of a counter movement of the rich men (earning \$1000 per week) into several inner and middle area locations, including

Boorandarra, Stonnington, Bayside and Glen Eira, Hobson's Bay, Melbourne and Port Phillip. In each of these areas there was a net inward movement of persons in this higher income bracket (with persons moving from overseas making a major contribution) and in most cases a net loss of those on lower incomes, particularly the poor. Aspects of this pattern have been described in a recent paper celebrating the return of richer residents to the inner Melbourne (see footnote 12).

¹² B. Birrell and B. Seol, 'Sydney's ethnic underclass', *People and Place*, vol. 6, no. 3, 1998, pp. 16-29

¹³ *From Doughnut City to Café Society*, Department of Infrastructure, Melbourne, 1998

¹⁴ Department of Immigration and Multicultural Affairs, *Immigration Update*, June Qtr, 1997-98

