

Workers' incomes in selected regions



The previous article examined a range of characteristics that are associated with the *personal income* profile of a region's workforce. The following case studies examine four different regions and some specific characteristics of their workforces. The regions examined are: North Wimmera, a farming area in western country Victoria; the City of Greater Dandenong, a manufacturing district in outer Melbourne; Lower Northern Sydney, a highly populous suburban, commercial centre; and the Pilbara, a large mining region in the north of Western Australia.

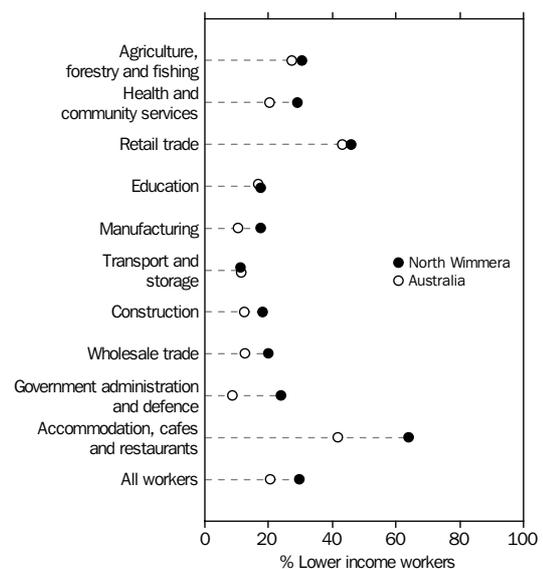
North Wimmera: traditional farming area, lower incomes

North Wimmera, situated in the central west of Victoria, had an employed population of 5,600 in 2006—down from 6,000 in 2001. Of the employed population, 29% were lower income workers—the seventh highest proportion across Australia's regions. The broader impact of the employed population's *lower personal incomes* was reflected in the *lower household incomes* of the people living in this region. In 2006, over one third (34%) of North Wimmera residents lived in households with *lower household incomes* (compared with 20% nationally).

Compared with the total working population, workers in this farming region were older and more likely to be male. The median age of North Wimmera workers was 46 years (compared with 40 years nationally) and there were 130 male workers for every 100 female workers (compared with 117 nationally).

The drought conditions in the years preceding the 2006 Census affected North Wimmera's dominant industry, Agriculture. In 2006, the region's Grain, sheep and beef cattle farming industry employed 27% of the working population. This had decreased from 30% in 2001, representing a decrease from 1,800 to 1,500 workers in this industry.

Lower income workers(a) by industry: North Wimmera(b) and Australia



(a) Employed population with gross personal incomes of less than \$400 per week.

(b) Ranked by North Wimmera's ten largest employment industries.

Defining income

Where *personal income* is used in this article it is **gross personal income** (defined in 'Economic resources overview', p. 175–187).

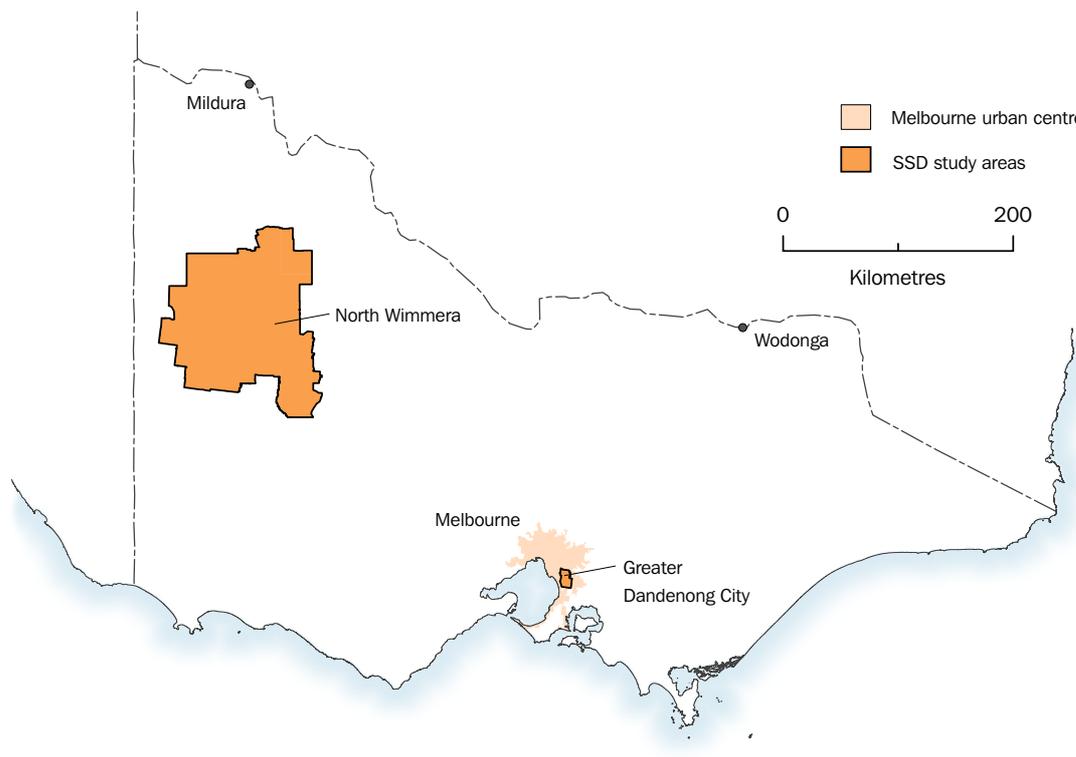
Higher income workers usually received \$1000 or more per week.

Middle income workers usually received \$400–\$999 per week.

Lower income workers usually received \$1–\$399 per week.

Many of the terms used and the broad groups described in this article are defined in the previous article 'Workers' incomes across Australia', (p. 188–196) and in the Glossary.

North Wimmera and Greater Dandenong Statistical Subdivisions



Agriculture is central to North Wimmera's economy and the adverse conditions experienced by this industry are likely to have affected the region's other industries. For instance, in 2006, workers in North Wimmera's Accommodation, café and restaurant industry, and Health and community services industry were more likely to be lower income workers (64% and 29% respectively) than those in these industries for Australia overall (42% and 20%). Other similar agricultural regions that were not affected by drought were somewhat less likely to have lower income workers in these and most other industries.

Despite North Wimmera's overall decline in the number of people employed, the Health and community industry—a relatively low-paying industry—grew by almost 100 workers from 2001 to 2006. This growth possibly reflects some movement of people away from employment in farming during the drought. Perhaps also because of the drought conditions, not many of the region's residents had moved to the area recently. In 2006, only 12% of North Wimmera's employed population lived elsewhere at the time of the 2001 Census.

In comparison, 22% of Australia's total employed population lived in a different region in 2001. In the top 10 higher income regions, this figure was 31%.

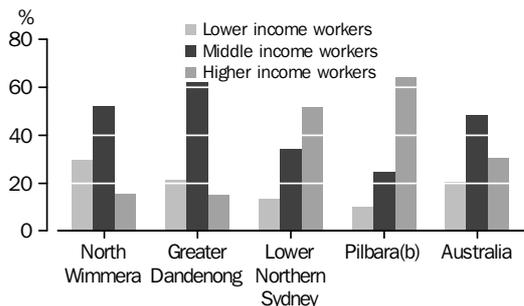
Greater Dandenong: migrants, manufacturing, and middle incomes

In 2006, the City of Greater Dandenong, situated in south east Melbourne, had an employed population of 48,000. The city had a greater proportion of middle income workers than any other Australian region (62% compared with 48% nationally). It also had the fourth lowest proportion of higher income workers (15% compared with 30% nationally). This was also the case in terms of *household income*: 7% of residents in the City of Greater Dandenong belonged to the *higher household income* group (compared with 20% of the total population).

Associated with Greater Dandenong's *personal income* profile was the high proportion of people employed in low skill occupations (61%)—the highest of any region. These low skill occupations were dominant despite the Year 12 completion rate of 56% being similar to the level for Australia overall. In other

Case study area comparisons

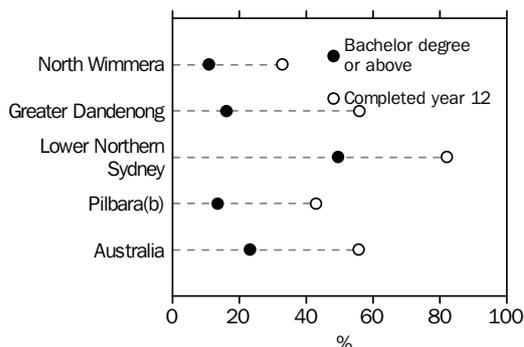
Income groups(a) of employed population



Australian regions with similar Year 12 completion rates, the employed populations generally received *higher personal incomes*, and were more likely to work in high skill occupations.

It appears that the language barrier may have hindered some of the region's residents from gaining employment in higher skill and higher paying occupations. The region had a large proportion of overseas-born workers: 60% in 2006, the highest of all Australian regions. Moreover, 17% of the region's employed population stated they could not speak English well or very well.

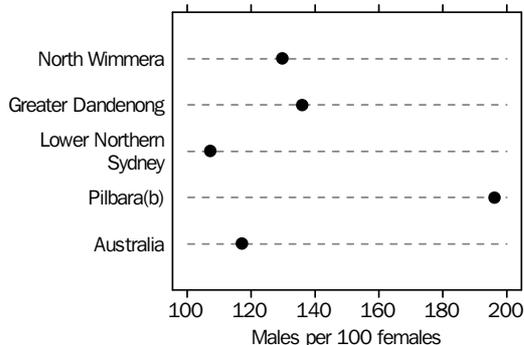
Qualifications of employed population



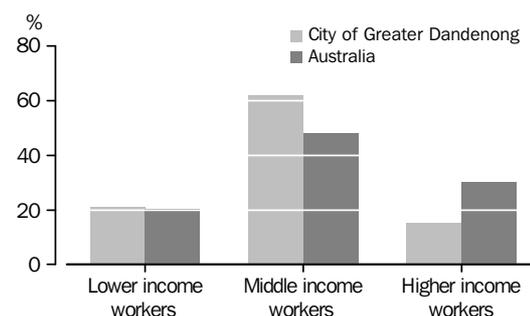
In 2006, workers in the Manufacturing and Retail industries accounted for almost half (48%) the region's low skill jobs. They were also Greater Dandenong's largest industries: in 2006, they employed 43% of the region's workers (Manufacturing, 28% and Retail, 15%). In 2006, no other region's employment was dominated by the Manufacturing industry to this degree.

The region was involved in manufacturing a range of products. In 2006, the Motor vehicle and part manufacturing industry employed 15.6% of the region's manufacturing workers. This was followed by the Metal product manufacturing industry (11.1%) and the Plastic product manufacturing industry (8.6%).

Sex ratio of employed population

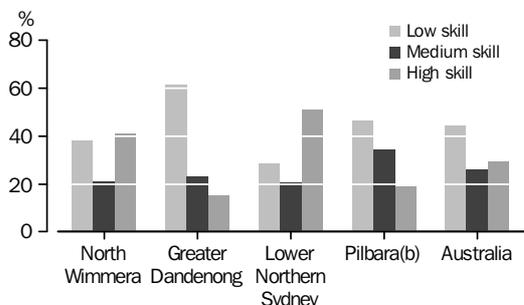


Income groups(a) of employed population, Greater Dandenong and Australia



(a) Income groups for workers defined in box on p. 197.

Occupation skill levels(c) of employed population

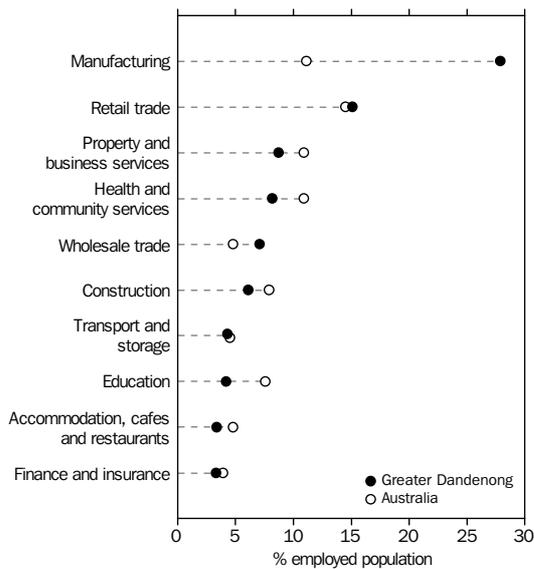


(a) Income groups for workers defined in box on p. 197.

(b) Employed population based on place of work address, other regions based on address of usual residence.

(c) See Glossary for details of Occupation skill levels.

Employment in selected industries(a): Greater Dandenong and Australia



(a) The City of Greater Dandenong's 10 largest industries by number of employees.

Lower Northern Sydney workers: Designer suits, high income

The region of Lower Northern Sydney includes the suburbs of Hunter's Hill, Lane Cove, Mosman, North Sydney, Ryde and Willoughby. In 2006, it had an employed population of 149,000. It was one of only 5 regions in which more than half the workers had *higher personal incomes* (\$1,000 or more per week). It also had the second largest proportion of people with *personal incomes* of \$2000 or more per week (19%).

This *personal income* profile of Lower Northern Sydney residents, meant that *household incomes* in the area were generally high: 48% of residents lived in households with *higher household incomes* (compared with 20% of all Australian residents).

Associated with their generally higher *personal income* profile, workers in Lower Northern Sydney were highly educated. In 2006, of the region's employed population, 82% of people had completed Year 12, and 49% were university graduates—people who had a Bachelor degree or above (compared with 56% and 23% for all employed people).

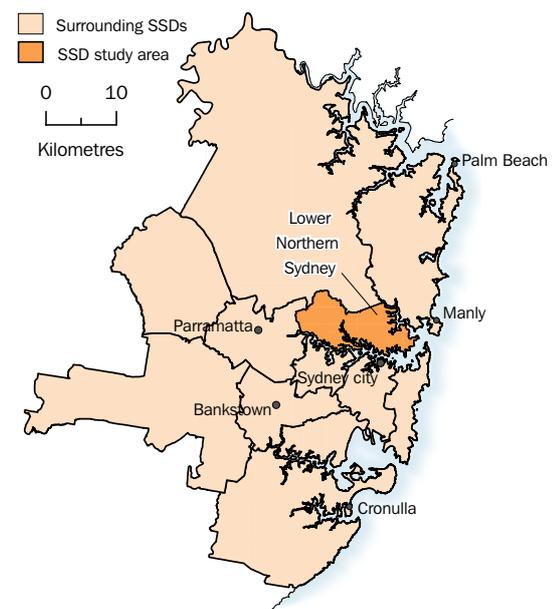
In 2006, the leading two industries in which residents of Lower Northern Sydney were employed were the Property and business services industry (32,000 people or 21.6% of the region's workers) and the Finance and insurance industry (16,000 people or 10.6%).

Since 2001, the proportions of the region's employed population working in these industries had declined from 24.3% and increased from 9.7% respectively. Very high proportions of the residents employed in these industries in 2006 were higher income workers (64% and 75% respectively).

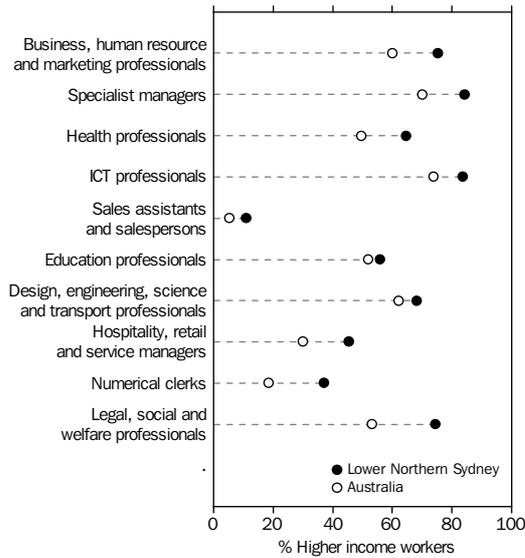
Associated with the highly educated workforce, the region's occupation profile was concentrated in high skill occupations. It was one of only six regions with more than half the employed population working in high skill occupations (51%, compared with 29% nationally). The three most common occupations were Business, human resource and marketing professionals (12.8%), Specialist managers (10.4%), and Health professionals (4.8%). Each of these had high proportions of higher income workers (75%, 84% and 64% respectively).

One other distinctive characteristic of the employed population in Lower Northern Sydney—which was also associated with the higher *personal income* profile in this region—was the amount of hours they worked. Most employed people were full-time employees (73% compared with the national average of 68%). In addition, of these full-time workers, one third worked 50 or more hours per week, compared with 27% for all Australian full-time workers. Long hours of work were very common in some of the region's main

Lower Northern Sydney Statistical Subdivision



Higher income workers(a) in selected occupations(b): Lower Northern Sydney and Australia



(a) Employed population with weekly gross personal income of \$1,000 or more.

(b) Lower Northern Sydney's 10 largest occupations by number of employees.

occupations: for example, working 50 or more hours per week were 38% of the region's Business, human resource and marketing professionals, 47% of Specialist managers, and 53% of Legal, social and welfare professionals.

Pilbara: miners flying high

The Pilbara is one of Australia's best known mining regions, providing more than 95% of Australia's iron ore exports in 2005–06.¹ It is located in the north west of Western Australia and is made up of two Statistical Subdivisions, Fortescue and De Grey. In 2006, Pilbara was the place of work for 64% of Australia's Iron-ore mining workers, and 8% of Australia's Mining workers.

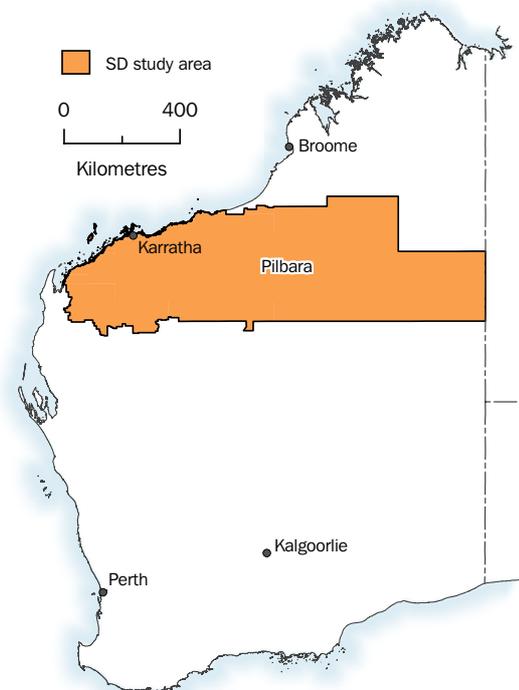
In the week prior to the 2006 Census, there were 23,600 people employed in the Pilbara region.² Compared with Australia's total working population, workers in the Pilbara region were slightly younger and were predominately male. The median age of Pilbara workers was 38 years (compared with 40 years nationally) and there were 196 male workers for every 100 female workers (compared with 117 males per 100 females nationally).

In 2006, 64% of those employed in the Pilbara² were higher income workers—more than twice the proportion of Australia's total employed population (30%). This is closely associated with the dominance of the Mining industry in this region, and the high salaries offered to attract people to this remote location.

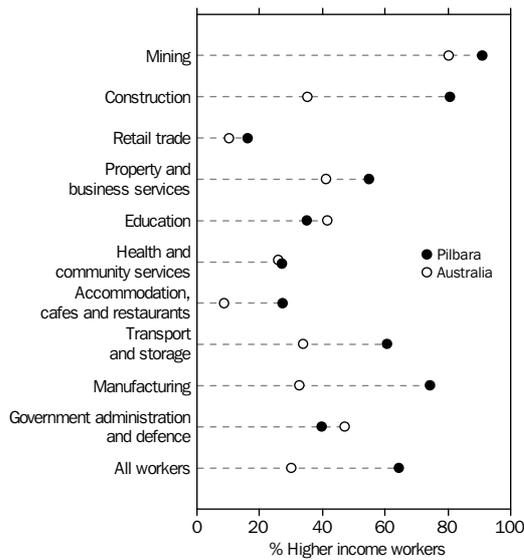
Of the Pilbara's employed population, 36% (or 8,500 people) worked in the Mining industry, followed by 12% in Construction—which is closely associated with mining operations in these areas. Of those working in the Pilbara's Mining and Construction industries, 91% and 81% respectively were higher income workers.

In 2006, *higher personal incomes* were not limited to the mining industry. The income of workers in the Pilbara's other industries which were associated with the mining operations were also high. For instance, of those working in Pilbara's Manufacturing and Transport and storage industries in 2006, 74% and 61% were higher income workers. This compared with 32% and 33% of all Australian workers in these

Pilbara Statistical Division, Western Australia



Higher income workers (a) by selected industries(b): Pilbara and Australia



(a) Employed population with weekly gross personal incomes of \$1,000 or more.

(b) Pilbara's ten largest industries by number of employees.

respective industries. Workers in other industries, which were not so closely linked to mining, also had *higher incomes*. In 2006, 16% of those employed in the Pilbara's Retail industry, and 27% in its Accommodation, cafes and restaurants industry, were higher income workers, compared with 10.1% and 8.4%, respectively, Australia wide.

At the time of the 2006 Census, around 29% of people employed in the Pilbara region² reported that they did not usually live there. Because of the region's remoteness, many of those working in the Mining industry were fly-in, fly-out workers (that is, they lived elsewhere and flew in for their work periods). Approximately 42% of people who reported that they were employed in the Pilbara's Mining industry² were not usual residents of the region. People who reported that they worked in the Pilbara's other (non-Mining) industries² were half as likely to have lived outside the Pilbara. In 2006, 21% of non-Mining workers were not usual residents, and of these, over a third worked in Construction.

Despite the fly-in, fly-out status of many of the Pilbara's highly paid mining workers, the *household incomes* of the region's usual residents were also very high. In 2006, the region contained more than double the proportion of *higher household incomes* than Australia overall (49% of all *household incomes* compared with 20%).

Endnotes

1 Australian Bureau of Statistics (ABS), International Merchandise Trade, Financial Year 2005–06, data available on request.

2 The place of work address for these people was located in the Pilbara.