

AN AUSTRALIAN NEWTOWN REVISITED

EMPLOYMENT CHANGE AND FAMILY POVERTY, 1966 & 1991

This article reports research work in progress based on a journey back to the site of one of Australia's earliest sociological studies of suburban life. The original study, of an area with the pseudonym of Newtown, was carried out in the 1960s.

On the surface, Newtown appears to have changed little in the 30 years since 1966. But this article paints a picture of significant economic change.



Newtown 1966 (above) and 1991 (left) – physically similar despite changed economic times

widening of the gap between rich and poor – although this trend is modified to an extent by the increased participation of women in the labour force, and by improved social wage benefits for the poorest, including for a new category of 'the working poor'.

Industry, Occupation and Employment Change for Newtownites

Newtown was a working class suburb with thousands of its residents working in its car assembly, truck manufacture and food processing plants. Because of this concentration in manufacturing employment it might be expected we would see, in a magnified way, the effects of recent transformations due to changes in industrial mix, occupational structure and employment patterns.

Industrial change

True to its planned nature, Newtown and its workers have been closely allied with manufacturing industry (Table 1). In 1966, manufacturing employed 56 per cent of men and 59 per cent of women. By 1991, however, with only 39 per cent of men and 27 per cent of women employed in manufacturing, the changes associated with economic restructuring had taken effect.

In line with national trends, it is service industries that have enlarged their share of employment. The wholesale and retail industry in 1991 employed 23 per cent of men (up from 12 per cent in 1966) and 26 per cent of women (up from 17 per cent in 1966). Female employment in finance, property and

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The pioneering study of Newtown in 1966, reported in *An Australian Newtown: Life and Leadership in a Working Class Suburb* (Bryson and Thompson 1972), was conducted in a time of economic growth, collective agreement about the role of the welfare state, and established demographic patterns.

The current 'revisit' project (Winter 1995) embraces a broad spectrum of aspects of life in the suburb, as did the earlier study, yet with patterns of continuity and change being explored within a context of global economic restructuring, significant changes in the supportive role of the state, and processes of demographic change.

This article concentrates mainly on change and continuity in employment and the industrial nexus of the suburb. This is not only for the general reason that employment is a fundamental factor affecting family living standards in any western capitalist

society; it is also because of the key role that industry played in the establishment of the suburb in the first place, and because such industry has undergone significant restructuring as part of the global integration of the Australian economy.

Developing an understanding of Newtown's changing labour market will, then, provide an understanding of how the living standards of Newtown's working class families have changed between 1966 and 1991.

Major changes are taking place in the Australian economy which are often broadly categorised under the rubric deindustrialisation, although the complexity of the trend can hardly be encompassed by one term. Key changes that have occurred include a significant decline in the manufacturing sector, high unemployment rates, and the rapid development of part-time jobs (Fagan and Webber 1994). These are changes which research suggests are also associated with a

business services, and in community services, had also grown proportionately from 4 per cent and 7 per cent in 1966 to 11 per cent and 18 per cent respectively in 1991.

Occupational change

Associated with this shifting industrial mix, the occupational structure of Newtown has also undergone change (Table 2). However, the growth of service industry occupations at a national level (Aungles *et.al* 1993) appears to have drawn few rewards for Newtown. Lower level service occupations, such as clerks, sales and personal service workers have remained static. Higher level service occupations, professionals and para-professionals have increased their share of employees to a combined total of only 7 per cent for women and 9 per cent for men.

NEWTOWN THEN

The outer suburban area of Newtown was built in the 1950s and 1960s by the Victorian Housing Commission, as part of its public housing mandate. The aims of the Newtown development were twofold: to house workers supplying the labour force demands of expanding local manufacturing (often through migrant workers), and to provide a venue for families who were the target of the Commission's inner city 'slum clearance' program.

At the time of the original study in the 1960s, the suburb's workers were largely in blue collar jobs, and many were employed locally. Unemployment rates were very low; the rates of employment for women were higher than the average and this was, as for men, mainly in full-time positions.

In the 1960s, about half the adult population of Newtown were born outside Australia, with about half of these being (relatively) recently-arrived immigrants from the United Kingdom.

force participation has been concentrated in part-time jobs, with the proportion working part-time rising from 28 per cent in 1966 to 52 per cent in 1991. Most of this increase in part-time employment has occurred with those working less than 20 hours per week. The proportion of women working more than 30 hours per week has fallen from 72 per cent to 48 per cent.

Poverty in Newtown

The overall impact of changes in industrial mix, occupational structure and employment patterns is manifest in a drastically different income distribution (Table 4). Whereas in 1966 10 per cent of Newtown families were in a bottom income group of less than \$40 per week, by 1991 37 per cent of Newtown families are in the equivalent bottom income group of less than \$383 per week.

As a measure of the financial hardship such families are under, 61 per cent of the bottom income group are 'in poverty' and 83 per cent are 'poor' against the Henderson poverty line. Sixty-five per cent of families in

In fact, lower-skilled occupations, such as machine operators and labourers, now represent substantially enlarged occupational groups in Newtown. For both men and women, the proportion of tradespeople has dropped dramatically and the proportions of plant/machine operators/drivers and labourers and related workers has grown. There appears to have been a de-skilling in the structure of Newtown's labour market associated with the demise of manufacturing employment.

Changes in employment patterns

In Newtown there has been a significant increase in unemployment over the period 1966 to 1991 (Table 3). While the labour force participation rate for men was at the same level in 1991 as it was in 1966 (74 per cent), the unemployment rate in 1966 was a negligible one per cent. With workers in such short supply in 1966, it is not surprising that a large car manufacturing company should have made significant efforts to try to ensure a supply of labour by siting itself adjacent to Newtown. By the 1991 Census the male unemployment rate had risen to 20 per cent. In the 1990s such negotiation about a labour supply would probably have been superfluous.

Table 3 also shows that the changes for women workers have been even more dramatic than for men. The female labour force participation rate was 32 per cent in 1966; by 1991 this had risen to 47 per cent. The unemployment rate for women climbed from 3 per cent to 19 per cent. The long-term unemployed (over 12 months) represent nearly 30 per cent of unemployed men and women.

The initial logic behind the development of Newtown, which made so much sense at the time, to house skilled, immigrant workers close to new manufacturing employers, is the very logic that appears to have locked Newtown into a position of relative disadvantage as the lead elements of the economy have changed in nature.

At a national level, the past 30 years have also witnessed growth in both the number of full-time and part-time jobs, but the growth rate of part-time jobs has far exceeded that of full-time jobs. 'While full-time jobs in Australia increased by 41.6 per cent between 1966 and 1990, part-time jobs increased by 250.5 per cent - from 475,000 to 1,665,200' (Women's Adviser's Unit 1990).

Analysis of the 1991 survey data shows that in Newtown the growth in female labour

Table 1. Industry by gender: "Newtown" census data, 1966 and 1991

	1966 %	1991 %
Males		
Agriculture, forestry, fishing and hunting	1.0	0.3
Mining	0.5	0.3
Manufacturing	55.9	38.7
Electricity, gas and water	2.9	1.6
Construction	12.9	7.3
Wholesale and retail	11.6	22.7
Transport and storage	5.4	7.9
Communication	1.7	3.7
Finance, property and business services	1.4	5.3
Public administration and defence	1.2	2.8
Community services	2.8	6.3
Recreation, personal and other services	2.7	3.3
Total (n = 3029)	100.0	(n = 2178) 100.0
Females		
Agriculture, forestry, fishing and hunting	0.6	0.6
Mining	0.0	0.2
Manufacturing	58.7	27.4
Electricity, gas and water	0.7	0.9
Construction	0.6	1.7
Wholesale and retail	17.2	26.2
Transport and storage	1.6	2.6
Communication	1.0	1.5
Finance, property and business services	3.6	10.9
Public administration and defence	0.9	5.6
Community services	7.2	17.6
Recreation, personal and other services	7.9	4.7
Total (n = 1270)	100.0	(n = 1398) 100.0

Source: Australian Bureau of Statistics, Census data, 1966 and 1991.

Table 2. Occupation by gender: "Newtown" census data, 1966 and 1991

	1966 %	1991 %
Males		
Managers and administrators	3.6	4.9
Professionals	0.4	4.0
Para-professionals	4.6	4.7
Tradespersons	49.9	27.4
Clerks	7.4	8.4
Sales and personal service workers	5.8	6.3
Plant/machine operators/drivers	12.7	21.0
Labourers and related workers	15.5	23.3
Total (n = 3053)	100.0	(n = 2187) 100.0
Females		
Managers and administrators	1.6	3.6
Professionals	0.2	3.3
Para-professionals	3.3	3.6
Tradespersons*	37.4	5.2
Clerks	26.2	27.8
Sales and personal service workers	14.2	18.2
Plant/machine operators/drivers	3.9	9.1
Labourers and related workers	13.2	29.3
Total (n = 1284)	100.0	(n = 1403) 100.0

* This category is overestimated in 1966 due to conversion of occupation classifications.

Source: Australian Bureau of Statistics, Census data, 1966 and 1991.

the lowest income group receive their primary income in the form of pensions or benefits.

A polarisation of income groups has become manifest in Newtown with the middle of its income range appearing to disappear (Gregory 1993). On this basis, Newtown, for its limited income range, reflects accurately the picture of a growing gap between rich (less poor) and poor identified at a national level (Castles and Mitchell 1994; Saunders and Fritzell 1995), although whether

any of Newtown's families could be labelled rich is doubtful.

While economic restructuring has rendered access to the labour market increasingly difficult, it is access for both parents that is the best means of avoiding such financial hardship – a situation that was also true in the 1960s. Only 16 per cent of dual income families fall into this bottom income category compared with 68 per cent of single income families.

To indicate the nature of the impact of this lack of income on family life, Figure 1 illustrates the myriad ways in which family living standards are negatively affected by a lack of income. Overall, nearly 70 per cent of families have experienced at least one such impact. Nearly half were unable to service or repair their car. The proportions of families unable to pay insurance or who had fallen behind on their utility bills are high at around the 40 per cent mark. More than 30 per cent had fallen behind on their rent and/or rates. While items such as having the telephone cut off and being unable to pay for a relative's

burial are experienced by only a small proportion of families, the social meaning and significance of such impacts illustrates the depth of disadvantage that some families are experiencing.

Conclusion

While it may be clear that there are more Newtown families on lower incomes in 1991 than in 1966, and that some of these families are experiencing significant social disadvantage as a result, we cannot automatically read from this that family living standards are necessarily lower in 1991 than they were in 1966. Unknown, at this stage, is whether improvements in the social wage have offset these income losses. Further, Travers and Richardson (1993) argue that the a 1990–91 poverty line income is worth 18 per cent more in real terms than a 1973–74 poverty line income.

Not only, then, do we need to know more about the income context within which these families are living, but also, consistent with the Australian Living Standards Study (ALSS) style of analysis, we need to know whether their housing, transport, health and education needs are being met better now than in 1966. The Newtown Revisited Project, as it engages in further analysis, will pursue such questions and report on them in the future.

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Table 3: Labour force status by gender: "Newtown" census data, 1966 and 1991

	1966 *	1991 #
	%	%
Males		
Employed	73.2	60.0
Unemployed	0.7	14.4
In the labour force	74.0	74.7
Not in the labour force	26.0	25.4
Total (n = 4153)	100.0	(n = 3945) 100.0
Females		
Employed	31.5	38.2
Unemployed	0.9	9.1
In the labour force	32.4	47.3
Not in the labour force	67.6	52.7
Total (n = 4059)	100.0	(n = 3981) 100.0
Unemployment rate		
Males	1.0	19.6
Females	2.8	19.3

* 1966 census data for those not in the labour force excludes persons in full-time education.

1991 census data is for persons aged 15 or older.

Source: Australian Bureau of Statistics, Census data, 1966 and 1991.

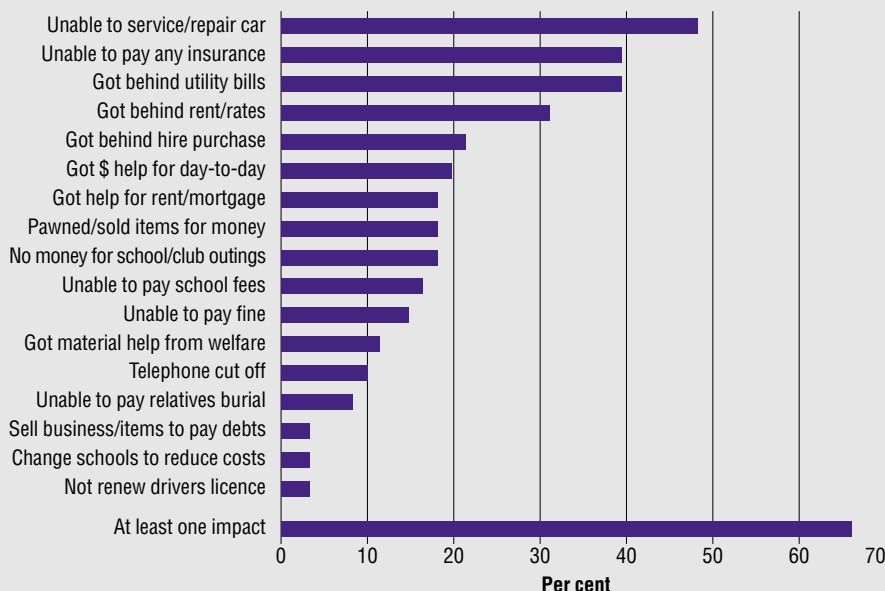
Table 4. Weekly net parental income*: "Newtown" survey data, 1966 and 1991

	1966	1991
	%	%
Under \$383.60	9.9	37.1
\$383.61–479.50	22.6	16.1
\$479.51–575.40	26.2	14.5
\$575.41 or more	41.3	32.3
Total (n = 332)	100.0	(n = 62) 100.0

* This table refers to \$1991. The equivalent \$1966 are: \$40; \$40–49; \$50–59; \$60.

Sources: Bryson, L. Caretaking in a working class suburb 1970. Australian Living Standards Study (ALSS) 1991–92, Australian Institute of Family Studies, Melbourne.

Figure 1. Financial impacts of lack of income*



* These data are from a multiple response question. Any one respondent may have experienced a number of these impacts.

Source: Australian Living Standards Study (ALSS) 1991–92, Australian Institute of Family Studies, Melbourne.

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