



Income and Employment

City of Port Phillip Health Profiles

Employment is linked to health in positive ways, both as a mechanism for earning income and other material benefits, and as a source of social integration, status and meaning. However, insecure and poor-quality employment exposes workers to health-harming physical and mental health stressors.

What are the employment and income prospects of Port Phillip residents?

According to 2021 Census data by the Australian Bureau of Statistics:

- Out of the total labour force in Port Phillip, 95.5 per cent of residents were **employed**, with 63.3 per cent working full-time, 26.6 per cent working part-time and 5.6 per cent being away from work. This means the **unemployment rate** is 4.5 per cent of residents, with 2.6 per cent looking for full-time and 1.9 per cent looking for part-time work. This unemployment rate is a slight decrease from 5.1 per cent in 2016, and a slight difference from the 4.3 per cent unemployment rate in 2011. The unemployment rate has been consistently lower than the Greater Melbourne percentage since 2011, with the Greater Melbourne percentage being 5.5 in 2011, 6.8 in 2016 and 5.3 in 2021.
- In terms of **individual income quartiles**, 15.5 per cent of residents were in the lowest group, 17.1 per cent were in the medium lowest, 23.6 per cent were in the medium highest, and 43.8 per cent were in the highest. This is relatively similar to the percentages in 2016, which were 15.2 per cent of residents in the lowest group, 16.4 per cent in the medium lowest, 23 per cent in the medium highest and 45.4 per cent in the highest group. The 2021 percentages differ from the Greater Melbourne percentages which are more evenly spread, at 25.2 per cent, 23.1 per cent, 24.8 per cent and 26.8 per cent from lowest to highest quartiles respectively.
- In terms of **household income quartiles**, 19.6 per cent were in the lowest group, 22.5 per cent were in the medium lowest, 24.7 per cent were in the medium highest and 33.2 per cent were in the highest. These figures are relatively similar to the percentages in 2016, which were 19.1 per cent in the lowest group, 19.5 per cent in the medium lowest group, 25.8 per cent in the medium highest group and 35.5 per cent in the highest group. The 2021 percentages differ from the Greater Melbourne percentages at 22.6 per cent, 24 per cent, 25.6 per cent and 27.8 per cent from lowest to highest quartiles respectively.
- There has been increasing interest in identifying, acknowledging and valuing **unpaid work** that supports home and community life. Almost 1 in 5 (18.6 per cent) of Port Phillip residents provided some form of unpaid childcare, whether it was their own child/ren, other



child/ren or both. 11.2 per cent of residents provided unpaid assistance to a person with a disability, long term illness or old age, which is similar to the Greater Melbourne percentage of 12.6 per cent. This figure of 11.2 percent is an increase from 8.7 per cent in 2016 in Port Phillip (.id, 2023).

Additionally:

- As of November 2022, 3 per cent of Port Phillip residents aged 15-64 were JobSeeker and Youth Allowance recipients, slightly lower than 3.6 percentage for Greater Melbourne. This is a decrease from 8 percent in August 2020, which was the highest percentage experienced during COVID-19 related restrictions. This is also compared to 3.1 per cent in March 2020, when COVID-19 was beginning to impact Australian society (.id, 2023).
- Port Phillip Council is a significant employer of people residing in the municipality. Other significant employment sectors within Port Phillip include manufacturing, largely located in Port Melbourne and South Melbourne, retail and tourism.
- Traditional sectors such as creative and cultural industries will continue to make a valued contribution to Port Phillip's social and economic dynamic if they can be retained and supported to prosper.

Current impacts on income and employment

Currently in the aftermath of post COVID-19 lockdowns and public health restrictions, there is a labour shortage across the workforce in many industries. This means that for a proportion of the population, it is less competitive to be able to gain work and thus easier for workers to obtain jobs. However, this also creates issues with income for business owners, where they may lose customers or business due not being able to provide goods or services with a lack of workers.

High Street vacancy rates to the six months ending December 2022 indicates a vacancy rate of 7.4%¹.

Additionally, as shown in the statistics in the previous section, the amount of JobSeeker and Youth Allowance has now stabilised in the aftermath of COVID-19 public health restrictions. This is a positive sign that a large proportion of people have been able to re-enter the workforce after these restrictions easing.

One issue that is arising is that wages/salaries are not keeping up with inflation and the rise in cost of living. This means that residents' income may not be able to keep up with the costs of everyday

¹: these vacancy counts reflect ground floor properties along the above named 'high streets' only.



expenses, where employers or businesses may not increase pay to keep with economic inflation, particularly when they may be experiencing their own financial strains.

Supply chain issues have impacted various industries since the COVID-19 pandemic began. While having reached some level of stability, certain materials and goods may be harder to source, depending on market conditions.

Why is participation in work important?

- There is an established relationship between employment and health. Being in good employment is protective of health and wellbeing, and particularly mental health. Insecure and poor-quality employment is associated with increased risk of poor physical and mental health, including through contributing to stress, anxiety and depression (Green, 2020).
- The benefits of work include physical activity, providing a sense of community and social inclusion, a feeling of contributing to society and family, providing structure to days and weeks, financial security, and a reduced likelihood of risky behaviours, such as excessive drinking.
- Unemployed people have a higher risk of death and have more illness and disability than those of a similar age who are employed. The psychosocial stress caused by unemployment has a strong impact on physical and mental health and wellbeing.

What is Council's role?

Whilst the Australian and Victorian Governments, in partnership with the business sector, have a significant role to play in addressing our sliding economy, local governments also have a role to play in stimulating the economy of their municipalities. This includes:

- Supporting local business and activity centres in our community to remain viable by developing strategies which continue to draw visitors and tourists to Port Phillip
- Providing business mentoring, training, and support for new and existing businesses to make it easier to do business in Port Phillip and to help businesses develop and grow in partnership with the Victorian Government
- Coordinating three Special Rate schemes in Port Melbourne, Acland Street Village and Fitzroy Street for the sole purpose of marketing, promotion and business development of the specified Activity Centre
- Supporting local Traders' Associations achieve economic objectives
- Maintaining opportunities for employment for those in the creative industry through staging of public events and festivals.

Who are our partners?



Responding to the complex and multidimensional impacts on employment and income prospects in our community requires the input and support of community organisations and various sectors of our local economy. Some of our key partners include:

- Local businesses and social enterprises
- Local business associations and trader groups
- Arts and creative sector organisations
- Live music industry and games sector
- Neighbouring councils
- Victorian Government bodies and departments including: Business Victoria, Visit Victoria, Creative Victoria, Department of Treasury and Finance, Department of Jobs, Skills, Industry and Regions
- Victorian Small Business Commission
- Victoria Tourism Industry Council
- Victorian Chamber of Commerce and Industry

What may change over the next five years?

- Gentrification, escalating land values, and the rising cost of rents present a challenge for small businesses.
- The nature of economic interactions is changing within our community, as a result of:
 - Community concerns about sustainability
 - The changing retail environment
 - The rise of collaborative consumption and the sharing economy
 - The emergence of flexible employment models
- The labour shortages currently being experienced may ease or may become worse in the future. This could continue to impact businesses who may struggle to meet the demand for goods and services, with insufficient workers or labour.
- The current rise in inflation and the cost of living could continue to increase, impacting on individuals and businesses as they try to make ends meet. This economic uncertainty could continue in the post COVID-19 lockdown recovery, or the economy may slowly recover.
- Whilst it appears unlikely that COVID-19 restrictions will be enforced in a post-lockdown society, there is a possibility some level of restrictions being implemented in response to waves or rises in COVID-19 cases, or the emergence of variants or subvariants.
- Supply chain issues could become exacerbated and arise again, which could impact on businesses' ability to make sales and therefore impact employment and income.





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