



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?

- Port Phillip generally has high employment rates with 45 per cent of residents having an income in the highest quartile, compared to 26 per cent for Greater Melbourne.
- While Port Phillip has a greater proportion of high-income earners, there remains a significant proportion of low-income earners with 14.8 per cent of households classed as low income.
- Over the past 10 years, the unemployment rate in Port Phillip has remained lower than the Victorian average.
- 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.
- There has been increasing interest in identifying, acknowledging, and valuing unpaid work that supports home and community life. Almost one in five Port Phillip residents provide unpaid care to children and almost 9 per cent provide unpaid assistance to a person with a disability, long term illness or old age. Unpaid care provided by the population in Port Phillip is lower when compared to Greater Melbourne (Australian Bureau of Statistics, 2016).

COVID-19 Impacts

Due to uncertain market conditions and trading restrictions associated with COVID-19, Federal Government support is playing a greater role in providing employment and income support to Australians. This is primarily through the JobSeeker and JobKeeper Payment programs, which provide financial support to individuals looking for work and businesses struggling to keep their workers employed.



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- In November, 7.4 per cent of the Port Phillip Community was receiving Job Seeker or youth allowance. This is almost a threefold increase compared to the previous year. Comparatively, it is a lower proportion than Greater Melbourne (8.3 per cent) and Victoria (8.8 per cent), and it has dropped from a high of 8.0 per cent in August 2020 (Department of Social Services, 2020).
- The areas within Port Phillip that have the highest proportion of JobSeeker recipients are Port Melbourne Industrial (19.3 per cent), St Kilda (8.9 per cent), South Melbourne (8.4 per cent), and St Kilda East (7.6 per cent). These areas have rates comparable with Victoria.
- High Street vacancy rates to the six months ending December 2020 indicate the highest proportion of vacancies is on Fitzroy Street (where 12% of business premises are vacant – a total of 15 properties) followed by Acland Street (11% or 14 properties), Carlisle Street (7% or 14 properties), Bay Street (7% or 16 properties), Clarendon Street (6% or 12 properties) and Ormond Street (4% or 3 properties)¹.
- Early evidence suggests that employed residents have fared better than their Greater Melbourne and Victorian counterparts during the COVID-19 pandemic. However, the impact on estimated Gross Regional Product and Local Jobs is higher in the City of Port Phillip compared to the Greater Melbourne and Victoria (National Institute of Economic and Industry Research, 2020), due to its reliance on tourism and exposure to fluctuation in consumer demand.

While still high by historical standards, employment trends are beginning to improve across Victoria as COVID-19 restrictions have been eased. In November:

- Victoria's unemployment rate fell to 7.1 per cent from 7.4 per cent in October
- Underemployment fell even further, from 13 per cent to 10.6 per cent
- The participation rate increased from 65 per cent to 66.2 per cent (Australian Bureau of Statistics, 2020)

These economic trends have had significant impacts on the lives of Victorians. During the first 2020 lockdown, a large number of Victorians experienced financial hardships, increasing uncertainty and many were concerned about their job prospects.

- 1 in 4 Victorians experienced financial hardship, compared to 1 in 6 before it started
- 29 per cent were worried about their job prospects
- 1 in 10 reported they had lost their job
- 4 in 10 took a pay cut

¹ Please note: these vacancy count reflects properties along the above named 'high streets' only. It is acknowledged that in some cases, the above 'high streets' are also connected to incorporate business associations who also report on vacancy counts that include a wider precinct, every six months via their Special Rate agreements.



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- 1 in 6 were forced to take unpaid leave
- 4 in 10 had their hours cut back
- Young women aged 18-24 were 2.5 times more likely to lose their job
- Those with a disability were two times more likely to lose their job (VicHealth, 2020).

Why is participation in healthy 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 (Mathers & Schofield, 1998).
- 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?

It is clear that COVID-19 has and will continue to have a significant impact on our economy, including employment and income prospects.

Whilst the Commonwealth 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 help them develop and grow in partnership with the state government
- Working with local co-working spaces to grow the start-up ecosystem in Port Phillip
- Operating three Special Rates 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 effects of COVID-19 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:

- Victorian Government particular Creative Victoria and Tourism Victoria
- Neighbouring Councils'
- Arts and Creative Sector Organisations
- Live music industry and Games industry
- Local traders and trader associations

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
- There is likely to be more people looking for work, as the impact of the COVID-19 pandemic has seen the unemployment rate increase.
- Mortgage and rental stress levels are likely to increase once Jobkeeper and Jobseeker payments ends.

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