

# Research matters

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## Victoria's regional centres – a generation of change

Recent research undertaken by the Spatial Analysis and Research (SAR) team has provided greater insight into the dynamics influencing population change in Victoria's largest regional centres – Geelong, Ballarat and Bendigo. This research utilised *Towns in Time* and *Suburbs in Time* data which covers the period 1981–2006. With a combined population of 283,500 persons in 2006, about one in five persons in regional Victoria live in one of these centres. As large regional centres they have significant service and employment functions, not only for their residents but with an influence that extends into the surrounding region and an increasingly wide service catchment area.

While all three centres have grown over the period 1981–2006, the rate of change has not been constant as the chart below shows. A common theme is the lower population growth between 1991 and 1996, when the economy was in recession or slowly recovering.

Geelong was particularly hard hit, both by job losses and structural change in the manufacturing sector, as well as the collapse of the Pyramid Building Society and its flow on effects. Geelong's population declined between 1991 and 1996, but as the economy recovered

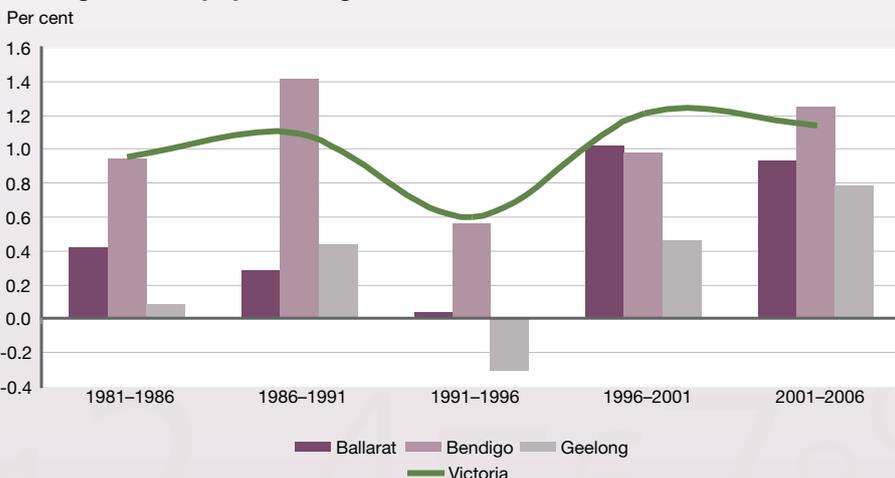
strongly in the late 1990s the level of population rebounded and is also strong in surrounding commuting towns such as Bannockburn and Clifton Springs.

Ballarat and Bendigo have also recorded varying rates of population growth over the 25 years. Ballarat was impacted strongly by the early 1990s recession and growth was negligible between 1991 and 1996, but similar to Geelong the rate of growth has been much stronger as the economy has recovered over the last decade.

The story of population change in Bendigo is different as both the rate and volume were consistently higher over the period 1981–2006. The rate of growth in Bendigo has kept pace with, or exceeded, the Victorian figure over this period. Overall, the volume of population growth in Bendigo was 16,270 persons, which was almost twice as high as in Geelong and Ballarat. This stronger growth has meant that the differential between the populations of Ballarat and Bendigo has converged significantly, from about 10,000 in 1981 to 3,000 in 2006.

The availability of suburbs data has allowed investigation of the internal changes within these centres. In common with trends in Melbourne up to the 1990s, the central cores of these centres have been losing population and dwellings through processes such as population ageing and conversion of homes to non-residential uses such as shops and offices. However, between 2001 and 2006, the inner core of Geelong (which includes the suburbs of Geelong, East Geelong and Thomson) recorded an increase in both population and dwellings. This is due to redevelopment of key sites, especially along the waterfront, which is altering the social and urban fabric of the area. Furthermore, there are several projects currently under construction or in the pipeline,

Average annual population growth rate, 1981–1986 to 2001–2006



Continued on page 2

# The Lake Boga Project

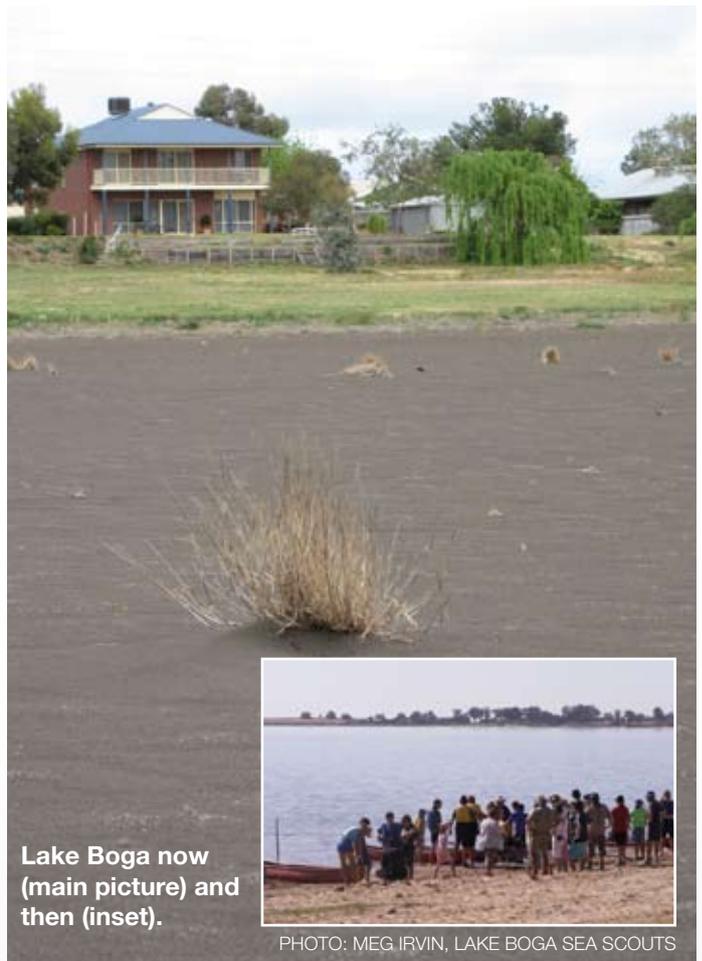
The Regional Analysis team is currently undertaking a qualitative research project which examines the impacts of environmental change on a regional community. Through such research the team hopes to expand the knowledge base of the Department on the community impacts of, and responses to, environmental stress. It will also assist policy makers in testing some of the assumptions that have developed around debates on resilience, vulnerability and community strength in the context of climate change.

For the pilot study, the community of Lake Boga near Swan Hill in north-western Victoria was chosen as a case study. The town of 500 people has experienced a relatively sudden and significant environmental change. In early 2008, the lake that was central to the town's recreation and tourism industry dried up completely.

During October a research team travelled to the town of Lake Boga and spent a week conducting around 35 in-depth interviews with local people. These interviews aimed to explore: life before the lake dried up; experience and explanation of the event; community responses; and views about the future of Lake Boga.

After analysing the fieldwork interviews, a policy round table was held to provide an opportunity to explore policy implications of the research. In early December the research team will return to Lake Boga to present findings, and a final report is expected to be available in February 2010. Further details of the findings will be presented in a later edition of *Research Matters*.

For further information, please contact [elissa.waters@dpcd.vic.gov.au](mailto:elissa.waters@dpcd.vic.gov.au)



Lake Boga now (main picture) and then (inset).

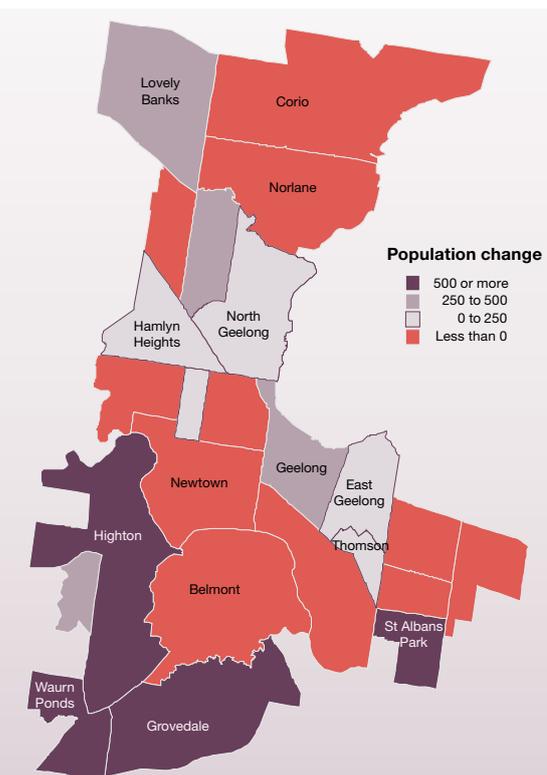
PHOTO: MEG IRVIN, LAKE BOGA SEA SCOUTS

## Victoria's regional centres... continued

and this ongoing process of redevelopment suggests that the area will record further population increases. More recently, the 2006 population of Geelong's inner core, despite the turnaround, is still lower than it was throughout the 1980s. This turnaround in central Geelong is similar to the same process that has been occurring in inner Melbourne since the mid 1990s, albeit at a smaller scale. Importantly, there is little evidence that this process is occurring yet in Ballarat and Bendigo, as their central city populations continued to lose population and dwellings between 2001 and 2006. The difference in the fortunes of the inner city populations of Victoria's largest regional centres can be explained by Geelong's closer proximity to Melbourne and the coast, as well as an increasingly diversifying economy away from its traditional manufacturing base.

For further information on this study, please contact [simone.alexander@dpcd.vic.gov.au](mailto:simone.alexander@dpcd.vic.gov.au), or refer to the *Towns in Time* analysis page on the SAR website.

Population change, Geelong suburbs, 2001–2006



## Victoria in Future – a DPCD in the community event

- Victoria's high population growth will continue into the future.
- Population growth will be spread unevenly across the state.
- The ageing population is changing the service demands of Victorians.

These are three of the key messages that were delivered to Victorians through a series of 13 regional and metropolitan *Victoria in Future* forums held between September and November. The forums were well attended, with over 1,000 people in total participating.

Along with the actual population projection numbers, presentations covered the drivers and trends behind population growth, thereby building participants' knowledge of the impacts in their region. Twelve of the forums included a round-table discussion of the implications for specific regions. They also provided an opportunity for networking and information sharing across local governments, community groups and businesses.

Regional reports and forum presentations will be available on the Spatial Analysis and Research website.

# Population growth: the short-term spike and the long-term shift

The latest quarterly population estimates published by the Australian Bureau of Statistics (ABS) show that Australia and Victoria are growing by record numbers of people. In Victoria's case there is a coming together of three factors: high overseas migration; virtually zero interstate losses; and a baby bounce which has led to a recovery of natural growth.

Victoria's low interstate losses (less than 1,000 in the year to March 2009) are attributable to the recovery of Victoria's economy since the dark times of 15 years ago when there were net losses of up to 30,000 to other states in one year. The baby bounce, as shown in previous *Research Matters* (RM36 and RM48), is led by increased birth rates particularly for Melbourne women aged in their 30s.

But net overseas migration (NOM) is the most volatile of the three components of change and the one causing the most comment. Given that for the last 25 years Victoria has consistently received a 22–27% share of Australia's NOM, Victoria's growth from overseas migration is best viewed in a national context.

At the start of the 21st century, NOM to Australia was averaging around 100,000 people per year. ABS population projections in 1997, 2000 and 2004 assumed figures close to this mark. But in the year to March 2009, the preliminary estimate of NOM was 278,000. Behind this number we believe that there is both a one-off short-term spike and a long-term shift to a sustained higher level of overseas migration.

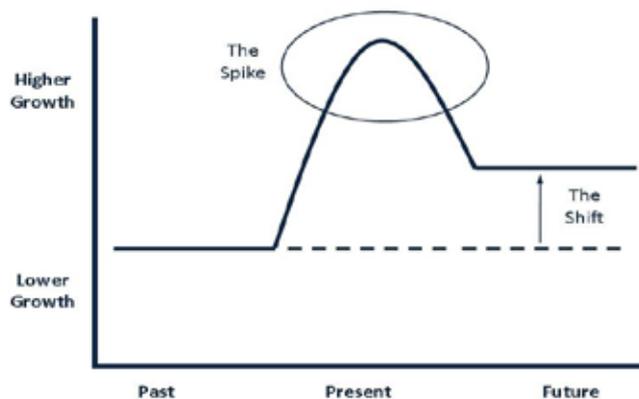
Behind the short-term spike has been a range of one-off events, most of which are associated with the global economic downturn. These include more Australians returning to Australia rather than working on long-term assignments overseas. Secondly, stronger net movements across

the Tasman have occurred in response to changing labour market conditions. Thirdly, there has been a growth of long-term temporary migration as the overseas student flow increased. Fourthly, there is the skilled visa lag: visas issued in the bullish labour market conditions before the outbreak of the global economic downturn have since been taken up. Fifthly, a change of ABS methodology has resulted in more people, particularly overseas students, now being counted as residents. But there is evidence from the number watchers in Canberra that the peak has passed, and this will flow through to the official population statistics over the next six months. The first panic of the economic downturn has passed. Visa criteria have been tightened. The flood may be ebbing.

But will the spike shrink to the overseas migration levels experienced ten years ago? The evidence is that it probably will not, owing to a long-term shift in our demographic structure. Labour and skills shortages are likely to continue as more baby boomers reach retirement, despite better training in Australia and rising employment levels amongst Australians aged over 55. Higher levels of overseas migration will be required to ease these shortages. Australia often experienced population growth rates of over two per cent in the long post-war economic boom, with half coming from NOM. High rates of growth are therefore not unprecedented.

The ABS still has its medium net overseas assumption of 180,000 over the long-term. Recent reports on projections used for the third Intergenerational Report show that the Commonwealth Treasury is also adhering to the 180,000 assumption, with Immigration Minister Senator Evans describing it as a long-term sustainable level. The Department of Planning and Community Development's *Victoria in Future 2008* population projections also assume NOM to Australia of 180,000. Given the above, there are no plans to revise this assumption. For further information, please contact [jeremy.reynolds@dpcd.vic.gov.au](mailto:jeremy.reynolds@dpcd.vic.gov.au)

**The spike and the shift**



## VicCLUE: a beautiful set of numbers

Paul Keating was not the only one to get excited over trends. State and local government have ahead of them the significant challenge of intensifying urban development within Melbourne and other major urban areas. Monitoring how well it is all going is a part of that challenge.

That is why interest in the City of Melbourne's Census of Land Use and Employment (CLUE) has been growing. CLUE provides details every two years at property level of the way in which land is being used and the nature of employment occurring on that property. This enables Council to monitor change and plan strategically for economic and social development. See [www.melbourne.vic.gov.au/clue](http://www.melbourne.vic.gov.au/clue) for further information.

In 2007 the State Government supported a feasibility study of the value of running a CLUE in other local governments. The results were extremely positive (see *CLUE for Local Government Project* under the website address above) and showed a high interest among councils in conducting their own CLUE. Subsequently, a small number of councils has undertaken pilot-runs of CLUE.

The State Government has supported a trial of CLUE (called VicCLUE) in the six Central Activities Districts, plus in areas of Geelong, Sunshine and western industrial nodes. This trial is examining the capability of the CLUE approach to develop a fully comprehensive picture of current land use and employment. This can serve as a baseline for strategic planning, and will facilitate data sharing between local and state government.

The CLUE field work for these areas is now complete. Individual datasets will be provided back to the relevant local governments for their own use. The complete dataset will be analysed by State Government, together with a review of the collection processes. A recommendation will then be developed within State Government about the potential future of VicCLUE for Melbourne and regional Victoria to allow monitoring of strategic policy, particularly that outlined in Melbourne@5million and the M2030 Strategy, to provide us all with a beautiful set of numbers.

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# Who works nowhere?

A major strength of the Census data is that it enables fine grained geographic analysis of different population types. Much use is made of the residential population data for planning services, but less exploited from a research perspective is data on the working population. Journey to Work data (JTW) considers where people work rather than where they live. It is important from a service planning perspective, particularly regarding daytime populations and transportation requirements. Further breakdown of the JTW data provides a detailed picture of the number, type and location of jobs. For example, the City of Melbourne has by far the highest number of workers of any municipality in Victoria (297,260). The next largest concentrations of workers are found in Monash (88,310), Greater Geelong (74,640) and Greater Dandenong (74,220).

However there are a significant number of people who reported no fixed workplace address on their Census form. This totalled 93,620 persons in Victoria in 2006, which is larger than the suburban workforces mentioned above and comprised about 4.3% of employed persons in Victoria. Moreover, this 'non-spatial workforce' is growing faster than the total workforce. Between 2001 and 2006, the total workforce grew by 8%, but the equivalent figure for the non-spatial workforce was almost 17%. There are considerable implications regarding the size

and growth of the non-spatial workforce, as it makes it difficult to determine the magnitude and direction of commuting flows.

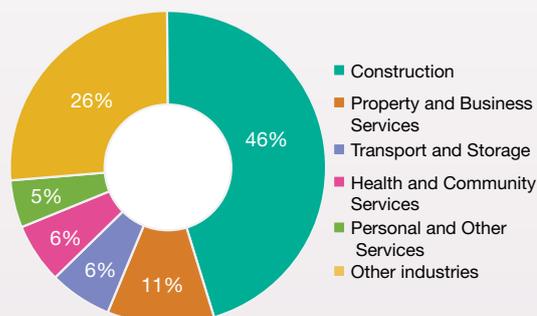
The industry structure of the non-spatial workforce is depicted below. Clearly, the largest proportion of workers (46%) without a fixed workplace address are employed in the construction industry. This is not unexpected given the nature of that industry, whereby the locational requirements are fluid over time and space. For example, tradespeople may be working on multiple projects at any one time at a number of locations, the duration of which may also be variable.

Due to the dominance of the construction industry among the non-spatial workforce, it follows that areas with higher proportions of residents working in construction also have higher proportions of residents without a fixed workplace address. In fact there is a strong positive relationship between these two variables which is shown in the table below. Interestingly, these municipalities tend to be located on the metropolitan fringe or in the peri-urban zone around Melbourne. This is possibly a reflection of the rapid growth of some of these areas, and a desire for construction workers to live and work near their main markets.

Local Government Area	Proportion persons with no fixed workplace address	Proportion persons employed in construction
Cardinia	7.5%	12.6%
Yarra Ranges	7.5%	12.0%
Mornington Peninsula	7.4%	12.2%
Bass Coast	7.3%	13.4%
Murrindindi	7.3%	10.1%
Frankston	6.6%	10.6%
Mitchell	6.4%	9.8%
Surf Coast	6.3%	12.0%
Moorabool	6.0%	10.9%
Victoria	4.3%	7.7%

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## Persons with no fixed workplace address, industry of employment



## What's new online

[www.dpcd.vic.gov.au/research/urbanandregional](http://www.dpcd.vic.gov.au/research/urbanandregional)

The June 2009 edition of *Residential Land Bulletin* is now available; monitoring residential activity in metropolitan Melbourne at all stages of the land development process.

*Urban and Regional Forums – Victoria in Future 2008 Populations Projections*. Information is available on the series of forums held across Victoria which presented the story behind the *Victoria in Future* numbers.

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