

ATTACHMENT 3

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Leslie Guy
Secretary to the Committee
Select Committee on Poverty in South Australia
Parliament House
North Terrace
Adelaide SA 5000

RE: INQUIRY INTO POVERTY IN SOUTH AUSTRALIA

Dear Ms Guy

Thank you for the opportunity to provide a submission to your inquiry into poverty in South Australia.

With an estimated \$5 billion in private investment in the Port Augusta district alone, the Upper Spencer Gulf is on the cusp of a significant economic transformation.

Major investments in renewable energy, along with minerals processing, arid agriculture, defence and event tourism are providing the Upper Spencer Gulf with a strong base from which to continue pushing forward with opportunities that help the region become cleaner, more innovative, liveable and economically diverse regional cities.

Despite this substantial upswing in investment and economic confidence, Port Augusta has some considerable and persistent challenges with relative poverty, deprivation and inequalityⁱ, socio-economic and educational disadvantage, unemployment and poor health and wellbeing outcomes.

The Port Augusta district has a total population of just under 14,000 people, with Aboriginal and/or Torres Strait Islander people comprising 18.3% of our district's populationⁱⁱ. This is around nine times higher than the South Australian and national averages. Port Augusta also has a much higher level of one parent families – twenty one percent, compared to around sixteen percent nationally and for SA.

1. Education and Occupation

Port Augusta is ranked in the first decile nationally for index of education and occupationⁱⁱⁱ, which takes into account the actual skills of the people in an area and the formal qualifications and skills required to perform different occupations. The low score indicates Port Augusta has a high proportion of people without qualifications, without jobs, and/or with low skilled jobs.

The level of unemployment in Port Augusta remains persistently higher than both state and national levels. At the time of 2016 Census it was 9.7%. At the March 2018 quarter it was 10% - nearly double the national rate of 5.5%^{iv}.

Alarming, only 3% of the Port Augusta community are currently participating in university or tertiary study – a stark contrast to around 16% of South Australians overall. This reflects a wider educational disparity, with only 8% of Port Augusta residents holding a bachelor degree level or above, compared to 18.5% of South Australians and 22.0% of the population nationally. Furthermore, Year 12 completion rates in Port Augusta are only 10.7% - substantially lower than both the SA and national averages (at 15%).

The lack of formal qualifications in Port Augusta community is further reflected in the relatively low proportion of professionals and managers in the local workforce - around one third less than the average across South Australia and the nation.

2. Socio Economic Disadvantage

Port Augusta is in the second decile nationally of the index of both socio-economic disadvantage and economic resources^v, reflecting the financial aspects of relative socio-economic advantage and disadvantage. These include indicators of high and low income, as well as variables that correlate with high or low wealth. Areas like Port Augusta with lower scores have relatively less access to economic resources.

Compared to South Australia overall, there are a much higher proportion of Port Augusta residents who have a gross weekly household income of less than \$650 and fewer households earning more than \$3000 per week.

For Aboriginal and Torres Strait Islander households in Port Augusta, the median weekly household income is substantially lower than for this demographic across SA and nationally.

Like many regional areas, Port Augusta has limited public transport options, as reflected in the census with only 1% of Port Augusta residents travelling to work by public transport, compared to over 7% of all South Australians and 11.5% nationally.

Compounding the lack of public transport options, Port Augusta has a higher percentage of the population (9.6%) that do not own a motor vehicle, compared to 7.5% across South Australia and the nation. At the same time, the number of Port Augusta residents who work from home is less than half that across the rest of the state and nation.

Employment, educational and social prospects are further hampered as, despite Pt Augusta being one of the few regional areas to be connected to the NBN through fibre to the premise, over one quarter of residents in Port Augusta have no internet connection at home - nearly double the rate for the rest of South Australia and the nation.

Whilst the level of rental and mortgage stress in Port Augusta is lower than for the state and national average, there is a much higher level of renting in the district. Just over one third of Port Augusta residents are renting, compared to around one quarter across the South Australian population.

3. Health and Wellbeing

There is a widely understood and inextricable link between socio-economic disadvantage, poverty and adverse health and wellbeing.. Social factors such as income, education, employment and social support can strengthen or undermine the health of individuals and communities.^{vi}

In general, people from poorer social or economic circumstances are at greater risk of poor health. Furthermore, it is well reported that Aboriginal people across Australia experience entrenched poorer health on average and are shown on almost all social and health measures to be at a significant disadvantage when compared with the rest of the population^{vii}. While there is a wide range of strategies developed by Local, State and Commonwealth governments in collaboration with Aboriginal communities, there remains a significant task to close the gap.

Some of the more significant areas of concern for Port Augusta are that, compared with the non-metropolitan average, Port Augusta has lower immunisation rates, higher levels of obesity in children, higher levels of people aged 0-19 accessing Child and Adolescent Mental Health Services, higher level of Type 2 Diabetes, higher level of adult mental health issues, higher level of smoking while pregnant and overall higher level of smoking within the community and higher suicide levels^{viii}.

Whilst Port Augusta has a higher than state and national average of residents aged between 50-70 and is on par with the state and national average of between 70-80 year old, there is then a markedly lower percentage of the population aged over 80 years. This appears to indicate Port Augusta residents are dying earlier.

This may correlate with broader findings that Australians living in the lowest socio-economic areas lived about 3 years less than those living in the highest areas, spend proportionally less on medical and health care than other households and are more than twice as likely to delay or avoid seeing a dental professional^{ix}.

However, a complicating factor for Port Augusta is the unusually high levels of lung cancer – which are double the state average^x. Whilst SA Health have attributed this to smoking, no definitive studies have been undertaken into the impact the Port Augusta coal fired power stations may have had on this significant incidence of lung cancer. This is despite global evidence that people who live within 50km of a coal-fired power station face a risk of premature death as much as three to four times that of people living further away^{xi}. The combination of low socio-economic factors and long-term exposure to coal dust on the mortality of Port Augusta residents has not been investigated by health authorities, but remains a concern for the community.

To summarise, whilst Port Augusta's economic future has taken a substantial step forward, new approaches to alleviating some of the city's most persistent socio-economic challenges must also be developed to ensure our most disadvantaged are not left behind.

We would be very pleased to provide further information should this be required, and wish your inquiry every success.

Yours sincerely

John Banks
Chief Executive Officer

ⁱ Saunders P; *Poverty and Deprivation in Australia*; accessed 09/2018;

<http://www.abs.gov.au/ausstats/abs@.nsf/featurearticlesbytitle/5D709B83B7F7C25ECA2569DE00221C86?OpenDocument>

ⁱⁱ Australian Bureau of Statistics; 2016: *Census QuickStats*; Commonwealth of Australia

http://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/LGA46090?opendocument; accessed 09/2018

ⁱⁱⁱ Australian Bureau of Statistics; 2016; 2033.0.55.001 *Socio-Economic Indexes for Australia (SEIFA)*, Released at 10.30am (Canberra time) 27 March 2018, Table 1 Local Government Area (LGA) SEIFA Summary, 2016; Commonwealth of Australia

^{iv} Department of Employment; 2018; *Small Area Labour Markets Australia – March Quarter 2018*; Commonwealth of Australia

^v Australian Bureau of Statistics; 2016; 2033.0.55.001 *Socio-Economic Indexes for Australia (SEIFA)*, Released at 10.30am (Canberra time) 27 March 2018, Table 1 Local Government Area (LGA) SEIFA Summary, 2016; Commonwealth of Australia

^{vi} Australian Institute of Health and Welfare 2016. *Australia's health 2016. Australia's health series no. 15.*

Cat. no. AUS 199. Canberra: AIHW

^{vii} SA Health; 2013; *South Australia - A Better Place to Live, Promoting and protecting our community's health and wellbeing 2013*; Government of South Australia

^{viii} Port Augusta City Council; 2015; *Regional Public Health Plan 2015-2020*; AR14/12814

^{ix} Australian Institute of Health and Welfare 2016. *Australia's health 2016. Australia's health series no. 15.*

Cat. no. AUS 199. Canberra: AIHW

^x Port Augusta City Council; 2015; *Regional Public Health Plan 2015-2020*; AR14/12814

^{xi} Lipski, B., Rivers, N. and J. Whelan (2017) *Toxic and Terminal: How the Regulation of Coal-Fired Power Stations Fails Australian Communities*, Carlton, VIC: Environmental Justice Australia, https://envirojustice.org.au/sites/default/files/files/EJA_CoalHealth_final.pdf, cited in Greenpeace; March 2018; *Done and Dusted – Cleaning up coal ash in Port Augusta*