



Poverty rates by electorate

Based on a definition of poverty that is described below, 9.3 per cent of all Australians are living in poverty. The poverty rate varies widely between electorates, from 2.1 per cent in Bradfield (NSW) to 15.1 per cent in Braddon (Tas).

The poverty rate estimates in this Research Note have been derived from *experimental* estimates of poverty by postal area, compiled by the National Centre for Social and Economic Modelling (NATSEM). While the estimates are the most accurate available at this stage, they should be regarded as indicative only.

Methodology and Definitions

NATSEM has produced estimates of poverty at a detailed regional level¹ by combining postcode information from the 1996 Census with income and demographic information from the 1998-99 Household Expenditure Survey (HES). Income data from the HES were then adjusted from 1998–99 to 2001 values, allowing NATSEM to estimate poverty rates for all postal areas in Australia for the year 2001. These estimates at the postal area level were then aggregated to electoral divisions by the Parliamentary Library for the purpose of this Research Note.

As there is no universally accepted measure of poverty,² NATSEM has adopted a relative poverty definition in which persons are defined to be in poverty if they are living below some community standard. Here the standard is set at half the average disposable income for a household type, consisting of a couple with two children, with incomes adjusted using an equivalence scale³ to determine comparable poverty lines for other types of households. If a household's disposable income is below the poverty line then all the members of that household are deemed to be in poverty.

The process of adjusting incomes using an equivalence scale is a method of taking into account the different size and composition of households and the fact that there are economies

Table 1. Estimated poverty rates by state in 2001

| State | Number in poverty | | | Poverty rates (% of population in poverty) | | |
|------------------------|-------------------|----------------|------------------|---|-------------|------------|
| | Adults | Children | Persons | Adults | Children | Persons |
| New South Wales | 367,156 | 159,928 | 527,084 | 8.3 | 10.0 | 8.7 |
| Victoria | 278,475 | 121,199 | 399,674 | 8.6 | 10.4 | 9.1 |
| Queensland | 231,547 | 102,292 | 333,839 | 9.3 | 11.3 | 9.9 |
| South Australia | 111,106 | 43,710 | 154,816 | 10.6 | 12.5 | 11.1 |
| Western Australia | 110,451 | 48,620 | 159,071 | 8.7 | 10.1 | 9.1 |
| Tasmania | 39,363 | 16,418 | 55,781 | 12.2 | 14.1 | 12.7 |
| Northern Territory | 10,168 | 6,584 | 16,752 | 7.8 | 11.7 | 9.0 |
| ACT | 13,220 | 5,394 | 18,614 | 6.4 | 6.7 | 6.5 |
| Total Australia | 1,161,486 | 504,145 | 1,665,631 | 8.8 | 10.6 | 9.3 |

Source : Derived from data supplied by NATSEM.

of scale in household consumption. It involves setting the income level which defines the poverty line for various types of households so that each yields the same level of economic wellbeing as the poverty line set for the benchmark household type. NATSEM has used the detailed Henderson equivalence scale to equalise incomes for these estimates.

Results

On the above definition, 9.3 per cent of all Australians are living in poverty. The state with the highest poverty rate is Tasmania (12.7 per cent) followed by South Australia and Queensland with 11.1 and 9.9 per cent of their respective populations in poverty. The ACT has the lowest poverty rate of 6.5 per cent. (See Table 1.)

In all states, there are proportionately more children than adults living in poverty. In other words, households deemed to be in poverty tend to have more children living in them than adults. The difference is particularly marked in the Northern Territory where 7.8 per cent of adults but 11.7 per cent of children are in poverty.

Not surprisingly, electorates with the lowest poverty rates are all to be found in a cluster to the north of Sydney Harbour. These are Bradfield, North Sydney, Mackellar and Warringah, all with poverty rates of less than 4 per cent. The highest poverty rate is in Braddon in Tasmania where 15.1 per cent of the population is in poverty.

The average poverty rate rises from 7.6 per cent for inner metropolitan electorates, to 8.2 per cent for outer metropolitan electorates, 10.2 per cent for provincial electorates and 11.7 per cent for rural electorates.

1. See R. Lloyd and A. Harding (2004), 'Getting down to small areas: estimating regional income and wealth in Australia using spatial microsimulation', paper presented to Regional Science Association International - British and Irish Section Conference, Cork, Ireland, 18–20 August.
2. See P. Saunders and P. Whiteford, *Measuring Poverty: A Review of the Issues*, Discussion Paper 89/11, Economic Planning Advisory Council, Canberra, October 1989.
3. For a discussion of equivalence scales see H. Greenwell, R. Lloyd and A. Harding, *An Introduction to Poverty Measurement Issues*, Discussion Paper No. 55, NATSEM, December 2001, pp. 26–32.

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Table 2. Electoral Divisions Ranked by Poverty Rates^(a), 2001

| Rank | Electoral Division | Party | Number in poverty | Poverty rate | Rank | Electoral Division | Party | Number in poverty | Poverty rate |
|------|-----------------------|-------|-------------------|--------------|------|--------------------|-------|-------------------|--------------|
| 1 | Bradfield (NSW) | LIB | 2527 | 2.1 | 76 | Charlton (NSW) | ALP | 10583 | 9.5 |
| 2 | North Sydney (NSW) | LIB | 3976 | 3.2 | 77 | McEwen (Vic) | LIB | 11721 | 9.5 |
| 3 | Mackellar (NSW) | LIB | 4199 | 3.6 | 78 | Maribyrnong (Vic) | ALP | 12131 | 9.6 |
| 4 | Warringah (NSW) | LIB | 4455 | 3.7 | 79 | Hunter (NSW) | ALP | 11425 | 9.7 |
| 5 | Mitchell (NSW) | LIB | 4331 | 3.9 | 80 | Canning (WA) | LIB | 10107 | 9.7 |
| 6 | Kooyong (Vic) | LIB | 4530 | 3.9 | 81 | Watson (NSW) | ALP | 12510 | 9.8 |
| 7 | Cook (NSW) | LIB | 4442 | 4.0 | 82 | Scullin (Vic) | ALP | 11675 | 9.9 |
| 8 | Berowra (NSW) | LIB | 5388 | 4.5 | 83 | Fadden (Qld) | LIB | 10875 | 9.9 |
| 9 | Wentworth (NSW) | LIB | 5692 | 4.6 | 84 | Mayo (SA) | LIB | 11199 | 9.9 |
| 10 | Goldstein (Vic) | LIB | 5517 | 4.6 | 85 | Lalor (Vic) | ALP | 12449 | 9.9 |
| 11 | Higgins (Vic) | LIB | 5887 | 5.0 | 86 | Batman (Vic) | ALP | 12064 | 9.9 |
| 12 | Hughes (NSW) | LIB | 6071 | 5.0 | 87 | Newcastle (NSW) | ALP | 11704 | 10.0 |
| 13 | Ryan (Qld) | LIB | 6230 | 5.4 | 88 | Paterson (NSW) | LIB | 11074 | 10.0 |
| 14 | Menzies (Vic) | LIB | 6387 | 5.5 | 89 | Kennedy (Qld) | IND | 15124 | 10.2 |
| 15 | Bennelong (NSW) | LIB | 6861 | 5.7 | 90 | Groom (Qld) | LIB | 11446 | 10.2 |
| 16 | Curtin (WA) | LIB | 6605 | 5.9 | 91 | Hindmarsh (SA) | ALP | 12771 | 10.2 |
| 17 | Canberra (ACT) | ALP | 8713 | 6.0 | 92 | Blaxland (NSW) | ALP | 13006 | 10.2 |
| 18 | Chisholm (Vic) | ALP | 7457 | 6.3 | 93 | Riverina (NSW) | NP | 12480 | 10.2 |
| 19 | Aston (Vic) | LIB | 7640 | 6.4 | 94 | Wills (Vic) | ALP | 13407 | 10.2 |
| 20 | Barton (NSW) | ALP | 7804 | 6.4 | 95 | Fowler (NSW) | ALP | 14743 | 10.3 |
| 21 | Deakin (Vic) | LIB | 7463 | 6.5 | 96 | Hume (NSW) | LIB | 11775 | 10.3 |
| 22 | Lindsay (NSW) | LIB | 7781 | 6.5 | 97 | Chifley (NSW) | ALP | 14968 | 10.5 |
| 23 | Jagajaga (Vic) | ALP | 8152 | 6.6 | 98 | Denison (TAS) | ALP | 9063 | 10.5 |
| 24 | Brisbane (Qld) | ALP | 7279 | 6.8 | 99 | Lingiari (NT) | ALP | 10641 | 10.5 |
| 25 | Banks (NSW) | ALP | 8010 | 6.9 | 100 | Fisher (Qld) | LIB | 11373 | 10.5 |
| 26 | La Trobe (Vic) | LIB | 8078 | 6.9 | 101 | Calwell (Vic) | ALP | 13196 | 10.5 |
| 27 | Fraser (ACT) | ALP | 9901 | 7.0 | 102 | Rankin (Qld) | ALP | 15191 | 10.5 |
| 28 | Lowe (NSW) | ALP | 8546 | 7.0 | 103 | Shortland (NSW) | ALP | 12176 | 10.5 |
| 29 | Casey (Vic) | LIB | 8194 | 7.1 | 104 | Forde (Qld) | LIB | 12576 | 10.7 |
| 30 | Holt (Vic) | ALP | 8673 | 7.1 | 105 | Melbourne (Vic) | ALP | 13554 | 10.7 |
| 31 | Greenway (NSW) | LIB | 9228 | 7.1 | 106 | Flinders (Vic) | LIB | 11585 | 10.8 |
| 32 | Tangney (WA) | LIB | 8844 | 7.2 | 107 | Gorton (Vic) | ALP | 11935 | 10.8 |
| 33 | Solomon (NT) | CLP | 6111 | 7.2 | 108 | Pearce (WA) | LIB | 11880 | 10.9 |
| 34 | Kingsford Smith (NSW) | ALP | 9338 | 7.2 | 109 | Reid (NSW) | ALP | 13850 | 11.0 |
| 35 | Moore (WA) | LIB | 7964 | 7.2 | 110 | Brand (WA) | ALP | 12250 | 11.0 |
| 36 | Parramatta (NSW) | ALP | 9751 | 7.2 | 111 | Throsby (NSW) | ALP | 13119 | 11.0 |
| 37 | Macquarie (NSW) | LIB | 8834 | 7.3 | 112 | Gilmore (NSW) | LIB | 11990 | 11.1 |
| 38 | Melbourne Ports (Vic) | ALP | 8858 | 7.3 | 113 | Indi (Vic) | LIB | 12349 | 11.1 |
| 39 | Dickson (Qld) | LIB | 8238 | 7.4 | 114 | Gellibrand (Vic) | ALP | 14225 | 11.1 |
| 40 | Lilley (Qld) | ALP | 9106 | 7.4 | 115 | Oxley (Qld) | ALP | 14318 | 11.1 |
| 41 | Bonner (Qld) | LIB | 8731 | 7.6 | 116 | Dawson (Qld) | NP | 14684 | 11.2 |
| 42 | Macarthur (NSW) | LIB | 9443 | 7.7 | 117 | Fairfax (Qld) | LIB | 12861 | 11.2 |
| 43 | Prospect (NSW) | ALP | 10556 | 7.8 | 118 | Kingston (SA) | LIB | 14459 | 11.3 |
| 44 | Griffith (Qld) | ALP | 9120 | 7.8 | 119 | Calare (NSW) | IND | 13212 | 11.3 |
| 45 | Bruce (Vic) | ALP | 10085 | 7.9 | 120 | Blair (Qld) | LIB | 14109 | 11.3 |
| 46 | Isaacs (Vic) | ALP | 9987 | 8.0 | 121 | Murray (Vic) | LIB | 13257 | 11.5 |
| 47 | Moreton (Qld) | LIB | 9424 | 8.0 | 122 | Franklin (TAS) | ALP | 10270 | 11.5 |
| 48 | Kalgoorlie (WA) | LIB | 12419 | 8.0 | 123 | Wannon (Vic) | LIB | 13346 | 11.5 |
| 49 | Robertson (NSW) | LIB | 9327 | 8.1 | 124 | Bass (TAS) | LIB | 10146 | 11.6 |
| 50 | Sturt (SA) | LIB | 10180 | 8.1 | 125 | McMillan (Vic) | LIB | 11893 | 11.7 |
| 51 | Hotham (Vic) | ALP | 10007 | 8.2 | 126 | Farrer (NSW) | LIB | 13667 | 11.7 |
| 52 | Boothby (SA) | LIB | 9965 | 8.2 | 127 | Longman (Qld) | LIB | 13504 | 11.7 |
| 53 | Sydney (NSW) | ALP | 10692 | 8.5 | 128 | Barker (SA) | LIB | 16603 | 12.2 |
| 54 | Grayndler (NSW) | ALP | 10781 | 8.5 | 129 | Ballarat (Vic) | ALP | 14168 | 12.3 |
| 55 | Hasluck (WA) | LIB | 10428 | 8.5 | 130 | Gippsland (Vic) | NP | 15086 | 12.5 |
| 56 | Bowman (Qld) | LIB | 9830 | 8.6 | 131 | Capricornia (Qld) | ALP | 16563 | 12.6 |
| 57 | Cunningham (NSW) | ALP | 9566 | 8.6 | 132 | Eden-Monaro (NSW) | LIB | 14771 | 12.6 |
| 58 | Leichhardt (Qld) | LIB | 12382 | 8.6 | 133 | Richmond (NSW) | ALP | 14902 | 13.0 |
| 59 | Cowan (WA) | ALP | 10326 | 8.7 | 134 | Maranoa (Qld) | NP | 15891 | 13.0 |
| 60 | Moncrieff (Qld) | LIB | 11294 | 8.7 | 135 | Hinkler (Qld) | NP | 16917 | 13.0 |
| 61 | Petrie (Qld) | LIB | 9506 | 8.8 | 136 | O'Connor (WA) | LIB | 15423 | 13.1 |
| 62 | Werriwa (NSW) | ALP | 10701 | 9.0 | 137 | Lyne (NSW) | NP | 15619 | 13.2 |
| 63 | Stirling (WA) | LIB | 10745 | 9.0 | 138 | Parkes (NSW) | NP | 15412 | 13.3 |
| 64 | Forrest (WA) | LIB | 10600 | 9.1 | 139 | Bendigo (Vic) | ALP | 15458 | 13.3 |
| 65 | Corangamite (Vic) | LIB | 9963 | 9.1 | 140 | Page (NSW) | NP | 15983 | 13.4 |
| 66 | Fremantle (WA) | ALP | 10239 | 9.1 | 141 | Port Adelaide (SA) | ALP | 18283 | 13.5 |
| 67 | Dobell (NSW) | LIB | 10447 | 9.2 | 142 | Wakefield (SA) | LIB | 18017 | 13.8 |
| 68 | Herbert (Qld) | LIB | 10802 | 9.2 | 143 | Wide Bay (Qld) | NP | 16510 | 13.8 |
| 69 | Dunkley (Vic) | LIB | 11395 | 9.3 | 144 | New England (NSW) | IND | 15713 | 13.8 |
| 70 | Makin (SA) | LIB | 11826 | 9.3 | 145 | Mallee (Vic) | NP | 16961 | 13.9 |
| 71 | Perth (WA) | ALP | 10637 | 9.3 | 146 | Gwydir (NSW) | NP | 17322 | 14.2 |
| 72 | Swan (WA) | ALP | 10604 | 9.4 | 147 | Cowper (NSW) | NP | 16333 | 14.3 |
| 73 | Adelaide (SA) | ALP | 11469 | 9.4 | 148 | Grey (SA) | LIB | 20044 | 14.6 |
| 74 | Corio (Vic) | ALP | 10941 | 9.5 | 149 | Lyons (TAS) | ALP | 12642 | 14.9 |
| 75 | McPherson (Qld) | LIB | 9955 | 9.5 | 150 | Braddon (TAS) | LIB | 13660 | 15.1 |

(a) Per cent of total population in each electorate who are living in poverty

Source: Derived from poverty data by postal area supplied by NATSEM