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Statistical boundaries: a means by which the realities of rural decline in the Western Australian Wheatbelt has been hidden

Fiona M. Haslam-McKenzie

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Statistical Boundaries:

**A means by which the realities of rural decline in the
Western Australian Wheatbelt has been hidden.**

Fiona M. Haslam-McKenzie

Working Paper Series

Small and Medium Enterprise Research Centre



**Faculty of Business
Edith Cowan University
Western Australia**

A Working Paper

**Statistical Boundaries:
A means by which the realities of rural decline in the
Western Australian Wheatbelt has been hidden.**

Fiona M. Haslam-McKenzie

Lecturer, Faculty of Business,
Edith Cowan University, Churchlands Campus, Western Australia, 6018.

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Fax: +61 9 273 8754

E-mail: F.McKenzie@cowan.edu.au

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ABSTRACT

This paper will focus on a recent demographic study of the statistical subdivisions between Geraldton and Esperance and an ethnographic survey in that region, undertaken to understand the changes occurring in rural communities. The paper will then examine the links between continuing depopulation trends and diminishing infrastructure, focusing on how these demographic changes impact on the daily lives of the Western Australian agricultural population, particularly women, and what effect these changes and government policy are having on the delivery of essential services.

The overall population of the region from Geraldton south to Esperance in Western Australia, excluding the metropolitan area, has increased in the years between 1961 and 1996. The Australian Bureau of Statistics' (ABS) twelve statistical divisions show fairly steady population growth and politicians and bureaucrats often cite these statistics as evidence of growth, vibrance and percipient regional planning.

However, if the ABS statistical subdivisions are analysed even in a cursory manner, it is obvious that the increase in population has not been uniform. A small number of subdivisions show a significant population increase while the majority of inland subdivisions have experienced depopulation. Those divisions which are limited to agricultural production and can be defined as completely rural show a persistent decrease in population. The depopulation trend is exacerbated when the populations of regional towns in these more rural districts are excluded.

For those rural dwellers living in the wheatbelt that stretches inland from Geraldton to Esperance the "misinterpretation" of the statistics has meant that regional issues and concerns are not properly understood by policy makers. There is a feeling that they are the 'forgotten people', less important than urban dwellers and the mining sector. Furthermore, there is evidence that shows that the rural population feels frustrated by Federal government policy because there is the presumption that the experience of rural Western Australia is necessarily the same as the rest of rural Australia.

INTRODUCTION

It is acknowledged that farming throughout Australia is going through a sometimes painful transition. These changes are happening in response to globalisation and increasingly competitive overseas markets, falling commodity prices, an oversupply of agricultural products, the development of large-scale agri-business firms, changing environmental conditions and increased technological intervention into agricultural production. Extensive research undertaken by Lawrence (1986, 1987, 1992), Alston (1991, 1995), Tonts (1996) and Taylor (1992) among others, show these factors have all attributed to far-reaching change and the demand for efficiency. Furthermore, for more than a decade, the government at both State and Federal levels has been committed to economic rationalist and non-intervention policies. Australian farmers had to shift their focus from being production driven towards being market driven when the Hawke-Keating Labour government initiated a process of economic reform designed to integrate the Australian economy into global circuits of capital. These reforms included the deregulation of finance and banking industries, the freeing of interest rates, the floating of the exchange rate, and the partial deregulation of statutory marketing authorities such as the Australian Wheat Board. Alongside these changes the Federal government pursued a liberalisation of international trade at the General Agreement on Tariffs and Trade (GATT) and has progressively reduced the level of import tariffs and restrictions. Simultaneously, the USA and European Union have continued export subsidies of their agricultural industries. Australian producers have been required to quickly expand and develop skills in a wide range of areas and those who could not change have withdrawn from not only their industry but often also their rural communities.

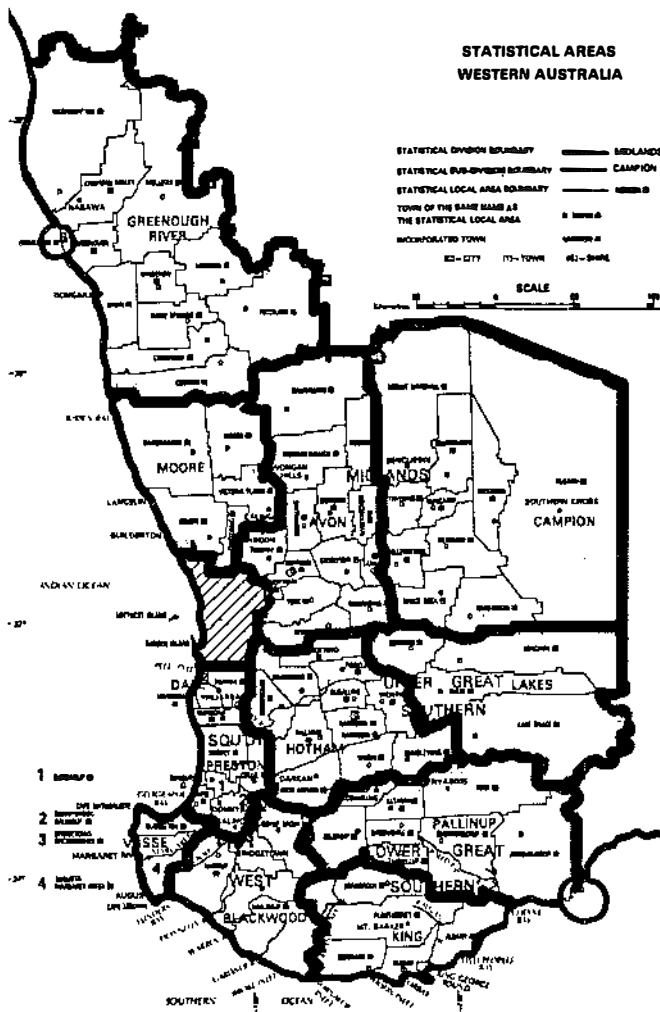
These shifts have been painful for agricultural rural Australia because not only has the fundamental economic restructuring forced unprecedented change, but they have also challenged traditional social values. These values include gender roles, patriarchy, productive and reproductive roles on farms.

ANALYSIS OF DEMOGRAPHICS IN RURAL SOUTHERN WESTERN AUSTRALIA

In Western Australia, 1.25 million of a total state population of 1.7 million, live in Perth while the small rural population is scattered unevenly over a huge area.

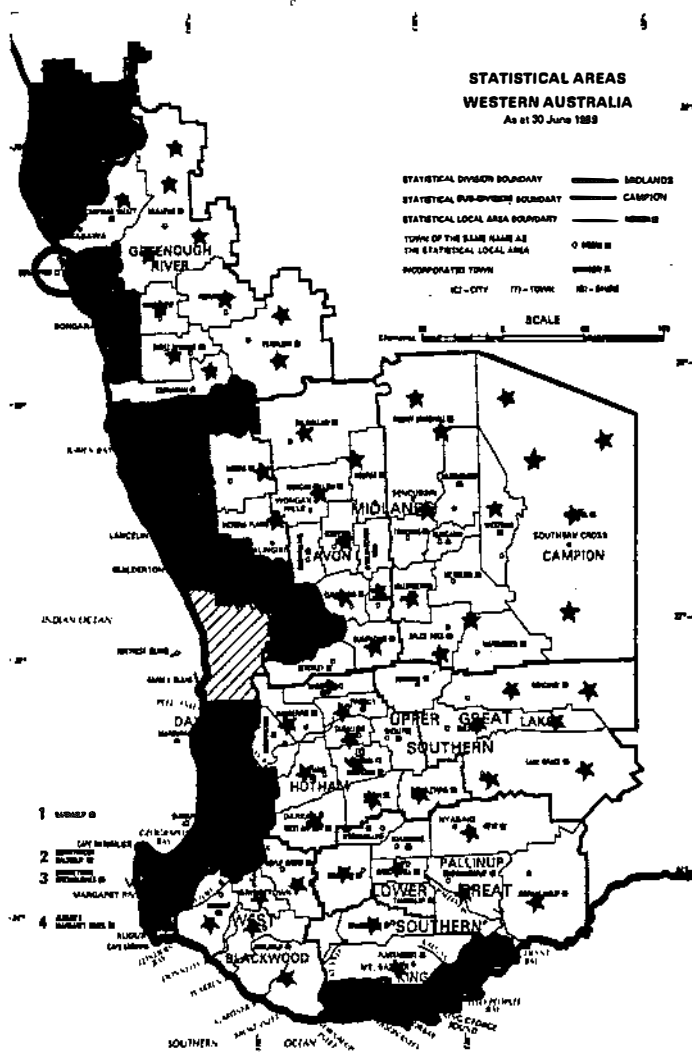
The overall population of the region from Geraldton south to Esperance, excluding the metropolitan area, has increased in the years between 1961 and 1996. The total number of people has increased from 199,413 to 345,064 an increase of 173%. This not insubstantial increase in rural population has often been used by politicians and regional planners as evidence of growth, vibrance and precipient planning in rural regions. As shown on Map 1, this area constitutes 12 Australian Bureau of Statistics (ABS) statistical divisions which are then subdivided into 27 subdivisions.

Figure 1. Map 1.



The inland region from Geraldton in the north to Esperance 1200 kilometres south east, known as the wheat belt, is recognised as a prime agricultural zone. Geographically it is a large area, approximately the size of Portugal. Many of the ABS statistical divisions stretch from the coast inland or from the capital city, Perth inland. The combination of coastal and inland subdivisions in a statistical division distorts the true demographic picture of southern Western Australia. When the subdivisions are analysed, it has been found that the increase in population has not been uniform, with a small number of subdivisions showing a significant population increase while the majority of inland subdivisions have experienced very marginal growth or depopulation. As shown on map 2, those subdivisions that have experienced growth have several features in common. All but four are coastal and the remaining four are adjacent to the capital city, Perth.

Figure 2. Map 2.



The four subdivisions that are inland but adjacent to Perth have experienced growth due to Perth's urban sprawl. In each of them, if the major town(s) is withdrawn from the statistics of the subdivision, then that subdivision also shows a depopulating trend. The most conspicuous example of this is Avon. Between 1996 and 1961 the total population increased by 28.70%. However, if the rural urban centres of Northam and York which are both only an hour away from Perth and have shown substantial growth are withdrawn, the population of the subdivision has actually dropped by 12.28%.

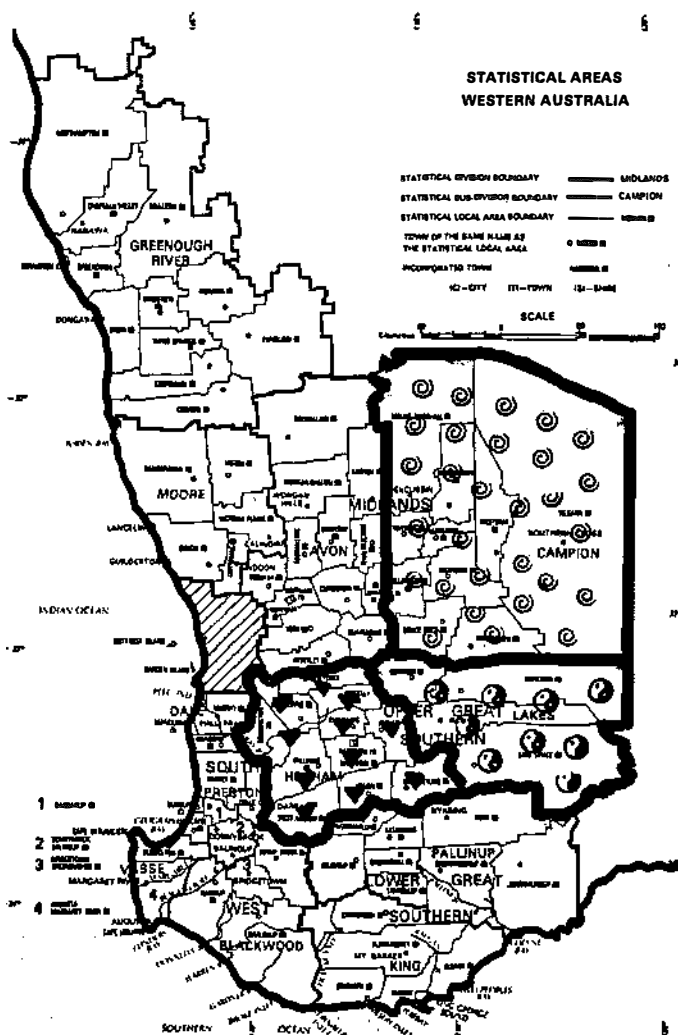
Of the other inland statistical divisions, Pallingup, Blackwood, Hotham, the Lakes and Campion, the latter three are limited to agricultural production while the former two have mixed industries of forestry, agriculture and tourism. Blackwood and Pallingup have shown marginal population growth between 1961 and 1996. The three divisions which are limited to agricultural production and can be defined as completely rural show a persistent trend of depopulation since 1961.

Table 1:1 Total Population of Agricultural Rural Divisions 1961-96

| | 1961 | 1996 | % |
|--------------|--------------|--------------|----------------|
| Hotham | 19086 | 14540 | -23.81% |
| Campion | 15937 | 12130 | -23.88% |
| Lakes | 6505 | 5289 | -18.69% |
| TOTAL | 41528 | 31959 | -23.04% |

When the population statistics in the Lakes, Hotham and Campion are analysed in detail from 1961, the depopulation trend appears to have been gradual and continuing. Even the “urban” rural centres in these statistical divisions are decreasing. All but one town in these three divisions have decreased in population since 1961.

Figure 3 Map 3



So, in summary, although the overall population between Geraldton and Esperance is increasing, when coastal divisions are separated from the strictly rural divisions, there is marginal growth or depopulation, particularly when the populations of regional urban centres are withdrawn. The same pattern of rural depopulation noted in Eastern States studies is therefore also true of Western Australia.

THE WESTERN AUSTRALIAN AGRICULTURAL SECTOR

The agricultural sector of Western Australia contributes a significant proportion of Australia's foreign exports. In 1996 it contributed 24.5% of Australian foreign exports. Western Australia produced 40.6% of Australia's wheat and 25.3% of its wool. (ABS cat. 1306.5) Farm enterprises, most of which are family farms, in the wheatbelt constitute a large proportion of that production. Ironically, the continuing decline in the agricultural rural population and viable communities in Western Australia has been due, in part, to a more efficient agricultural sector. Many people in these areas feel that not enough is being done to turn the de-population trend around and that the focus is continually centred on the eastern seaboard states at the expense of the other states.

Most recently, media attention has been directed to the degradation of the Murray River basin and the widespread drought in eastern Australia. Unknown to many in Australia, southern coast Western Australian farmers have also experienced adverse seasonal conditions for consecutive years but their application for Federal government assistance has been rejected because they do not fit the 'Exceptional Circumstances' criteria which the Western Australian Farmers Federation claims, are more suited to eastern states farmers drought and natural disaster guidelines. Similarly, salinity is a major environmental problem for many farmers in Western Australia but the Federal Government has not allocated adequate funds to kickstart a State Salinity Plan which would address the problem. In the meantime, the national attention is continually drawn to the degradation of other states and funding strategies being devised by the Federal government to arrest the problem. It is therefore important that the economic and social changes occurring in the wheatbelt region which impact on family enterprises be known, properly understood and monitored.

Western Australia is different because it has few rural urban centres. Unlike other parts of Australia, there is little evidence of an urban-to-rural migration, despite there being some perceivable advantages. In the wheatbelt in 1996, there were only eight rural urban centres with more than 2,500 people. Only one of those eight had more than 7,000 people (Geraldton). Furthermore, the wheatbelt has limited industry diversity which means that the regional

economies are heavily influenced by the health of the agricultural sector. Similarly, as noted by the recent National Farmers' Federation discussion paper (1996), changes in the level of services due to factors such as changes in the government health and education policies impact heavily on the farm sector where there are few alternative services. As outlined by Tonts (1996), until the 1970s, Australian State and Federal governments were committed to developing the agricultural economy and anticipating its human needs. Since the 1970s however, government policies have been based upon goals of economic efficiency rather than social equity which have undermined the socio-economic viability of many of these settlements.

Much of the attention which has been devoted in recent years to local economic initiatives seems to have been focused on attempts to identify profitable opportunities, although there is evidence that communities are increasingly concerned about the drain of younger women and men from rural communities. When there is a dearth of younger population the availability of entrepreneurial talent and energy is unlikely to increase. Regions which are losing population or employment because of a perceived lack of good business opportunities usually also experience losses of entrepreneurs and so suffer a scarcity of capital. The remaining resident population may not possess the skill to recognise entrepreneurial opportunities or the ability to pursue them. Regional development centres have been established in the wheatbelt to promote local enterprise, but in all cases, they have been set up in the larger urban rural centres. There has been no attempt to spread key public services among towns. Another example of this narrow (embedded 'metropolitan') view was the recent appointment of a co-ordinator for the Rural Women's Network whose job it is to co-ordinate and edit the newsletter, a mobile job demanding access to a computer, fax, and mobile phone. The job description suggested that the appointee would be Perth based. There is no reason why the appointee could not be located in a rural environment.

Tonts (1996:32) research shows that local development initiatives and opportunities for value-adding in the wheatbelt are limited and tend to be very localised. Tonts warns that the success of local development strategies is often at the expense of neighbouring towns so there is no real regional gain. He warns that:

"The sustainability of rural communities demands a national, not just a regional or local commitment. A more holistic development framework, encouraged by Federal and State policies based upon social equity, rather than the emerging politics of economic rationalism is critical to long-term rural community survival".

Economies of scale and sophisticated technology demand that rural businesses be located in a high volume urban centre with access to a wide market which works against the local garage and family grocery store. When regional populations are steady or declining there is less reason to look beyond the larger centres for outlets and more reason to rely on advertising to draw people to

the larger centres. People in an outlying areas are forced to travel, concentrating demand at a few centres. A constant concern for all rural entrepreneurs is the escalating costs of transport and processing.

In Western Australia the distances between large centres are often huge and it is important to understand the impact of these changes on people in outlying areas. When a family member requires hospitalisation or specialist treatment, travel and even communication with distant centres can be costly and stressful. For many in rural Western Australia, every telephone call is a STD call and there are few provisions made for the extended family of a person hospitalised in a large urban centre. The closure of schools for example, has meant a continual drain of young people and the elimination of an important local centre for social interaction.

The Federal government seems determined to introduce competition in the provision of telecommunications services because of significant gains to be made in efficiency. Based upon economic rationalism, the distances to be covered for so few customers is likely to place affordable telecommunications services in most regions of Western Australia in jeopardy. Over and above the role of telecommunications in operating a business, it is also a very important instrument in combatting a sense of isolation which is particularly critical for women and the aged in rural and remote areas.

THE IMPACT OF THESE CHANGES UPON AGRICULTURAL WOMEN IN WESTERN AUSTRALIA

As Taylor (1992:262) explains, restructuring and regional change does not only involve job loss, it also involves loss of services and arguably, loss of quality of life. The requirement to either eliminate or 'properly' cost community service obligations will have a major impact on rural communities throughout Western Australia, but particularly women. The effects are most visible in essential service delivery, where falling population numbers make many schools, hospitals and transport networks less viable. The closure of a school, hospital or general store has direct employment impact on women who are often extremely vulnerable in their reliance on a few employment sources. Furthermore it is women, disadvantaged ethnic groups and the aged who are more likely to be effected by any change to welfare, transport and communications. It is women who usually commute their children for long distances to school or for medical attention. They also use telecommunications more than men and are 50% more likely to receive welfare assistance than men. The aged are also vulnerable when transport, telecommunications and health services are withdrawn.

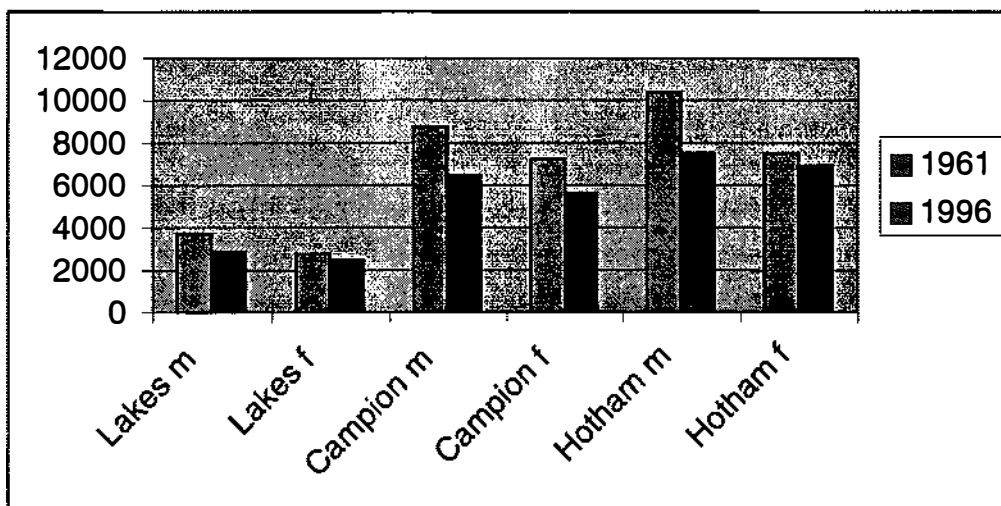
The number of women in the three agricultural divisions has decreased although, as shown in graph 1:1 the number of women in the three agricultural subdivisions has decreased at a slower rate than that of men.

Graph 1:1 illustrates table 1:2 and shows that the number of women is still less than that of men but more men have left the area than women.

Table 1:2 MALE AND FEMALE POPULATION CHANGES IN THREE STATISTICAL DIVISIONS 1961-91.

| | Lakes female | Lakes male | Campion female | Campion male | Hotham female | Hotham male |
|----------|--------------|------------|----------------|--------------|---------------|-------------|
| 1961 | 2769 | 3736 | 7224 | 8731 | 8695 | 10391 |
| 1996 | 2448 | 2841 | 5614 | 6516 | 6995 | 7545 |
| % change | -11.59% | -23.95% | -22.28% | -25.36% | -19.55% | -27.38% |

Graph 1:1 THE RATE OF POPULATION CHANGE, MALE VERSUS FEMALE, IN AGRICULTURAL STATISTICAL DIVISIONS, 1961-96.



This depopulation trend has occurred against a backdrop of a declining farm labour force generally throughout Australia, and of men particularly, on the farm. It is difficult to accurately ascertain the changes in female participation rates in the agricultural sector because, in the past, census statistics have not always been gathered in a way to properly account for farm women and their work. Nonetheless, Australian Bureau of Statistics (ABS) and anecdotal evidence suggest

that the increase in the number of women working on farms has escalated in the last fifteen years. Changes in the tax laws have increased the number of women who are now business partners in farms. ABARE data from the AAGIS survey of broadacre and dairy farms found that in 1993-4 approximately 40% of all business partners were women. Evidence from a survey undertaken throughout Western Australia in June 1997 (Haslam McKenzie) shows that agricultural women may be joint business partners, but they are not always joint decision makers.

As men have withdrawn from the agricultural sector women have taken on an increasingly broad range of farm activities and they increasingly fill the requirement for flexible farm labour in response to the highly variable climatic and economic circumstances on farms. The National Farmer study (1995:18) showed that greater use of labour saving technologies have enabled women to do previously extremely strenuous tasks and greater emphasis on keeping good financial records and farm management planning has also allowed women to employ a great range of skills on-farm. Many farm women however, are the unpaid employed. ABS statistics¹ show that the number of 'Employers', 'Own account workers' and 'Employees' have all dropped dramatically in the last 10 years however the accounted contribution of family labour has increased significantly. These statistics do not separate the agricultural industry workers whose salaries are accounted for on paper but are rarely tangible. Many women who belong to a multi-generation farm enterprise complain they rarely see the income attributed to them for business purposes. Their expendable income is often wholly dependent upon decisions made by the patriarch or the male share holders of the enterprise. This is not only a Western Australian phenomena. (See Alston:1995).

With few towns, many of which have experienced continued depopulation over a prolonged period, opportunities for off-farm income are limited in the wheatbelt where most towns have shrinking populations, even those which are major urban centres, such as Merredin in the division of Campion. This is due to the centralisation of government services, such as post, education and health and services as well as the amalgamation of banking and other associated services. In most farming operations, it is the wife who seeks off-farm income and for a variety of reasons. Furthermore, in Western Australia the cost of travelling long distances to and from work may be such that it does not represent good economics to pursue off-farm income. However, off-farm income can be very important. Financially, in times of uncertain returns and adverse climatic conditions, it can prop up a shaky farm enterprise and reduce the impact of risk. Western Australian farmers argue that they are necessarily more efficient farmers because they do not have the diversity of income because the scarcity of off-farm income does not afford them a back stop. Many claim that inefficient farms in the Eastern States are sustained by off-farm income.

Nationally, there has been a significant increase in the proportion of farm income derived off the farm and women have contributed significantly to this increase. In Western Australia however, the percentage increase of women with off-farm income is significantly lower than the national rural average.

Like other women throughout rural Australia, the lack of available and flexible childcare also constrains Western Australian rural women's employment opportunities. This is another national problem for all rural women but it is exacerbated in Western Australia with small towns and large distances.

CONCLUSION

Western Australian farmers are cognisant that increasingly, greater sophistication in farm management, development of good business management and communication skills and a better understanding of marketing issues is required to take advantage of emerging opportunities and to remain viable. These goals could be undermined however, if infrastructure in key agricultural sectors of Western Australia is pared to the point that communities have difficulty sustaining themselves. Diminishing populations and threatened communities have the potential to impair the efficacy of the local industries and economic policies of the government.

The National Rural Women's Forum held in Canberra in 1995 emphasised that social and cultural factors as well as economic factors, should be taken into account in policies aimed at rural communities and that governments and communities, small as well as big, work together to plan and deliver services that are appropriate to particular communities needs.

There is concern that the bureaucrats do not understand that Western Australia is very large and that unless the less tangible social issues are considered the economic framework of the agricultural industry is in danger.

¹ Australian Bureau of Statistics Labour Force Survey (unpublished data) cited in **National Farmers' Federation Discussion Paper**, Vol.9, November 1995.

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