GEOGRAPHY

The City of Sydney

The Greater Sydney Metropolitan Region (GSMR)(33°52' S, 151°10'E) is located on the Eastern coast of Australia (NSW) and is bound by the suburbs of Palm Beach and Berowra in the north, Cronulla and Heathcote in the south, Faulconbridge in the west and Bondi in the east *(Sydney as a Metropolitan City, 2010)*. Sydney has emerged a world city, due to the globalisation of economic activities, the liberalization of IT and financial sectors, and the deregulation of labor and manufacturing industries *(Sydney Globalizing: A World City, 2003)*. As a result, Sydney has a changing social and economic structure. These changes will shape Sydney's future directions, having an impact on the city's development and ecological sustainability. In addition, change has also occurred due to the operating urban dynamics and spatial advantages and disadvantages within Sydney *(Prit in Society, 2009).* Two suburbs which reflect Sydney's spatial divide are Pyrmont-Ultimo, located in the inner west city, and Blacktown, located in Sydney's western suburbs *(Prit in Society, 2009).*

Social structure

Social structure refers to the pattern of interrelationships between people in society. Social structure is influenced by a variety of factors and patterns of advantage and disadvantage that can be seen by:

- Income
- Housing
- Education
- Ethnicity

(Prit in Society, 2009).

Sydney is Australia's largest metropolitan area. Its social structure and the dynamics that shape it, reflect this and the fact that it is becoming a world city. Sydney has a well-defined class structure, which is determined by a person's income, education and occupation. Sydney is an economically polarised city. The global economic restructuring has had a substantial impact on Sydney's social structure and has intensified the spatial divide between the advantaged and disadvantaged, creating wealthy residential areas and poor areas *(Kleeman, 2007)*. Sydney experiences spatial inequality and social injustice. East and North Sydney have become places of advantage, compared to the disadvantaged Western Sydney (and South Sydney to some extent). Dividing the "east" and "west" lays an invisible line that stretches diagonally from Hornsby plateau to Botany Bay, with Parramatta lying on the west side, and Strathfeild and Homebush lying on the east side. This 'invisible line' has become a part of the city's social morphology. Those in the west generally have a low socioeconomic status, compared to those living in the east and north *(Tyler, 2006)*.

Income

Income is the amount of funds, goods or services received by an individual *(Prit in Society, 2009).* High-income households (high socioeconomic status) are those with a gross weekly income of $2000 or more. In comparison, low-income households (low socioeconomic status) have a gross weekly income of less than $500. The 2006 census, recorded that 202,892 households in Sydney received a gross weekly income less than $500. This figure represents 18.2% of all households. According to the ABS, the highest low-income household areas are widely dispersed throughout the GSMR. The suburbs with a high concentration of low-income households are located in the west

and outer west, between the Georges and Parramatta Rivers, extending south-west to Campbelltown and Airds, and west to Penrith. There was also a high proportion in the eastern suburbs of Daceyville, Villawood and Miller *(Sydney Social Atlas, 2008)*.

In the 2006 Census the total resident population in Pyrmont-Ultimo was 11,674. Pyrmont-Ultimo residents are predominately young couples with no children. 30.6% of Pyrmont-Ultimo residents earn a household income of over $2000 per week, while only 9.9% earn under $500 *(Suburb of Pyrmont, 2006)*. This is because the locality is predominantly white-collar with a high proportion of professionals and managers. Because of this Pyrmont-Ultimo is classified as a high-income, advantaged suburb *(Towart, 2003)*.

At the 2006 Census, 302,906 households were recorded as high-income households. This represents 27.2% of all households *(Sydney Social Atlas, 2008)*. Areas with the highest percentage were located around the waterways of Sydney, especially the Sydney Harbour foreshores, Middle Harbour and the lower reaches of Lane Cover River, and a large area of the northern suburbs extending to Baulkham Hills and Rouse Hill *(Prit in Society, 2009)*. High percentages were also found around the Georges River and Port Hacking. Other suburbs of high-income households include, Milsons Point, with 49.1% of all households being high-income, and Longueville on the Lower North Shore; Warrawee and Pymble, with 46.3% of high-income households, in the north; and Dawes Point on Darling Harbour. These small suburbs had more than 60% of households in the high-income range. These areas generally have high levels of residents in the labour force with university qualifications and purchased dwellings, and low levels on unemployment *(Sydney Social Atlas, 2008)*.

The main reasons for the spatial patterns of high and low-income areas in the GSMR are:

- Suburbanisation: Because of the low-density populations in rural areas, it is expensive to provide services; therefore these suburbs are disadvantaged compared to the inner city. When these people move closer to the inner city, they can only afford to settle on the outer suburbs, this is because the closer you are the CBD, the higher the prices are *(Tyler, 2006)*.

- Urban Decay: This has resulted in less attractive areas to live. These areas in the inner city provide more affordable housing for low-income households.

- Urban Renewal: In suburbs with good access to the CBD or near waterways, this has bought high-income households into the areas. Urban renewal could include:

- Gentrification when wealthier people move into, or restore parts of the city.

- Renewal of large areas, such as darling Harbour

(Prit in Society, 2009).

People living in poverty can be viewed as those whose standards of living are low and who face challenges in meeting the basic needs. These less-affluent areas of Sydney are generally higher in unemployment, welfare-dependency, single-parent families, substance abuse, crime rates, and lack many services, compared to other high-income suburbs. These areas are also often more ethnically and racially diverse, as migrants and refugees chose live there because of the cheap housing *(Spatial inequality: poverty and the income gap)*. People in these areas are considered disadvantaged, as a result of a number of things:

- Services: services such as hospitals and transport are centralized near the CBD. Therefore, it is easier to maintain or upgrade facilities in the inner city than it is to build new ones in the outer areas.

- Education: Eastern Sydney has a number of distinguished schools (eg, Barker, Sydney Grammar School) and the inner city contains all the major universities.

- Jobs: Most businesses attempt to stay near the CBD because of the benefits it provides and to take advantage of the high-density population *(Prit in Society, 2009)*.

The suburb of Blacktown is considered to be one of disadvantage, as a result of the factors listed above. In the 2006 Census, the total resident population was 38,863. The socioeconomic status of Blacktown residents is below western Sydney, as evidenced by the relatively low education qualifications and a lower than average household weekly income *(Blacktown City Council)*. 20.1% of Blacktown's households are earning a weekly income of less than $500. This makes Blacktown a low-income suburb and one of disadvantage *(Suburb of Blacktown, 2006)*.

Housing

Housing costs and types varies widely throughout Sydney. House prices in North Sydney are generally high. Further to the north, the average house prices are lower, for example on the Northern Beaches the average cost is $850,000. The average house price in Western Sydney is $370,000. Almost three-quarters of houses in South Sydney are detached, with an average cost of $570,000. Finally, in Sydney City and East, the average house costs $890,000, with mainly apartments or attached houses. In this area a high proportion of property is rented *(Sydney - An Introduction)*.

At the 2006 census, 33.4% of occupied properties in Sydney were rented. Of these 16.2% were rented by the NSW Department of Housing and 81.4% were from private landlords. In the inner and near the city suburbs, there are high levels of rented dwellings. These include Haymarket, Woolloomooloo, Pyrmont and Waterloo. In the outer south-western suburbs, Claymore and Airds had about 95% of rented properties and in the Blacktown region, Bidwill had about 75%, most of which were rented from the NSW Department of Housing *(Sydney Social Atlas, 2008)*. The lowest 20% of households, account for 90% of renters *(Kleeman, 2007)*.

In Pyrmont-Ultimo, the majority of residents, 45.9%, are renters, especially those occupying units. Of those in houses and terraces, 56% rent, while 44% have achieved or are aiming for ownership. Sydney is experiencing the growing trend of spatial exclusion. This is particularly apparent in Pyrmont's housing developments *(Suburb of Pyrmont, 2006)*. The relatively new Jackson's Landing development, which includes 1350 apartments and 150 terrace houses, is gated community that increases Sydney's polarisation between the advantaged and disadvantaged *(Vibe)*.

In 2006, 33.7% of dwellings were being purchased in Sydney. The highest percentage of dwelling purchases are generally in the outer suburbs, while the outright owned dwellings are more likely found in established inner-city suburbs. Suburbs with the highest percentage of dwellings being bought included, Beaumont Hills, where 69.1% of all dwellings are currently being purchased, Kellyville Ridge, and Rouse Hill in the outer north; and Camden South, where out of the total dwellings 44.6% are being purchased, and Harrington Park in the outer south-west *(Sydney Social Atlas, 2008)*.

In Blacktown, as recorded at the 2006 Census, 31.2% of dwellings were being purchased. This is because the average price of a house out west is relatively cheap and those on a low-income have a more restricted choice as to what to buy. This contributes to the patterns of inequality. As well as this, 34.2% of residents rent properties. Because of the low-incomes these people are usually forced into renting *(Kleeman, 2007)*.

Public-housing areas generally have low percentages of dwellings being purchased, as many are rented. For example in the outer south-west suburbs 95% of dwellings are rented, and in the inner eastern suburbs 80% are rented.

Suburbanisation in Sydney is apparent in the western suburbs, and accounts for these high percentages of dwellings being purchased. This is because as Sydney expands so does its fringes, which are pushed south-west and north-west. More recently, suburbanisation has resulted from the increased growth rate of new households, as families become smaller and there fewer occupants per house *(Brown)*.

The rate of suburbanisation has resulted in sprawl of residential areas from the settlement around the CBD. Urban decay and renewal have resulted in the development of new residential areas closer to the CBD and gentrification. The 2001 Census showed that gentrification in the inner city suburbs was pushing renters into the outer suburbs and further north towards Gosford and Wyong. Urban consolidation meant that settlement in the inner city has become more intense as buildings have been built closer together *(Prit in Society, 2009)*.

Education

The patterns of education are a good indicator of the spatial inequality within Sydney. Children with a private education often have a better work ethic, and can get a degree, which usually provides a high income. This allows the community to escape the poverty cycle. However, most private schools are located in the inner city. To get there requires transport. In the west, public transport is inadequate and personal transport is inconvenient *(Prit in Society, 2009)*.

Therefore, children in West Sydney go to schools in West Sydney. Because better teaching conditions and opportunities are available in schools in East Sydney, such as Barker and Sydney Grammar, most experienced teachers are located there, while junior teachers are assigned in West Sydney *(Prit in Society, 2009)*.

The Blacktown local government are has over 100 government and private schools as well as a variety of tertiary education facilities, including the Blacktown, Mount Druitt and Nirimba TAFE colleges and the University of Western Sydney campus. The Blacktown suburb is located in West Sydney; therefore a majority of children attend government schools because it is easier to attend a school in the area, than to travel to the inner city. Being a low-income area, private education is unaffordable; therefore the only choice is to attend a government school *(Blacktown City Council)*.

The 2006 Census, recorded that 60.8% of children over 5 were attending government schools. This was higher for both primary (66.0%) and secondary (54.5%) school students, compared to those attending non-government schools *(Sydney Social Atlas, 2008)*.

This map shows where students who attended government schools live.

Students attending government schools are highly concentrated in the outer southern, south-western and western areas of Sydney. Suburbs with over 85% of students attending government schools included Airds, Claymore, Cabramatta and Cowan. The North Shore, eastern and inner suburbs had a low proportion of students attending government schools. This is where Sydney's most reputable schools and UAI's are located *(Sydney Social Atlas, 2008)*.

In Pyrmont-Ultimo, the proximity to educational institutes is notable, with 30% of residents attending private schools, TAFE or a University *(Towart, 2003)*.

People with university qualifications are strongly concentrated on the north side of the harbour because:

• These are more attractive high-income suburbs.

• Most of Sydney's universities are within reasonable traveling distance from these suburbs.

This links to the high socioeconomic status around these areas.

(Prit in Society, 2009).

Ethnicity

Attracted by jobs, ethnic communities and having little reason to travel elsewhere, 40% of Australia's migrants settle in Sydney. Arriving without capital or security, they can only afford an inexpensive house in the outer suburbs. The Australian Government often refuses to acknowledge overseas qualifications, and immigrants usually have trouble attending university. Therefore, a large number end up working in the low-income, declining manufacturing industry in the outer suburbs *(Prit in Society, 2009)*. The majority of Sydney's ethnic population growth occurred post WWII. Between 1947 and 1966, 55% of Sydney's population came from overseas *(Vibe)*. At the 2006 Census, 37% of residents in Sydney were born overseas. The area in Sydney's west, stretching from Liverpool to Canterbury, had a high percentage of overseas born people. In suburbs such as Homebush West, where 64.3% of the population is born overseas, Cabramatta, Fairfield and Campsie, which has 61.1% of people born overseas, over two-thirds of the population was born overseas. The inner city area, particularly the CBD, Haymarket and Ultimo, also had a high percentage of overseas born people *(Sydney Social Atlas, 2008)*.

34.6% of Pyrmont-Ultimo residents are born overseas. The majority of residents, 25%, come from non-English speaking backgrounds, with the biggest ethnic groups coming from Indonesia, China and Hong Kong. Although this is apparent, Pyrmont-Ultimo does not have any urban villages *(Suburb of Pyrmont, 2006)*.

Blacktown has a higher percentage, 39.7%, of overseas born residents. As Blacktown has cheap housing, migrants are able to settle here as the housing is in a price range they can afford *(Suburb of Blacktown, 2006)*.

As a result of immigration, urban villages occur. This is caused by the attraction of people from the same ethnic background to form a community. This magnifies Sydney's spatial divide and creates areas of disadvantage as:

- Newly arrived migrants settle into areas that have a low socioeconomic status.
- Many arrive with little money, and came only afford to live in the outer suburbs.

(Prit in Society, 2009).

Sydney has several places that are recognised as urban villages. They include:

- North Street, Leichardt: Sydney's Italian community
- Dixen Street etc: Chinatown
- King Street, Newton: mixture of young students and professionals
- Brighton le Sands: Sydney's Greek community.

An urban village may also apply to a distinctive area that is influenced by a particular social group.

For example:

- Darlinghurst/Oxford Street: Sydney's gay and lesbian community.
- Double Bay and Mosman: the shopping and social precincts of Sydney's rich.

(Prit in Society, 2009).

Changing Economic Character

The occurrence of globalisation has transformed Sydney's economy, and contributed to its rise as a world city. In the 1960s, Australia's manufacturing industry was at a high. Sydney's manufacturing sector was shifting to the outer suburbs, such as Parramatta and Bankstown, followed by its middle-class low skilled employees. As a result, Sydney experienced rapid suburbanisation, and the outer suburbs sprawled. From the 1980s, however, Sydney underwent economic restructuring, shifting to a service based industry in the global market, and changing the morphology of manufacturing land use in Sydney. Manufacturing was forced to reallocate towards the outer suburbs, which offered low land costs, whilst the inner city became increasing centralised with IT and finance. This shift has resulted in the development of more complex locations, such as Blacktown, pushing then to a point of industry suburbanisation *(Prit in Society, 2009)*.

As Sydney grew as a major centre of finance, business and information technology (IT), the CBD grew in economic importance. Business and high-income earners relocated there, resulting in urban consolidation and urban renewal, pushing house prices up. Areas such a Pyrmont-Ultimo was transformed from warehouses and dockingyards into new apartments, cafes and waterfront properties. Similarly, Surry Hills and Leichardt declined from 42% of employment in the manufacturing sector to 29%. These high prices have excluded the lower-income demographic ever since, establishing the city centre/east as a place of relative advantage. This reflects Sydney's social polarisation, as the outer suburbs became a secondary sector of basic manufacturing, triggering a decline in western Sydney's socioeconomic status, while the inner city became an area of high socioeconomic status *(Prit in Society, 2009)*.

Observations at Pyrmont-Ultimo clearly demonstrate how it is an example of how an urban precinct in Sydney has undergone economic restructuring over that last 40 years. The land use changes there have removed wool sheds, wharf employment and other secondary industries, and replaced them with service and information uses, such as Star City Casino, hotels and harbour cruise companies *(Bivell, 2008)*.

Globalisation and Sydney's economic restructuring, is assisting in developing Sydney as a 'beta' world city. Sydney's global business services sector (IT, finance, legal and retail services) rates among the top ten world cities. Therefore, Sydney has become a significant world city and has moved from a secondary sector to a tertiary and quaternary sector *(Kleeman, 2007)*.

The introduction to new office-based information technologies was initially seen as a way to move clerical activities out of high-rent central-city areas, to low-cost suburban areas. This is because as urban renewal occurred in inner city areas, such as Darlinghurst and Surry Hills, it corresponded with the patterns of urban consolidation, as high-income earning IT and finance employees have gentrified the inner city areas. This meant that former factory areas experienced urban decay from the insufficient facilities and infrastructure. The IT industry has also suburbanised within itself. The rise of the main IT location, known as Sydney's Silicon Valley, demonstrates Sydney changing economic character. This is a high-technogly corridor stretching 10km from North Ryde to North Sydney. In less than a decade it has transformed into Australia's high-tech heartland as it holds over 600 IT companies and TNC headquarters. Activities here include Internet services, electronics, medical services and telecommunications *(Kleeman, 2007)*.

Sydney is the headquarters to Australia's main financial institutions, such as the Reserve Bank of Australia, the Australian Stock Exchange and the Sydney Futures Exchange. 60% of major transnational corporations (TNCs) are headquartered in Sydney, mainly within the CBD. Sydney also has a number of air connections, as it has twice the international flight departures than any other city centre *(Kleeman, 2007)*.

Sydney holds the regional headquarters to over 60% of global corporations that are operating in the Asia Pacific region, which include American Express, British Aerospace and Unilever. Significantly, 33% are in the IT industry *(Kleeman, 2007)*.

There has also been the widespread suburbanisation of retail service. Sydney's retail sector has experienced an increase in corporate mergers and takeovers since the 1960s. This has led to a retail industry dominated by large multi-outlet firms, which are continually increasing in size and market share, at the expense of smaller retailers. A major outcome of this retail concentration and restructuring has been the development of large, planned shopping centres in response to the demand from affluent customers in Sydney's expanding suburbs. This has seen retail services move away from the CBD *(Kleeman, 2007)*. For example Chatswood is now a mini CBD or "edge city". These large commercial centres and new malls, such as Castle Towers in Castle Hill, cater for a suburb population who drive cars and don't rely on public transport. These developments have however resulted in a CBD that is more related to:

- Global and national businesses
- Tourism
- High-quality shopping.
- Specialty shops, such as Chanel, Prada and Gucci

(Brown).

Sydney's role as a world city has had a number of effects on the nature & location of commercial development, especially those organisations involved in global activities. The three broad effects are:

- Location of regional headquarters – while most have located in the CBD & North Sydney, some have located elsewhere.

- Location of advanced producer services – these are the highly specialised industries required by TNCs & advanced local organisations (accountancy, law & advertising firms)

- Location of financial services – these are located almost exclusively in the CBD & North Sydney.

(Prit in Society, 2009).

Globalisation and the rise of Sydney as a world city, has impacted Pyrmont-Ultimo. During this time, Pyrmont-Ultimo underwent renewal, with a major part being the development of sites that cater to the growth of the white-collar industry. As a result of these industries locating here, it has also changed the working population of the area. The renewal transformed Pyrmont-Ultimo from an area of urban decay, to a thriving community on the edge of the city. This gained the area a reputation as a site for high-tech industry. Companies like Channel 10, Foxtel and Nova are now located in Pyrmont-Ultimo *(Prit in Society, 2009)*.

It is evident that changes in Sydney's economic character are a result of Sydney's emergence as a world city. This is expected to continue as globalisation continues to occur, which will see a transformation in the Australian metropolis, enabling it to maintain its stance as a vibrant, desirable and functional city of global importance.

Future Trends and ecological Sustainability

As Sydney continues to grow, it is confronted with a range of issues that need to be addressed if ecological sustainability is to be achieved. These include:

- Accommodating future population growth
- Addressing traffic congestion and providing transport infrastructure
- Maintaining air and water quality

- Disposing of waste.

(Kleeman, 2007)

Sydney's population is continuing to grow at an exceeding rate. This growth is considered unsustainable. This is due to the large number of immigrants settling in the city. As a result the government has called for the implementation of an immigration program, in order to control increasing migrant numbers in the regional areas. 30% of Sydney's population growth will be accommodated within the boundaries of the existing metropolitan, area via the process of urban consolidation *(Kleeman, 2007)*. This is seen by the development of Barangaroo. Barangaroo has an area of 22 hectares and comprised of five wharves, which are currently used for commercial shipping and as a passenger terminal. The plan aims to make the area more useable by completing the western edge of the city by creating:

- A new civic boulevard connecting Barangaroo to Walsh Bay and King Street Wharf
- A harbourside park
- A new commercial and residential quarter integrated with the CBD

The new parklands incorporate innovative sustainability measures whilst providing a space of diverse uses *(MAJOR PROJECT ASSESSMENT: Barangaroo, 2007)*.

There is also the aim to develop new 'major' centres. For example, Blacktown will be developed as a secondary edge city that will focus on retailing, education and medium-density and high-density housing *(Kleeman, 2007)*.

One major future problem is associated with the increase of traffic congestion in Sydney. Sydney's western suburbs are known for having the worst traffic, resulting in slower commuter transport times and higher levels of pollution. This is based on the design weaknesses in Sydney's arterial road system. This problem can be solved sustainably by:

- Expanding the CBD to accommodate the long-term growth and transport needs of the city.

- Improving the west-east road system to facilitate transport and provide a structure for the CBD to grow westward.

- Improving the road, rail and cycleway systems between Sydney's major regional centres.

(Bivell, 2008).

The State Government has also fixed the problem by the provision of transport infrastructure, which has emphasized the building of new toll roads, such as the M2, M5 and M4. However this is expected to see the emergence of further adverse trends such as urban sprawl and atmospheric pollution *(Kleeman, 2007)*.

Finally, water and air pollution are expected to increase in the future. The demand for natural resources and higher waste production has seen the need for ecologically sustainable practices. The increased formation of industrial factories and man-made features has seen an increase in carbon emissions, contributing to greenhouse gases. Furthermore, water is a significant challenge for the future. With the increasing population, water availability is becoming minimal. Lastly, as the cost of waste disposal increase, illegal dumping is becoming a major environment problem. This is damaging the biophysical environment and Sydney's aesthetic and intrinsic value *(Kleeman, 2007)*.

Although this will come at a cost, ecological sustainable practices need to be implemented as Sydney is emerging as a world city, to ensure that Sydney can enjoy all the benefits of this.

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