Australian National University

The Extent and Nature of Poverty in Australia

Submission to Senate Community Affairs References Committee Inquiry

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Introduction

Thank you for the opportunity to contribute to the Senate Community Affairs References Committee Inquire on the extent and nature of poverty in Australia.

This submission was originally made in February 2023. This updated version provides some drawings created by children who participated in the More for Children research during 2023. These drawings are now included on page 11 and 12 of this updated submission.

The Children's Policy Centre

The Children's Policy Centre is based at the Crawford School of Public Policy, The Australian National University. The Centre has three key objectives. First, we undertake innovative, rights-based, inter-disciplinary research with children on a range of issues relating to children's policy. Second, we seek to connect researchers, policy makers and practitioners working on a range of issues to promote the human rights, wellbeing and best interests of children. Third, we communicate research findings through scholarly publications, policy and practice focused briefing and discussion papers, and public commentary. In defining children, we draw on the United Nations Convention on the Rights of the Child and focus on people aged under eighteen years.

Given the focus of the Children's Policy Centre, and the critical importance of ending child poverty, this submission is focused primarily on child poverty. Our approach is child-centred, recognising the importance of hearing directly from children and acknowledging that children's experiences are often different from, and hidden from, adults. However, we note that child and adult poverty are intertwined, and ending child poverty necessarily requires addressing poverty across the whole population, while ensuring child-centred responses.

Research with children and young people

Over many years, the Children's Policy Centre has undertaken research with children and young people across Australia on a range of issues that relate directly to poverty and disadvantage. Our research indicates that too many children in this wealthy country are being left behind.

We are currently undertaking a large research project: *More for Children*. This involves research with children in two regional communities in central Victoria and Tasmania to better understand children's experiences of poverty and to contribute to better responses and outcomes. We are partnering with local organisations: Family Care and Burnie Works; the research is funded by the Paul Ramsay Foundation.

Over the past year, we have heard primary school age children describe how hunger, lack of medicines, insecure – or no – housing, and not being able to afford electricity affects

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them and their families. This submission is based on the early findings of the *More for Children* research, on our previous research with children, and the broader literature.

In discussing the nature of child poverty, it is important to note the strengths and assets of families – and of communities – in contexts of poverty. Yet, structural barriers, patterns of discrimination and exclusion, and systems failures often overshadow and undermine those strengths and assets. Ending child poverty in Australia requires a shift from the current focus on individuals – and the shaming and stigmatisation that has characterised political, policy, and public narratives over the past decade – to a recognition of the structural nature of poverty.

Why does child poverty matter?

There is overwhelming evidence that investing in children, including investment to end child poverty, enhances adult outcomes across most aspects of life – from education and earning attainment to better health and reduced participation in crime have been attributed to early childhood experiences (Heckman et al, 2010; Conti et al, 2013). Based on such findings, Heckman (2000: 8) has argued that for 'the same level of investment at each age, the return is higher in human capital…when spent on the young…'. According to Heckman (2000: 8) 'efficiency would be enhanced if human capital investment were reallocated to the young.' In the European context, Esping-Andersen has argued '[A] concerted child-focus is…sine qua non for a sustainable, efficient, and competitive knowledge-based production system'. Esping-Andersen (2002: 35) highlights the earnings capacity of households with children, which is intertwined with affordable child care, and the level of social transfers as two key factors in addressing household and child poverty, and exclusion. A strong welfare state has a role to play in fostering health amongst young children and in reducing income poverty, while creating supportive conditions for parents, child-care, and school to foster children's cognitive and social development (Esping-Andersen, 2002: 28). Since the late 1990s, there has been recognition globally of the importance of early childhood care and education, with significant investment from both governments, not-for-profit agencies, and philanthropists (Britto et al. 2013, Eisenstadt 2011). More recent research indicates that 'early investments are essential but not sufficient. There are opportunities to improve outcomes at later points in the life cycle', crucially in adolescence and middle childhood (Boyden et al, 2019).

In the Australian context, as elsewhere, there is evidence of the social determinants of children's health and well-being, and of the long-term individual and social implications of ill-health and ill-being amongst young children. Woolfenden et al. (2013: E365) highlight the ways in which the Longitudinal Study of Australia's Children has 'demonstrated that social disadvantage is associated with poorer outcomes across most measures of physical and developmental health and that these start early in childhood, do not attenuate at older ages and have a clear gradient, with worse outcomes associated with increasing disadvantage'. A failure to invest in children results in immediate inequities in child

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development indicators, in social exclusion, and long-term impacts on human capital and productivity (Van Lancker, 2013).

While the evidence outlined above is powerful, it is only one aspect of why child poverty matters. Child poverty impacts on children's future outcomes, with broad social implications, but it also damages – and sometimes destroys – children's childhoods. Child poverty is a fundamental breech of children's human rights, enshrined in the UN Convention on the Rights of the Child, which was ratified by Australia in 1990. It shuts down opportunities for play, participation, education and learning, and development; it puts relationships – particularly within families – under enormous and unreasonable pressure. Child poverty creates deeply unequal experiences that impact on every aspect of children's lives. In a country that values a fair go for all, child poverty should be considered unconscionable.

The extent of child poverty in Australia

Research undertaken by UNSW and ACOSS over time reveals the extent of child poverty in Australia. Based on most recent reporting, 17.7 percent of children under the age of fifteen years – or one in six children – live in poverty (Davidson et al., 2022). Children living in families where the main income earner is female are more than twice as likely to grow up in poverty; 44 percent of sole parent families live in poverty; sole mother families are especially vulnerable (Davidson et al., 2020). Worryingly, the rate of child poverty in this very wealthy country has remained high over a long period, hovering around 18 percent since 2009 (Whiteford et.al. 2017).

Child poverty decreased following former Prime Minister Hawke's 1987 pledge that no child would live in poverty by 1990, the extent of chid poverty declined as a result a range of measures including supplements for low-income families to meet the costs of living, increases in family payments – and linking those payments to wage growth, and rent assistance for low-income families (Harding, 2000). Australia was regarded internationally as having made significant progress in reducing child poverty, and was favourably compared with other countries, including the United Kingdom and the United States. Throughout the 2000s, as a result of policy choices, child poverty in Australia rose – and has remained at around current levels of 18 percent. Lower benefits, including changes to Family Tax Benefits for low income families, and more punitive conditionality, particularly on sole parent benefits, contributed to the rise in child poverty. Child poverty rates among families reliant on government allowances, such as JobSeeker, Parenting Payment, or Carer Payment, rose from 25 percent in 1993 to 66 percent in 2017 (Phillips and Narayanan, 2021).

Australia is no longer a leader internationally in addressing child poverty, as we were in the 1990s and early 2000s. Poverty rates among sole parent families are far worse than the OECD average (Bessell et al., 2021).

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The Nature of Child Poverty in Australia

Our research uses rights-based participatory research methods with children in middle childhood and adolescence to understand their experiences of poverty, in order to contribute to solutions. The findings from our research contribute to understanding the nature of poverty for children in Australia, which is characterised by low income and a lack of material essentials **and also** a lack of opportunities for play, participation and development, and severe stress on relationships. Our research suggests that while income always matters, child poverty in Australia is multidimensional.

We have developed a three-dimensional framework based on what children have told us about how poverty impacts on their lives: the MOR Framework. The MOR framework can be used to understand child poverty and to inform policy responses and services. The three dimensions are material basics; opportunities; and relationships. We use the MOR framework here to provide insights into the nature of child poverty in Australia.

Based on our research with children, and children's experiences, views, and priorities, we define each of the dimensions of the MOR Framework as follows:

Material Deprivation:

- Insufficient money and material resources to meet basic needs.
- Inadequate and inaccessible essential infrastructure.

Opportunity Deprivation:

- Inadequate and inaccessible child-friendly, quality services.
- The absence of meaningful activities that contribute to participation and ongoing development.

Relational Deprivation

- Severe pressure on relationships as a result of poverty.
- Social and economic structures and systems that fail to support strong and supportive relationships for children.

It is important to note that opportunity and relational deprivation may occur for reasons other than poverty, but the MOR Framework focuses on the these deprivations as they are directly related to multidimensional poverty. Material, and particularly income, deprivation creates and exacerbates opportunity and relational deprivation. When all three dimensions overlap, children experience multidimensional poverty – and often very deep multidimensional poverty.

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The MOR Framework highlights that while increasing family income is necessary to end child poverty, public investment in families and communities, and in infrastructure is also essential.

The following sections present what children, and in some cases their parents, have told us about their experience of poverty. The children whose experiences are shared here are aged between six and twelve years.

Material Deprivation

The material dimension of poverty plays out in children's lives in a multitude of ways, and is deeply felt every day. It is generally a result of low income, due to the very low levels of working age benefits in Australia, low paid and insecure work, the increasing cost of living, or a combination of these.

Children have described the effects of poverty in terms of insufficient medicines, being cold due to inadequate clothing or not having electricity, not having pillows or blankets, being hungry, and not having a permanent or secure place to live. Here we focus on just issues that children have raised: hunger/food insecurity and housing insecurity or homelessness. These issues are the result of inadequate income, but are also caused by inadequate public infrastructure and investment and failing systems.

Hunger and food insecurity are common experiences of poverty for children. As an example, an eight-year old boy explained to us that he often feels hungry, but has decided not to tell his mother. He had noticed that when he said he was hungry, his mum would eat less, and he knows that she too is hungry. This boy's silence demonstrates his love and care for his mum. It also demonstrates the importance of listening to children's experiences. We know from research and consultations with adults that parents will often limit their food intake to ensure their children can eat. Our research suggests that children also limit their food intake, both because they know their parents are hungry and because they do not want to cause their parents additional stress. We have also heard from some children that they do ask their parents for food, but also that they often feel guilty in doing so, because they know money and food are short.

Hunger and food insecurity also play out for children at school. Children have told us of the shame of having no food at school or having very little in their lunch box. Children have explained their strategies for dealing with the absence of school lunch. Some children have friends who share food with them; others ensure they are alone at lunchtime and recess so other children won't know they have nothing; some children skip school when there is no lunch to take.

Children have also spoken about experiences of housing insecurity and homelessness. Housing insecurity creates stress in children's lives, including fear of becoming homeless and fear of having to move. The latter fear is exacerbated when children live in places they feel connected to and close to friends or family. Children experiencing housing insecurity know that being forced to move house means moving to whatever is available and

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affordable, regardless of the condition of the house and regardless of its location. The sense of safety and connectedness that is essential to children's wellbeing is undermined – and sometimes shattered – when housing insecurity results in multiple house moves.

Homelessness leaves children feeling disconnected and sends the message that society does not care about them. Children with experiences of homelessness have described deep feelings of shame, fear, and insecurity. One mother explained that after living in a car with her four children, she managed to secure a cabin in a caravan park. The cabin had no proper kitchen facilities, very little space, no toilet or bathroom, and inadequate locks on the external door. This sole mother explained her dread of one of her children needing to go to the bathroom at night, when her choice was to allow her child to walk across the caravan park alone in the dark or to leave her other children alone in an insecure cabin.

Opportunity Deprivation

Poverty impacts directly on children's educational experiences and outcomes, on their health and ability to access healthcare, and on their opportunities to participate in society, now and in the future.

Children have described the challenges they face in accessing quality, child-friendly services – and often the challenges in accessing any services at all. A lack of access to health care was an issue that many children spoke about, explaining that this was an issue for them personally, and for their siblings, parents and, often, grandparents. When health care was available, children were sometimes aware that the quality may not be high, and they didn't always feel cared for. Children also described health care that is not child-friendly, and they often felt that they were not listened to. One boy, with an ongoing health problem, described the medical practitioner talking at him but never listening.

Children also described the challenges of school, when they did not have uniforms or necessary materials. Some children described the importance of non-government organisations who provided these things. For some children, access to the supports that make school possible were lacking. When asked about what he would ask for if he could have anything, one twelve year old boy explained that he would ask for a teacher to work with him one-on-one. He explained that he had serious problems reading, which meant that he couldn't keep up in class. The class was too big for the teacher to give him the help he needed. His mum had tried for years to access services that would provide a diagnosis and support. This boy desperately wanted to learn, but was on the verge of dropping out of school because he was unable to access the support he needed to learn. The problems he and his mum faced in accessing support were deepened by housing insecurity resulting in regular moves and periods of homelessness.

Children described exclusion from a range of activities that they would like to participate in. They also understood that asking to engage in much longed-for activities was not possible and many tried to protect their parents. One girl described the strategy she used

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to support her mum – a strategy that others used in various ways and to various extents. This girl said that she tried never to ask for anything, including permission to go on school excursions, to play sport or to engage in other activities, to participate in holiday activities. All of these things cost money that she knew her mother did not have – and so, like the little boy who described being hungry – she stayed quite.

Some children described asking their parents for things they wanted. They described the stress and sometimes the arguments that ensued – and many described the guilt they felt for putting pressure on their parents and also the anger and frustration at so often missing out.

Relational Deprivation

In our research – across many years and on many topics – children have spoken about the importance of relationships. Relationships are at the very centre of children's lives. They are essential to feelings of safety, self-worth, connectedness and wellbeing.

There is a great deal of research on parenting. In our research, our focus is on the ways in which poverty, and the structures and systems that exacerbate or cause it, undermine relationships.

Many children have described the ways in which insufficient money, insecure jobs, welfare conditionality and fear of losing benefits, a lack of support, and untreated health issues put pressure on their parents, making them inattentive and grumpy. Children often describe understanding why their parents are angry or distracted, but also describe their own feelings of frustration. This is shown in our discussions with an eight-year old, who described how angry she felt with her mum because meals were always made up with mince and because her mum yelled and said they might lose their house. As she talked, she drew thick black scribbles on a piece of paper. She then stopped and said, 'but I love her so much' and picked up a packet of gold stars to make the shape of a love heart over the black lines.

Another girl described how her relationship with her mum had changed for the worse when her father stopped paying child support, money dried up, and her mother became increasingly stressed.

One mum spoke of joy about her much loved children, and also of her inability to provide for them. She spoke of not having enough food, of housing insecurity, of not being able to buy toys or clothes. She said in despair, 'sometimes I think they would be better off in foster care; but the thing that stops me is that no one could love them like I love them'.

Sole mothers who have participated in our research have described the dread they feel as their youngest child's eighth birthday approaches, and their benefits will decrease and they will be forced to choose between care for their children and (barely) sufficient income.

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In our research, we do hear children's accounts of parental behaviour that is unacceptable and damaging to children, for which poverty is not a justification. But most children who participate of in our research talk about their parents' love and care in contexts of deep hardship. Very many of the stories children share, like those summarised above, highlight the ways in which poverty undermines relationships through unbearably high levels of stress, anxiety, anger and frustration. These are not stories of 'bad parenting', they are stories of unequal and unjust social and economic structures, of broken systems, and of punitive measures imposed on people experiencing economic hardship.

Where to?

These are just a few of the experiences children have shared. They are typical of the experiences most children have when growing up in poverty. They are stories that are painful to listen to; they are more painful for children to live. Understood from the standpoint of children, poverty in Australia is deep; it prevents children from having the material basics, opportunities and relationships that every Australian child is entitled to; and it shapes every aspect of their lives. There is no doubt, based on our research, that many children growing up in poverty develop very high levels of resilience. But we must ask ourselves, as a nation, whether we consider it just for young children to develop resilience in order to deal with poverty and inequality. Are we, as a society, prepared to accept that many eight-year olds will go hungry? Are we prepared to accept that many children never ask to go on a school excursion, and many others who do, feel deep guilt as a result? Are we prepared to allow the relationships that children value most to be chiselled away as a result of poverty?

If the answer to these questions is no, transformative thinking, immediate action, and long-term vision are needed. Our current systems are broken and our society has become deeply inequitable – patching what we have is unlikely to be sufficient.

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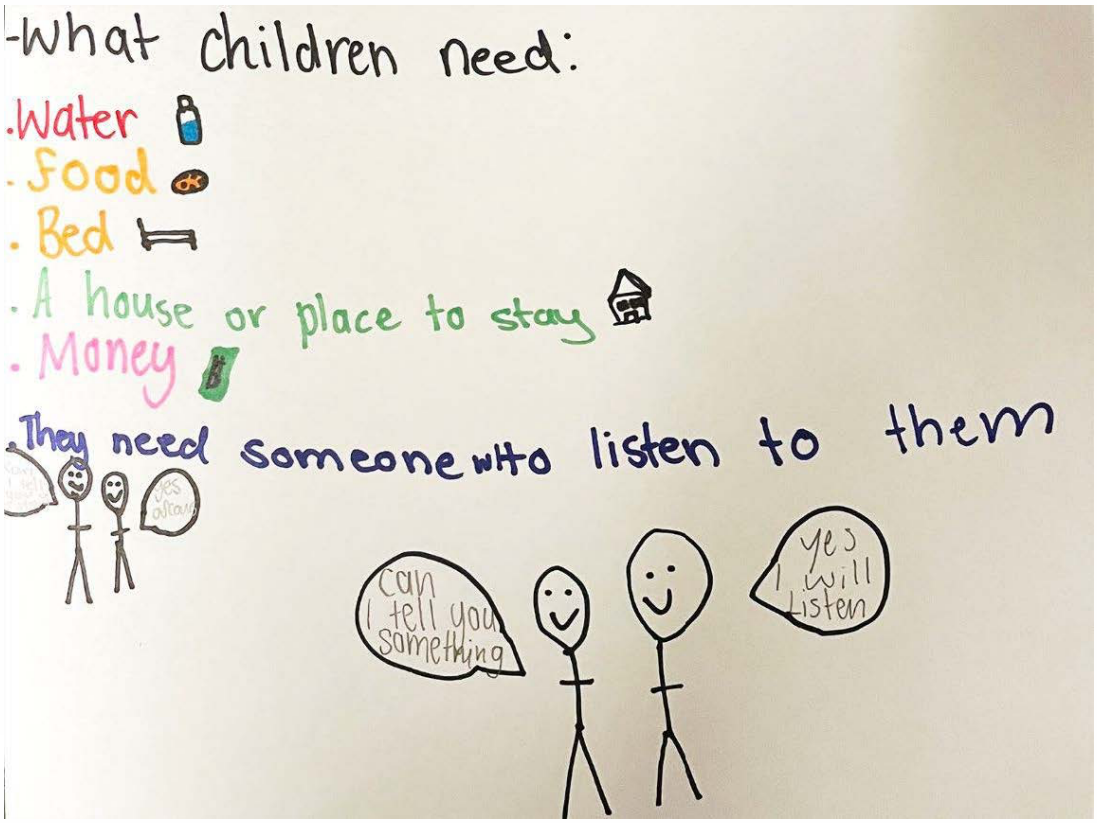
Children's Drawings

During 2023, the Children's Policy Centre continued to undertake research with children to better understand their experiences of growing up in contexts of poverty.

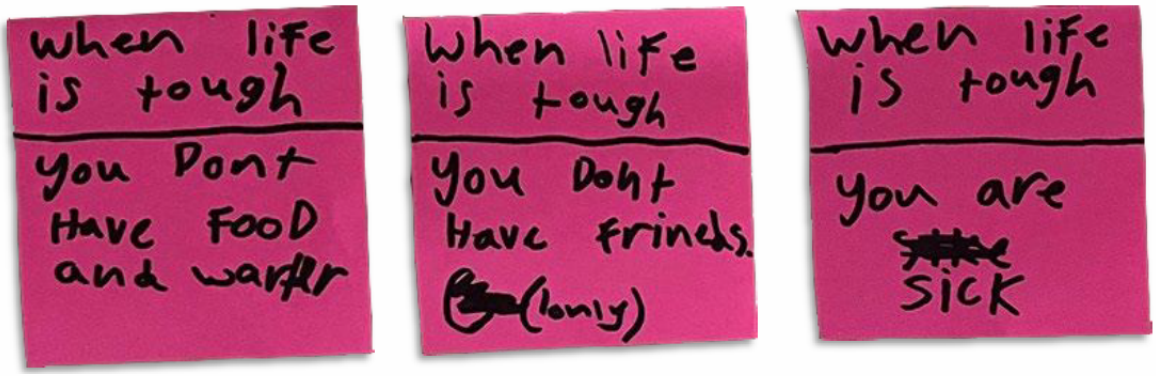
The research, undertaken as part of the More for Children project, uses child centred research workshops (Bessell 2013) and a range of activity-based, participatory methods. Below are examples of artwork and messages children developed during the research, which convey just a small insight into their experiences and priorities.

The interim reports from the More for Children research will be available in early 2024.



Poster drawn by an 11-year-old girl

Poster, drawn by a 10-year-old girl



The things that make life tough - from a group activity with 6-12 year old children

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