

Inquiry into the extent and nature of poverty in Australia

Submission to the Senate Community Affairs
References Committee

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The Australian Research Council Centre of Excellence
for Children and Families over the Life Course

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This submission is led and coordinated by the Australian Research Council Centre of Excellence for Children and Families over the Life Course (Life Course Centre) in conjunction with the Institute for Social Science Research at The University of Queensland.

Life Course Centre

The Life Course Centre is a national research centre investigating the critical factors underlying deep and persistent disadvantage to provide new knowledge and life-changing solutions for policy, service providers and communities.

The Centre, administered by the Institute for Social Science Research, is a collaboration between researchers at The University of Queensland, the University of Sydney, the University of Melbourne and The University of Western Australia as well as leading international experts and key Australian government, non-government, community, business and philanthropic partners working at the front line of disadvantage.

The Life Course Centre brings together multiple research disciplines, data, methods and partners to investigate experiences of deep and persistent disadvantage by Australian children and families over the life course, to identify strategic interventions at specific life stages and transitions that can make a real difference, and to inform the development of personalised and community-based solutions that can help to break the cycle.

www.lifecoursecentre.org.au

Institute for Social Science Research

The University of Queensland's Institute for Social Science Research (ISSR) undertakes transformational, solution-focused research to address new and emerging challenges facing Australian society.

With a vision to make meaningful difference to people's lives, ISSR is an international leader in advanced interdisciplinary and evidence-based social science research. ISSR's modern social science research workforce partner with government and the private and not-for-profit sectors to undertake advanced problem-oriented research into topics, questions and issues that matter in the real-world.

This research of ISSR is underpinned by cutting-edge social science methodologies including advanced data analytics, participatory and innovative qualitative research, observational and biometric measurement techniques, experimental research designs, and the design and implementation of social intervention evaluations.

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Our Submission

This submission is grounded in:

Life course theory – which provides a framework for understanding how life pathways are shaped by interacting factors across key life stages and transitions such as early childhood, adolescence, adulthood and parenthood as well as the influence of the institutional systems, economic and policy contexts governing how we live and work.

Central to these life course influences is – **the intergenerational transmission of deep and persistent disadvantage**. Unlike temporarily dipping below the poverty line, this disadvantage is both deep (comprising multiple forms) and persistent (extending over time) and transmits within families and across generations.

Our submission also specifically addresses the impacts of poverty on the following two groups: **Australian women and Indigenous Australians**.

It also highlights the importance of:

Continued **government investment in data infrastructure, including linked administrative data and high-quality longitudinal surveys**, that track people's life course journeys and their interactions with social institutions and services over time to pinpoint critical stages for intervention and evaluate long-term outcomes.

Changing the narrative around poverty to highlight that it is not a personal or private choice, but rather that it has a structural and systemic base rooted in economic and cultural systems. This means that governments must tackle the systemic causes of poverty rather than just focusing on programs that target the individual.

Place-based approaches that consider the local context, environment and circumstances of poverty and entrenched disadvantage, and that empower local communities to work with governments and other stakeholders to design, drive and deliver tailored community-focussed responses.

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Terms of Reference

The extent and nature of poverty in Australia with particular reference to:

(a) the rates and drivers of poverty in Australia

Poverty is a complex, multi-dimensional issue that can be defined in many ways. But most definitions typically centre on income. The latest Poverty in Australia snapshot based on ABS data (Davidson, Bradbury & Wong, 2022) shows one in eight Australians (13.4%) and one in six Australian children (16.6%) live below the poverty line. The poverty line (based on 50% of median household after-tax income) is \$489 a week for a single adult and \$1,027 a week for a couple with two children. In total, this measurement shows there are 3,319,000 people in poverty in Australia, including 761,000 children.

In 2022, Anti-Poverty Week marked 20 years of Australia dedicating a week to act on poverty. Its 20-year analysis (Anti-Poverty Week, 2022) showed that poverty rates in Australia have barely shifted since 2002. It also found that higher rates of child poverty, compared with adult poverty, have persisted for the past 20 years. As one of the world's wealthiest countries, and the so called 'lucky country', we can, and should, do better than this, and we support Anti-Poverty Week's ongoing efforts to raise the rate of basic income support payments, provide more social housing, and legislate a plan to halve child poverty in Australia by 2030 with measurable targets and actions.

A focus on poverty rates across the entire population fails to highlight that poverty is not random and does not occur equally across all groups. Some groups consistently fare much worse than others which both adds complexity to analyses, and points to the systemic nature of poverty. As the eight Overcoming Indigenous Disadvantage reports from the Productivity Commission have repeatedly shown (Productivity Commission, 2003 – 2020), Indigenous Australians remain the most disadvantaged and marginalised group in Australia. On all the standard indicators of poverty and disadvantage, Indigenous people emerge as experiencing the most social and economic deprivation. Although poverty in Australia is evident among all population groups, it is Indigenous Australians who appear most profoundly affected by poverty. Indigenous Australians are significantly worse off than non-Indigenous Australians, according to all social indicators. Not only is poverty deeply entrenched, but the causes are also complex and despite multiple government policies and programs targeting Indigenous Australians, there has been little improvement, according to standard social indicators, or progress towards ending poverty. A second group highlighted in our research, and that of many others, is women, particularly, sole mothers, women who have experienced violence (Campbell & Baxter, 2021), or relationship breakdown and older women, the fastest growing group of homeless in the country (ABS 2018; 2019). Targeted policy measures and support that is designed to address the specific issues facing each group are therefore imperative.

More broadly, it is important to remember that poverty can be experienced via multiple pathways, not just income. Poverty for Australian children and families can mean not being able to afford essentials such as food and utilities or not having a secure roof over their head. But it can also be experienced via disadvantage and poorer life course

outcomes in areas such as education, mental and physical health, social exclusion, employment and life opportunities. Indeed, the Productivity Commission in its latest stocktake of the evidence on inequality in Australia (Productivity Commission, 2018) states that “no single metric is sufficient to give a definitive answer to the seemingly straightforward question: have inequality, economic mobility and disadvantage in Australia risen, fallen or remained steady in recent years? This is the case because these concepts are multidimensional, and they link to each other – and to broader notions of wellbeing – in complex ways”.

Addressing poverty therefore requires a deeper understanding of its multi-faceted nature, and the interaction of a broad spectrum of individual, family, household, social, economic and political factors. This is not an issue that can be effectively addressed in isolation, or at a single point in time or by one policy department, but rather requires a sustained, multi-pronged approach from all sectors of government, business and the community, and over the life course. This includes the role of intergenerational forces that exert strong influence on not only where children start their life journey but also their long-term outcomes in domains such as education, employment, health and wellbeing.

Suggested areas for reform and action:

High-quality data is critical. Australia has made substantial investments in longitudinal data over the past 20 years, including the Household Income and Labour Dynamics Australia survey (2001–) and the Longitudinal Study of Australian Children (2004–).

In recent years, the Life Course Centre has played a key role in accessing, linking and analysing administrative data on Australian children and families, that was previously not used for research purposes. We have championed access to this data through our ongoing Data for Policy initiative and engagement with the new Multi-Agency Data Integration Project (MADIP) and Office of the National Data Commissioner (ONDC).

Life Course Centre researchers have also worked closely with our partner, the Australian Government Department of Social Services (DSS), to utilise its data to deliver valuable new insights into what works to reduce long-term welfare dependency. This includes an innovative proof-of-concept study that highlighted the need to expand the definition of those Not in Employment, Education or Training (Mitrou, Haynes, Perales, Zubrick & Baxter, 2021) to enable more targeted policy responses. Our evaluation of the Try, Test and Learn (TTL) Fund examined innovative social interventions funded by DSS and how they may enable at-risk groups to build the skills and capacity to take opportunities to participate in the labour market and live independently of welfare.

Building on these foundations, the Life Course Centre’s new flagship Longitudinal Study of Life Opportunities project will assess the longer-term outcomes of some TTL participants. By linking with MADIP data, this will provide more detailed assessment of the impact of interventions on outcomes over time in areas such as education, employment and wellbeing as well as flow-on, indirect and fade-out effects.

High-quality data is essential to ensuring high-quality program evaluation over time, to identify what is working, what is not, and where policy and program efforts should be

focused. While a lot of positive progress has been made in enhancing data infrastructure in Australia, there are still challenges remaining and continued leadership is needed to progress these data assets. This includes continued government investment, initiatives to incorporate and link national, state, NGO, longitudinal and qualitative data, and progressing new proof-of-concept projects and best practice communities.

(b) the relationship between economic conditions (including fiscal policy, rising inflation and cost of living pressures) and poverty

The economy is a key institutional structure and must therefore be an enduring priority for addressing poverty and deep and persistent disadvantage in Australia. We need to investigate and intimately understand the social institutions governing how we live and work so that we can break down built-in constraints and unlock opportunities. The cost of living is a major economic issue at present, especially relating to food, energy and housing. These are market-driven products, but people cannot simply opt out of having them. They are essential to health, wellbeing and participating in life. While they are essential, the market is, theoretically, the only available option for these products. They can also be influenced by broader factors such as natural disasters and political instability. But that does not mean that policy choices and decisions cannot make a difference.

This was clearly illustrated during the height of COVID-19 in 2020 and 2021. The Australian Government's COVID-19 response showed what was possible when the adequacy of payments was improved, and conditionality requirements relaxed. In terms of reducing poverty, the Coronavirus Supplement reduced the number of households in poverty by about 32% in Australia as of June 2020 (Phillips et al, 2020). A study (ACOSS, 2020) on the impact of the Coronavirus Supplement reported that, of 955 respondents, 65% said it was easier to pay rent or move to safer accommodation, 69% said they could pay for medication, 75% said they could pay their bills, and 83% said they were eating healthier and not skipping meals.

The Coronavirus Supplement and suspension of mutual obligations also led to the type of beneficial behavioural outcomes in recipients that are often attributed to conditional welfare measures, including improved physical, mental health and wellbeing, turning attention from day-to-day survival to envisioning and working towards a more economically secure future, and increased engagement in other economic activities and forms of unpaid productive work such as care work and community support. These policy changes meant that the pandemic was a period of reprieve for many people receiving social security payments due to the easing of financial stress, scrutiny, and uncertainty.

This is very different from other characterisations of the pandemic and its associated lockdowns, which were seen as a period of great stress and uncertainty by many (Klein et al, 2021). The economic impact of COVID-19 did exacerbate many existing inequalities, with the greatest impact of lost income concentrated amongst the most vulnerable, including young people, renters, temporary migrants or those experiencing domestic and family violence or mental ill health. Research also showed that female workers in

Melbourne and in regional areas of Australia disproportionately bore the brunt of the labour market downturn (Kalb, Guillou & Meekes, 2020). But there were also optimistic counterpoints to COVID-19, where government responses provided ‘silver linings’ on what good policy can mean for the type of society we want to live in (Baxter et al., 2020).

Responses to COVID-19 demonstrate that governments can intervene into economic markets to make a tangible difference to our most vulnerable citizens. This is a lesson that needs to be heeded in other aspects of the economy, including Australia’s tax and transfer policies which are often not actively encouraging female labour force participation and sometimes even discouraging participation (Hérault & Kalb, 2022). Better alignment of the tax and transfer system with existing trends of increasing female labour force participation could lead to lower poverty rates for older women in future years.

(Buddelmeyer et al., 2006) used a microsimulation model to assess five alternative policy options to encourage transitions from income support to employment and found that Earned Income Tax Credit (EITC)-like reform was most effective in increasing labour force participation and reducing the number of jobless households. The EITC was particularly effective in providing incentives to enter the labour force for single parents. The effects of such welfare reforms can vary across families but one especially attractive feature of negative, or low, taper rates is that they are most beneficial for children in the most disadvantaged families. However, even within the same family, different children can be differently affected depending on their age, with younger children having more negative outcomes when their mothers are forced into unstable low-quality jobs, and adolescents being more responsive to overall changes in family income (Broadway et al., 2021).

Suggested areas for reform and action:

Strong evaluations of what works. There is a need for more high-quality, joined-up and linked data that tracks people’s interactions with key institutions and social services over time and also enables high-quality evaluations of the long-term effects of policies tackling systemic issues of inequality and disadvantage. Too often evaluation approaches focus narrowly on individual programs or services rather than addressing these multiple and complex systems. Poverty has a structural and systemic base rooted in economic systems, which means governments must tackle systematic causes through mechanisms such as wages, income support, housing, tax and transfer as well as health care and education, not just focus on programs that target the individual.

(c) the impact of poverty on individuals in relation to:

(i) employment outcomes

Poverty is a disabling, not an enabling, force when it comes to job search and employment outcomes. There is a dominant policy narrative that more generous social security payments will discourage job search activity, despite the fact there is no evidence to support this. On the contrary, there is good evidence that improving the adequacy of social security payments and loosening punitive conditionality requirements promotes

self-efficacy and improves individual health and wellbeing, which enables individuals to move beyond survival and focus on achieving their education and employment goals. It is therefore imperative that adequacy of payments and conditionality requirements are addressed to improve employment pathways for people living in poverty.

In Australia, the standard rate of payment for unemployment benefits leaves many people below the poverty line, even when rent assistance and other supplementary payments are added to household income (Whiteford, 2021). A 2019 OECD analysis found that, when rent assistance was included, the rate of payment for someone on unemployment benefit in Australia was the lowest in the OECD, coming in at 39% of the previous wage compared to the OECD average of 68%.

The 'need' to keep the unemployed job searching and working on their 'job readiness' relies on the assumption that the unemployed will become idle and demoralised and so, for their own benefit, need to be 'employed' in some activity. These notions are embedded within psychological discourses that suggest imitating work-like practices can mirror some of the benefits of paid work and is particularly important in times of high(er) unemployment (Productivity Commission, 2002). Job seekers are required to complete activities that should move them towards employment by both looking for work, increasing employability and 'job readiness'. These 'welfare-as-work' practices govern the unemployed by encouraging behaviours and attitudes to align with a good work ethic.

The emphasis on keeping job seekers 'active' to improve their 'welfare' is contradicted by research that suggests activation strategies can be harmful. The literature has highlighted how 'welfare-as-work' practices blame the unemployed for their current struggles, compound job seekers' feelings of shame (Peterie et al., 2019), and fail to help long-term unemployed by enabling practices of 'creaming' and 'parking' that only assist the most employable job seekers. On the extreme end of 'activation' practices, compulsory income management 'quarantines' certain job seekers' income on premises that job seekers need 'help' to manage their finances and curtail alcohol consumption (Staines et al., 2020). These paternalistic practices do little to achieve their stated outcomes of securing employment and instead infantilise and further impoverish the already disadvantaged (Mendes et al., 2020b).

Suggested areas for reform and action:

Rethinking employment. The popular representation of unemployment as a problem of the unemployed deflects attention from the adequacy of social security payments, the unintended consequences of welfare conditionality and structural explanations of unemployment and underemployment. Addressing these issues is a prerequisite to improving the employment outcomes for people living in poverty.

(ii) housing security

High housing costs can drive low-income households into a condition of material deprivation or poverty (Stone, 1993; Burke et al., 2011). A household is deemed to be in after-housing poverty if the income remaining after paying for housing is below a pre-determined after-housing poverty line, commonly defined as 50% or 60% of median (equivalised disposable) household income after housing costs (Saunders, 2017). The after-housing poverty line defines the “socially defined minimum standard of adequacy for non-housing items” on a relative rather than absolute basis. Over the past 25 years the number of people in after-housing poverty has consistently exceeded the number in before-housing poverty. However, while the incidence of before-housing poverty has been falling in recent decades, the after-housing poverty rate has trended up (Yates 2019). This outcome is in marked contrast from the results of the 1975 Poverty Inquiry, which showed that the aggregate incidence of poverty after-housing was lower than that before-housing (Yates, 2019).

In 2021 Australia witnessed an astounding 23.7% growth in property prices, the strongest growth ever recorded. For Brisbane, the increase was even greater than the national average of 27.8%. Housing is not just expensive for buyer, or indeed people who would like to buy. In 2022, rent prices for houses increased by 14.6% both nationally and in Brisbane. In Australia broadly and Queensland specifically, there is limited social housing; the ballooning waitlists and years people wait for social housing demonstrates that there is insufficient supply to meet demand. Social housing is approximately 3.4% of the entire housing market in Queensland, which is close to the national average. Moreover, there has been a steady decline since the early 1990s, when social housing constituted just over 6 per cent of the national housing sector. The decreasing supply of social housing has been an underreported problem in Australia at least since the 1990s. Government policy makers over years should have seen this current crisis coming and responded better well before now.

The reality of homelessness in Australia presents a confronting picture. More than 270,000 Australians who were homeless, or at risk of homelessness, were helped by government-funded specialist homelessness services (SHS) in 2021–22, according to the Australian Institute of Health and Welfare (AIHW). As Mission Australia and many other service providers and homelessness advocates have highlighted most people experiencing homelessness are hidden from sight. They could be sleeping in a car, couch surfing or enduring the night on public buses. They may have shelter but no permanent place to make a home. These are the ‘hidden homeless’.

Governments have to address what are seen as contradictory policy objectives – they want to make housing affordable for everybody, and they also want to enable people who own properties to accumulate wealth. “The two things are in tension. We have a raft of policy settings that are, in my opinion, not in balance between those two objectives – they’re strongly weighted in favour of wealth accumulation, against housing being more affordable. (Pawson et al., 2020).

Housing systems are changing, and housing system reform is evident in Australian and international jurisdictions. These reforms are a response to the dynamic challenges impacting governments, communities and the housing market. The challenges include rapid urban population growth, growing social inequity, public finance constraints, rising homelessness, declining housing affordability, ageing population, climate crisis, displaced and mobile international populations, digital disruption, politicisation of housing and others (Parsell, Cheshire, Walter & Clarke, 2019). These challenges combine to affect the performance of the housing system and in particular the social housing sector. In the context of these shared pressures, Governments are reforming their housing systems.

Suggested areas for reform and action:

Housing policy and delivery reform should be driven by more joined-up and properly resourced policies at national and state levels. As the Australian Housing and Urban Research Institute has argued: 'Australia's housing system is failing to deliver a sufficient supply of affordable homes and wider affordability pressures are affecting household wellbeing. A national strategic framework is needed to address these failures. By integrating and enhancing the public subsidies, financial settings, policy levers and programs that exist across the three levels of government, a national framework for housing will drive outcomes across the continuum of housing needs and help deliver long-term growth of affordable housing supply.,

The current Federal government has declared its commitment to developing a new National Housing and Homelessness Plan in partnership with States and Territories, local government, civil society, industry bodies, superannuation funds and experts in housing finance and urban development. This new plan must be more than a mechanism to channel the limited existing funding available for housing and homeless programs. It should build on existing State based reforms such as Queensland's Housing Strategy 2017-2027 to grow housing supply, build a more integrated service system and promote a fair and accessible housing sector. It should also look more broadly at the drivers of housing supply and demand including government tax settings, financial sector regulation, state based rental subsidies and land using planning systems.

These national and state based strategic reforms should be complemented by a broader place-based strategy to integrate the planning, design, financing, and even delivery stages of social housing with other local community needs. A more place base based strategy can also address an often-forgotten part of an effective housing response - better integration of the land use planning system with housing planning and delivery, to align local community needs, services and infrastructure.

(iv) education outcomes

Educational inequalities are endemic and persistent in Australia. We are ranked in the bottom third of most unequal educational systems among OECD countries (UNICEF, 2018). These inequalities are present even before children start school. Life Course Centre research shows close to half of Australian children are developmentally disadvantaged

when they start school (Taylor, Zubrick & Christensen, 2019). These children are behind at the school ‘starting gate’ and they continue to lose ground over time. They are less likely to complete high school, find a good job and have stable, secure housing.

Our research also shows that young people from disadvantaged families are less likely to aspire to go to university (Tomaszewski et al., 2021), consequently have lower university participation and completion rates (Tomaszewski et al., 2018, and have poorer labour market outcomes after graduating from university (Tomaszewski, Perales et al., 2021). This is a pressing policy problem because the economic returns to educational attainment are the highest among children from low socio-economic status families (Heckman et al., 2018), impacting their educational attainment, earnings, welfare dependency, and health outcomes over the life course.

Research into the learning experiences of Australian school children during COVID-19 is also instructive. This research, undertaken by the Institute for Social Science Research (Plage et al., 2022) for the Paul Ramsay Foundation, explored three interconnected themes – connection, connectivity, and choice – and found that the pandemic and associated school closures may have constrained educational participation, particularly for students in disadvantaged circumstances.

Suggested areas for reform and action:

Providing educational opportunity from birth to university. Schools alone cannot be expected to compensate for educational disadvantage. Our research highlights the complex contexts and multi-dimensionality of developmental disadvantage and the need for cross-cutting social, health and education policies and coordinated, multiagency early intervention efforts to break the cycle of educational disadvantage. Other measures that can help to close educational socio-economic gaps include: moving beyond a narrow focus on academic performance measured only through standardised testing; investing in training more teachers and providing high-quality training; strong school-based career guidance to help boost students’ engagement; and encouraging the development of socio-emotional regulation and personality traits such as perseverance, and building strong growth mindset and aspirations, which can help to boost the potential of all children, regardless of their background, and reduce educational inequalities.

(d) the impacts of poverty amongst different demographics and communities

The impacts of poverty are experienced differently by various demographics and communities. In this submission, we specifically address the impacts on poverty on the following two groups: Australian women and Indigenous Australians.

Australian women

Tackling poverty amongst specific social groups requires understanding how the drivers of poverty vary across groups. By implication, this means that policy approaches must vary for specific groups. For women, the impacts of poverty are acute and partly driven

by broader systems of gender inequality, such as growing levels of gender segregation, stalled gender pay gaps (WGEA, 2022), unequal responsibilities for unpaid and caring work (Baxter, et.al. 2008) and traditional attitudes to family responsibilities (Baxter et. al. 2014). Gender inequality is not only a problem for women. It is bad for everyone. It leads to foregone earnings and limited returns to women's investment in education. It reduces men's opportunities to participate actively in childcare and family life. Australia's ranking on the global gender equality index dropped from 15 in 2006, to 50 in 2021 and, at the current rates, the World Economic Forum estimates that it will take more than a century to achieve gender equality (WEF, 2021).

Women who are poor face obstacles that are difficult to overcome, despite their productivity being one of the greatest contributors to economic prosperity (UN Women, 2019). Overall, women (14.1%) are more likely than men (13.1%) to be part of a household living below the poverty line when using 50% median income measures (ACOSS, 2023). There is a clear gender gap in poverty within Australia, with experiences of poverty more pronounced for young women and women approaching retirement (Duncan, 2022). The impacts of poverty are often cumulative for women, producing sustained inequality across the life course.

Support to combine family and paid employment is particularly important for single parents who have to juggle family and work on their own, often with limited financial resources. However, prevention of poverty by providing support to all families may be even better than providing help after the event. Most single mothers start out as partnered mothers. (Broadway et al., 2022) show that supporting partnered women to combine family and work is important, as women who are not in employment and experience a divorce/separation have a high risk of ending up in poverty after separation. And women who experience marital breakdown also lose wealth (Watson & Baxter, 2022). This risk is substantially lower for women who were in employment before separation.

Women who have their first child at a young age are particularly vulnerable to poverty and disadvantage over their lifetime. Using HILDA longitudinal data, Jeon et al., 2011 show that compared to women who had their first child at an older age (20 or over), 'young mothers' are more likely to receive income support (and thus be in poverty) at all ages. Once 'young mothers' are on income support they are less likely than older mothers to leave income support (due to state dependence), making their poverty more persistent with potential intergenerational impacts. Using more years of the same longitudinal dataset, Kalb & Vu, 2022 show that 'young mothers' face many disadvantages, including in terms of being less likely to be employed at any age compared to older mothers (after having their first child) and compared to women who have not yet had a child at the relevant age. They are also more likely to be on a low income (i.e. in the bottom quintile) and receive income support, and on average face more financial hardship events. These economic impacts may affect mental health outcomes for young mothers.

Regardless of age at first birth, becoming a parent has major consequences for women's employment and earnings trajectories. Parenting responsibilities fall disproportionately

on women's shoulders leading to interrupted employment trajectories, lost earnings and lower returns to education investments. Using 19 years of data from the HILDA surveys, we found that a first birth leads to a large drop in women's earnings relative to their partner. Moreover, even 10 years after a first birth the earnings gap between mothers and fathers has not returned to pre-birth levels (Steinbring et.al, 2022). This means that over a life course, mothers will earn less than men, a situation which is brought into sharp focus if they experience divorce and also consequently lose access to secure housing or wealth assets (Watson & Baxter, 2022).

Experiences of poverty for women in later life can also be driven by Australia's retirement income system which is predicated on the assumption that individuals have equitable opportunity to accumulate wealth over their lifecycle. Yet, women are disadvantaged in the current system. The linking of Australia's retirement system to engagement in paid work, produces a context wherein women are disadvantaged through moving between the paid and unpaid workforce to care for others, and while engaged in paid employment are often employed in roles, industries and forms of work that are paid comparatively less than men (ASFA, 2021; WGEA, 2022). Retirement income is presently substantially less for women than men, with this gap projected to remain for some time into the future (ASFA, 2021). With relatively little savings, women are therefore reliant on the Age Pension and thus, vulnerable to the experience of retirement poverty.

Suggested areas for reform and action:

Addressing structural gender inequalities. Examining the impacts of poverty on women highlights the disproportionate effect of structural inequalities (e.g., the relationship between retirement contributions and paid employment), social inequalities (e.g., perceived value of unpaid care), and compounding effects of financial insecurity. Combined, these factors work to 'bake in' experiences of poverty for women that emerge across the life course and, left unchecked, produce a context wherein some women are at much greater risk of poverty, such as single parents, women who have experienced divorce, and older women. Moreover, gender inequality has consequences for men who miss out on opportunities to participate fully in family life, and children who suffer the flow-on consequences of living in households constrained by lack of opportunities, resources and time.

Indigenous Australians

According to the 2021 Census Socio-Economic Index for Areas (SEIFA), some 48% of people of Aboriginal and/or Torres Strait Islander origin were classified as being in the bottom quintile (bottom 20%) of the SEIFA Index of Relative Socio-Economic Advantage and Disadvantage (IRSAD), which is around two-and-a-half times greater representation than the 18% of non-Indigenous Australians in the bottom quintile. Further, only 5.3% of Aboriginal and/or Torres Strait Islander people were in the top quintile (top 20%) of IRSAD, describing Australians living in areas associated with high relative advantage. This compared with 22% of non-Indigenous Australians classified in the top quintile, meaning

Indigenous Australians were around four-times under-represented in areas of greatest wealth and prosperity. These latest SEIFA figures are indicative of a broader and yawning differential in wealth and prosperity in facing Indigenous Australians.

From a global perspective, Australia is a wealthy nation with high GDP per capita and high levels of overall human development, as defined by the United Nations' Human Development Index, a metric compiled by the United Nations to quantify a country's "average achievement in three basic dimensions of human development: a long and healthy life, knowledge and a decent standard of living."

Since the inception of the Human Development Index in 1990, Australia has consistently ranked among those nations with the highest human development and was ranked 8th in the latest HDI, between Sweden (7th) and The Netherlands (9th). Norway was No. 1.

However, Australia's high ranking masks significant inequality across our society, with an increasingly uneven distribution of wealth, and entrenchment of disadvantage among pockets of our society, including some groups experiencing levels of human development more in line with poorer, developing nations. For example, earlier research by Life Course Centre members in collaboration with Canadian colleagues showed that the United Nations Human Development Index rankings for Canada, United States, New Zealand, and Australia, whereby Australia ranked highest of these nations on standard HDI, were dramatically different when HDI was calculated to represent only the First Nations populations of each country. When viewed this way, Australia ranked last out of these four nations, and by a long way, indicating the difference in overall HDI ranking between our Indigenous and non-Indigenous populations was significantly wider for Australia than for other nations with similar British colonial histories (Cooke et al, 2007).

Further work on this theme by Life Course Centre members, this time looking through the lens of social determinants of health, showed Australia ranked lowest behind Canada and New Zealand in educational attainment, labour force outcomes, and income equality, for our Indigenous populations (Mitrou et al, 2014). These gaps had persisted over many years, and in most cases, were both large and not on a trajectory for closing in a timeframe that would be considered reasonable by any government or human rights organisation.

Life Course Centre research looking at Australians receiving welfare benefits who were Not in Employment, Education, or Training (NEET) showed patterns of income support receipt by age-group and highlighted the skew towards those without skills and qualifications, and to those aged over 30-years (Mitrou et al, 2021). Indigenous welfare recipients were more likely to be NEET at all working ages, which further contributes to poverty and overall economic disparity.

Suggested areas for reform and action:

Working under the guidance and direction of strong Aboriginal governance and in partnership with Aboriginal communities. This includes data collection and partnerships conducted under the principles of Indigenous Data Sovereignty. Life Course Centre research, and the recent SEIFA findings described, highlight the ongoing disparities in wealth and prosperity experienced by Indigenous Australians, in comparison to the general population, and indicate some areas in which gaps, including data gaps, need to

close in order to reduce these disparities. A new study, funded by the National Health and Medical Research Council (NHMRC) and led by Life Course Centre Chief Investigator Associate Professor Francis Mitrou (Telethon Kids Institute, 2022) will use data from the West Australian Aboriginal Child Health Survey (WAACHS), safety linked with other data from government and service agencies, to understand the influence of early life family environments and social and cultural factors on health and wellbeing outcomes as adults.

(f) mechanisms to address and reduce poverty

A common theme in poverty research and policy practice is the role of community or place in both understanding the causes of poverty, and addressing them (Vinson & Rawsthorne, 2015; Payne & Samarage, 2020). Living in a community where there are high rates of poverty or other indicators of disadvantage is a strong predictor of experiencing persistent disadvantage, and addressing disadvantage at the community or place-based level is seen as an important pathway in moving people out of entrenched poverty.

At the Commonwealth and State and Territory levels, place-based policies and programs are seen as effective ways of addressing the complex nature of disadvantage experienced by families through looking at their physical and social environment and the service systems they engage with rather than looking solely at the issues they face as individuals (Centre for Community Child Health, 2011; Dart, 2018). Over the past decade, place-based approaches have been increasingly rolled out as policy responses to complex social problems across Australia. These approaches are driven by the notion of local answers to local solutions and have shared decision making as core components of these models. However, place-based approaches in the Australian context have a long but sporadic history been characterised by trials, pilots, siloed and time limited programs, ineffective evaluations, and a narrow focus on human service delivery rather than broader community driven co-design that addresses the interconnections between economic and social dimensions of poverty (Reddel, 2005).

A useful distinction can be made between what can be described as 'place focused approaches' and 'place-based approaches'. In the former, government services, infrastructure and investment are tailored to meet local community needs, but government retains control over the response. 'Place based approaches' (PBAs) are designed around the specific circumstances of a place and enable community to make decisions. Community is the driving force and governments work with community leaders and other stakeholders to support the response .

Defining PBAs is challenging given their inherently localised, tailored and collaborative characteristics. (Dart, 2017) captures these elements by defining a place-based approach as "a collaborative, long-term approach to build thriving communities delivered in a defined geographic location. This approach is ideally characterised by partnering and shared design, shared stewardship, and shared accountability for outcomes and impacts". Proponents argue PBAs provide opportunities for co-designed outcomes and community

participation as well as enabling connections between individuals, communities and place to be the 'production agents' for achieving better outcomes (Marsh et al., 2018).

PBAs allow policy practitioners to think beyond broad population-level indicators of poverty, income inequality and unemployment and focus more on the reasons for community disadvantage such as a lack of opportunity in specific locations, (McLauchlan et al., 2013). PBAs also enable practitioners to focus on locational disadvantage by considering the interplay between the characteristics of residents living in a community such as the community's social and environmental context, the strength of their social networks and relative lack of opportunities (Caruana & McDonald, 2011).

Australian governments' policy interest in place has been evident from the post war period. Concepts of regional planning, community and place were strong themes during the post war reconstruction period (1945-1949). However, since this period characterised by state intervention working with local communities, Australia's approach to 'place' has been sporadic and short term – essentially trials where outcomes have been difficult to evaluate. PBAs in their various manifestations have, however, been a key part of Australian Indigenous affairs since the 1970s turn to 'self-determination' and a desire to move away from rational-technical approaches to policy and service delivery and is also reflective of governments' history and inability to design and implement a more collaborative approach (Brown, 2020). There have once again been a range of initiatives including the COAG Trials in the early 2000s, National Partnership on Remote Service Delivery, various approaches to responding to National Agreement on Closing the Gap and more recently, Empowered Communities which represents a shift from government led programs to a more holistic co-designed and Indigenous community-controlled reform process.

In recent times, the Federal government has implemented the Stronger Places, Stronger People (SPSP) program with the aim of breaking the cycle of intergenerational disadvantage in 10 disadvantaged areas. The federal government stated aims were to "interrupt disadvantage and create better futures for children and families through identifying local barriers and developing evidence-based solutions to local problems and working in partnership with state and territory governments and local people" (Department of Social Services [DSS], 2021). The selected SPSP communities received funding to support a local project team known as 'backbone team' (organisation) and this team works with and is accountable to a local community leadership group in terms of developing and implementing their tailored program and plan of action (DSS, 2021). The communities were selected based on several criteria including markers of disadvantage, existing community collaboration, strong local leadership, established local governance structures, a promising degree of readiness to work differently, an existing collective impact practice is preferred, a level of social cohesion and a shared vision for change (DSS, 2021).

The SPSP and a range of other State government PBAs reflect an increasing interest looking to the United States, where major place-based collaborations seemed to be breaking new ground. Collective impact initiatives in the US introduced a new results

focus and shared efforts between philanthropy, community services and business. (Kania & Kramer, 2011) argue that the defining features of a collective impact approach were: '.....long-term commitments by a group of important actors from different sectors to a common agenda for solving a specific social problem. Their actions are supported by a shared measurement system, mutually reinforcing activities, and ongoing communications, and are staffed by an independent backbone organization'.

An important precursor to the SPSP program and early proponent of a place-based collective impact ethos was the Federal government's Communities for Children (CfC) program. The CfC has been operating for 15 years in 52 disadvantaged communities since the early 2000s to provide prevention and early intervention programs to families with children up to 12 years who live in these neighbourhoods and are disconnected from childhood services. On each site, a local non-government backbone organisation engages with local organisations to deliver services to local communities. Program evaluations through the 2000s found that the CfC had successfully delivered services to families, children and communities and made positive changes to their lives (Edwards et al., 2014).

Suggested areas for reform and action:

There is an imperative to build a place-based approach evidence base to understand the needs, strengths, and priorities of a local community. This evidence base needs to be built on quality and accessible person-centred and community level data and their analysis, stakeholder insights and community engagement. The Federal government has made a number of recent commitments advancing a more strategic and long-term approach to PBAs, including regarding a National Centre to explore innovative solutions to address disadvantage, the new Economic Inclusion Advisory Committee includes specific reference to place-based approaches to address economic inclusion as does the terms of reference for the Employment White Paper. These commitments are encouraging but will need to address Australia's legacy of PBA trials, experiments and short-lived reforms.

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