
State of the Family 2002

Dr Ann Neville

“Children are kept in poverty not by a padlock to which there is a single key but by a combination lock that requires an alignment of factors if it is to be released.”

Child Poverty in Rich Nations
United Nations Children’s Fund, 2000

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Anglicare Australia is the national network of care and social justice agencies of the Anglican Church in Australia.

Anglicare members invest in excess of \$450 million each year in assistance to needy families, youth and children, the aged, unemployed and homeless Australians, as well as working with Indigenous Australians to overcome disadvantage.

ANGLICARE
AUSTRALIA

The Anglican Centre

209 Flinders Lane

Melbourne. VIC 3000

Tel 03 9653 4220

Fax 03 9654 9075

Email: anglicare@anglicare.asn.au

Website: www.anglicare.asn.au

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Introduction

This third State of the Family Report looks at the plight of children growing up in families where no adult has a job.

The Final Report of the Reference Group on Welfare Reform in July 2000, noted that 860,000 Australia children were living in a jobless household. Since then, the figure has fallen to around 650,000 due to the improvement in the official unemployment rate, but the risk of locking so many young Australians into a cycle of intergenerational poverty is alarming.

The 2002 State of the Family Report examines the extent and implications of this social crisis and looks at what Anglicare agencies are doing in response. It builds on the second State of the Family Report which revealed how individuals and families find themselves excluded from paid work and explained the full ramifications of low incomes on family life.

In publishing this report, Anglicare Australia is calling on Governments for a commitment to adopt policies and strategies to reduce by half within 5 years the number of children growing up in jobless families. Previous Australian

Governments have failed to achieve the goal of ensuring 'no child will live in poverty', but there is little doubt that, after a decade of record economic growth, the goal of halving the number of children growing up in poverty within 5 years is realistic and achievable.

The experience of Nordic countries show that it is possible to adopt strategies to reduce child poverty and to hold child poverty at around 5 per cent for the best part of 20 years. Using the same measures, child poverty in Australia is around 12 per cent.

Anglicare Australia hopes this report will contribute to an informed debate about reducing child poverty in Australia. We are again grateful to Dr Ann Nevile for her excellent work in bringing together research findings and the experiences of Anglicare agencies from around Australia into a succinct and readable report.

Bishop Philip Huggins

Chair, Anglicare Australia

Executive Summary

In Australia the 1990s was a decade of economic growth. Employment increased and unemployment decreased. But this increase in employment has not been distributed equally amongst the population. Whilst the number of Australian families with both parents in employment increased during the 1990s, so too did the number of families with no parent employed. Not only did the number of jobless families increase during the 1990s, the proportion living in poverty also increased. Over the last 10 years, the major increases in poverty risk have fallen on those who are unemployed or not in the workforce. Thus, in Australia at the beginning of the twenty-first century, we have 676,800 children growing up in jobless families who face a significant risk of living in poverty.

Should Australians be concerned about this? Should Australians be concerned that at the end of the 1990s, more Australians do not have enough money to feed their families, or buy medicine when a family member is sick? Most of all, should we be concerned that the instance of poverty amongst children is significantly greater than it is amongst adults? In tracing the impact of unemployment and low income on children and their families, *State of the*

Family 2002 paints a clear picture of why Australians should be concerned about increasing levels of inequality in our society and an increasing proportion of Australian children living in poverty.

Poverty has a negative impact on the physical and mental health of both children and adults. Depression is more prevalent amongst women in low-income families and rates of drug dependence, homicide and suicide are higher amongst unemployed young people than amongst those who have a job or are studying.

Poverty strains family relationships. Financial hardship generates stress and conflict, making it harder for families to stay together. Financial hardship also makes it harder for families to find and maintain secure and appropriate housing, thereby adding to the stress experienced by parents and children.

Finally, and most importantly, Australians should be concerned at the increasing levels of inequality in our society because disadvantage can be handed down from generation to generation. But what should be the government and community's response to the ways in which poverty impacts on current and future generations? A number of issues and challenges emerge from *State of the Family 2002*.

The first issue to emerge is the importance of education in breaking the intergenerational cycle of disadvantage. Those with low levels of education are much more likely to be unemployed and to be unemployed for longer. Their children are also more likely to be unemployed. Helping young people overcome the obstacles to educational achievement (whether they be academic or behavioural) will go a long way towards breaking the cycle of poverty. Moreover, assistance needs to be provided early in a child's school life before failure becomes entrenched and young people drop out of secondary school.

Secondly, the ability of families to access secure, appropriate and affordable housing is also important. An inability to access secure and affordable housing means families are forced to move between private rental, living with relatives, living in caravans or boarding houses or emergency accommodation. Frequent moves often disrupt a child's schooling, making it harder for the child to succeed at school. Even if families are not forced to move, living in inadequate housing places additional stress on families who are already experiencing the stresses associated with financial hardship.

The impact of financial hardship is exacerbated if low-income families are forced to pay a high percentage of their income on housing. Public and community housing is the means by which governments have traditionally assisted low-income families to access affordable accommodation. However, in some States the distribution of public housing does not correspond to the areas with high levels of unemployment. Access to affordable housing is further constrained by the decrease in the stock of low cost private rental dwellings.

Thirdly, the report demonstrates the effect of location on an individual's chance of exiting unemployment. Governments tend to assume that if someone is unemployed they will (or should) move to an area where more jobs are available. However, the unemployed, particularly jobless families, face a number of obstacles in moving to areas where more jobs are available. It costs money to move, particularly interstate, and housing is more expensive in areas of low unemployment. Moving means children have to change schools and make new friends at the same time as the parents leave behind the network of family and friends that previously supported them and their children. Given the importance of informal social supports in ameliorating the negative impacts of disadvantage,

is it sensible to expect jobless families to move? Should governments and communities instead be working towards developing new employment opportunities in areas with high levels of unemployment? Location also provides a challenge to governments in terms of access to services. It is clear that for some groups in the community with special needs (for example, those with a severe psychological impairment) living outside capital cities and major regional centres means services which could help them and their families are simply not available.

In looking at the ways unemployment and low-income impact on the lives of children and their families, *State of the Family 2002* raises fundamental questions about where Australian society is heading in the twenty-first century. It challenges

government and the community: do we want to live in an increasingly unequal society and, if we don't, what are we going to do about it? It is obvious from the discussion in this report that the problems generated by poverty are complex and solutions will need to be multi-faceted, requiring co-operation across all levels of government as well as across a range of government portfolios. *State of the Family 2002* provides a starting point for such solutions. While this report does not attempt to set out detailed policies to reduce poverty, especially child poverty, it does identify the key problems to be tackled. It is significant that, by and large, these issues are not at the forefront of current political debate. Putting them there would be a good first step.

Unemployment

You could almost get to like being unemployed if it wasn't for the poverty, the loneliness and the despair (TasCOSS, 2001:30).

Unemployment affects all aspects of an individual's life. It erodes self-confidence and self-esteem and is a major source of stress on families and family relationships. Unemployment isolates the unemployed who can no longer afford to participate in social activities previously taken for granted. It can affect the physical as well as emotional health of the unemployed and their families and can lead to homelessness. Unemployment touches not only the lives of the unemployed, but also their families.

In Australia the 1990s was a decade where employment increased and unemployment decreased, but this increase in employment was not distributed equally amongst the population. While the number of

Australian families with both parents in employment increased during the 1990s, so too did the number of families with no parent employed (AIH&W, 2001:144). In other words, most of the increase in employment went to families where an adult was already employed (Gregory, 1999:3). This unequal distribution of employment is clearly evident in women's employment figures. Between 1979 and 1998, the employment-population ratio for women in couple families increased from 42 to 60 per cent (Gregory, 1999:7). More women working suggests that increasing rates of male joblessness could have been off-set by women's employment. While this has happened to some extent, the effect is not large. Only 5 per cent of female employment growth occurred in families where the male does not have a paid job (Gregory, 1999:8). In June 1998, only 24 per cent of women with unemployed partners were employed, compared with 65 per cent of women with employed partners (Wilson et. al., 1999:15).

The result of this unequal distribution of employment is that in 2000, 56 per cent of couple families with children aged under 15 years had both parents in employment, while in 7.5 per cent of couple families neither parent was employed (AIH&W, 2001:145). For

parents bringing up children on their own, 53 per cent were not employed (AIH&W, 2001:146). Thus, in June 2000, 676,800 children in Australia (16.8%) were growing up in households where no-one had a paid job (ABS, 2000a:5&7; ABS, 2001:34). While this figure has fallen slightly from the levels of 1998 when almost one in five children (19.7%) was living in a jobless family, the number of children living in jobless families is still 17 per cent higher than in June 1993 when employment was at its lowest level (ABS, 2000a:7; ABS, 2001: 34).

But who are these families? How many are living in poverty? How long have the parents been unemployed? What sectors were they working in before they became unemployed? Were they born in Australia? What are their educational qualifications? Where do they live? What sort of housing do they live in? *State of the Family 2002* explores these questions at the same time as it looks at the impact of unemployment and low income on children and their families, highlighting the work Anglicare agencies are doing to assist such families as well as gaps in current service provision.

Unemployment and poverty

Not only has the number of jobless families increased during the 1990s, so too has their chance of living in poverty. In 2000, almost 60 per cent of Australians living in poverty¹ relied on government cash benefits as their main source of income, compared with 46 per cent of families in 1990 (Harding et. al., 2001: 11). While the incidence of working poor is also increasing (given the rise in part-time and casual work), the major increases in poverty risk fall on those who are unemployed or not in the labour force (Harding et. al., 2001:13-14).

The importance of market incomes (i.e. the incomes people have without government cash benefits) is confirmed by recent comparative research on child poverty rates² across 25 industrialised countries. Rates of child poverty vary enormously, from 1.8 per cent in the Czech Republic to 26.6 per cent in Russia. Australia has the fifth highest rate (17.1%) behind Russia, the USA, the UK and Italy (Bradbury & Jantti, 2001: 91). Generally, Nordic and Northern European countries have low rates of

child poverty while Southern European and English-speaking countries have high rates (Bradbury & Jantti, 2001:11). This result is surprising given the relatively high level of social transfers (government cash benefits) which English speaking countries (with the exception of the USA) provide to their most disadvantaged children (Bradbury & Jantti, 2001:87). While cash transfers to poor families make an important contribution to the well-being of disadvantaged children in English-speaking countries, the reason for the relatively high levels of child poverty in these countries lies in the low levels of market incomes of the most disadvantaged families (Bradbury & Jantti, 2001:88). In comparison, Nordic countries have relatively low levels of child poverty and relatively low levels of social transfers. What keeps disadvantaged children in countries such as Norway and Sweden out of poverty is the higher market incomes of their families (Bradbury & Jantti, 2001:88).

Being in poverty means not having enough money to pay the bills, feed your family, buy medicine when a member of the family falls ill, provide educational opportunities or even fun times for the children (TasCOSS, 2001:30). Those who are unemployed talk about

¹ Using the before-housing half average income poverty line.

² In this study children are classified as poor if their household income is less than 50 per cent of the overall median household income (Bradbury & Jantti, 2001:91).

...[the] downward spiral of poverty, [how] you feel trapped. You are on the back foot all the time. There is the constant worry and stress of budgeting and if you have a setback it's terrible (TasCOSS, 2001:31).

Anglicare SA Family Centre North operates a No Interest Loan Scheme to help low-income families in the Gawler and Playford regions overcome such setbacks. The scheme is managed by a committee of people who live and work in the community and provides interest-free loans of up to \$800 for white goods, electrical and medical equipment and essential household items. Most of the families who use the scheme are unemployed and pay back around \$20 to \$40 each fortnight. In this way low-income families are able to buy new goods that will last 10 to 15 years, rather than be forced to buy cheap second hand goods that, in many cases, break down before they are paid off (Anglicare SA, 2002a).

Jobless families often have to make choices between paying bills or buying food for the family. Christmas and birthday presents become obstacles that require careful planning months in advance and holidays are unaffordable. This causes stress as parents feel they are letting their children down.

Christmas and birthdays: other kids say, 'what did you get?' Or, 'look what I got!'...It makes you feel sad inside - you know you want to give them better but you can't (TasCOSS, 2001:36).

Parents with young children worry about how they will be able to provide all the things their children need when they go to school (Gilley, 1993:31). The financial hardship experienced by unemployed families means that children are not able to learn music or dance, participate in sporting activities or swimming lessons, go to movies or live entertainment (Taylor & Macdonald, 1998:118-119). Not only is the cost of the activity a barrier to participation, but transport costs can also be a problem (Taylor & Macdonald, 1998:119; TasCOSS, 2001: 35). Thus, in jobless families children are less likely to be able to participate in activities outside the home (TasCOSS, 2001:35). As they get older, they are more likely to be bored which in turn increases the likelihood of engaging in criminal or anti-social behaviour (Anglicare Brisbane, 2001a). Before and after school care and holiday camps provided by agencies such as Anglicare NSW Child and Family Services can enhance the life chances of children from jobless families. However, current funding levels are insufficient to meet the

need for such services (Anglicare NSW, 2002).

Financial hardship can generate stress and conflict in families, straining family relationships. For example, when mothers participating in a study of the life chances of children born in inner Melbourne in 1990 were asked if they had experienced any stressful life events over the past 12 months, it was the mothers in low income families who mentioned stressful

events such as serious financial problems and serious disagreements with their partner. Few of the mothers from middle and upper income families identified any stressful life events except for the death or illness of a close friend or relative (Taylor & Macdonald, 1998:56).

Unemployment was clearly identified by mothers from low income families as having a negative effect on their family, both in terms of financial constraints and

Lack of money strains family relationships ³

I get tired of saying 'no' to my daughter over a packet of biscuits in the supermarket.

Previous generations and families have traditions but being unemployed you can't follow these roles and traditions because you don't have the means. This leads to depression and stress in relationships.

All these things like buying something special for each other you can't do and it has an effect on your relationship.

Relationships fail when both partners are unemployed for some time. It's a huge strain...You take on each other's negativity and it's harder to stay on top.

Most of our fights are about money; we haven't been out for a long time. What's a holiday?

My sister said, 'you only ever ring me when you want something.' It's true I can't afford to ring her otherwise. It's created a lot of tension.

³ Quotes taken from TasCOSS (2001:35,37&40).

family relationships. As the wife of a man who had been unemployed for four years explained:

Unemployment benefits are not enough for a family to live on. As he hasn't got a job my husband gets angry with the children when they cry or are noisy
(Taylor & Macdonald, 1998:61).

The mother's belief that family conflict caused by unemployment was having a negative effect on her children is borne out by studies which have established a causal link between economic stress and child abuse and neglect. That is, research has shown that economic stress affects the parenting process in ways which encourage child abuse or neglect (Weatherburn & Lind, 1997: 6). Parents experiencing economic stress are more likely to be irritable, impose arbitrary discipline and use physical punishments (Weatherburn & Lind, 1997:6). Economic stress has also been found to greatly increase the chance of depression in women. Parents who are suffering from depression have a lowered tolerance of bad behaviour and are more likely to respond to their children in a highly authoritarian, controlling manner (Weatherburn & Lind, 1997:2).

The fact there is a causal link between economic stress and child abuse and

neglect does not mean that every parent experiencing economic stress will neglect or abuse their children. As illustrated in the *State of the Family 2001*, the effects of economic stress can be exacerbated or ameliorated by a range of social factors, in particular, the extent to which an individual can draw on informal social supports. Thus parents who are suffering economic stress are more likely to be unable to parent their children appropriately if they have no support from their partner, have a weak social network, have themselves been abused or maltreated as a child, or have mental health or substance abuse issues (Weatherburn & Lind, 1997: 10). For example, children from one-parent families are over-represented in substantiated cases of child abuse or neglect, reflecting the fact that sole parents are more likely to be suffering financial hardship and have less support from their immediate family (AIH&W, 2001:177).

Child abuse and neglect can harm a child's physical and emotional development. It can have a negative impact on a child's educational achievements and can increase the likelihood of the child being involved in juvenile crime (see Weatherburn & Lind, 1997).

3

How persistent is poverty?

How long does unemployment last?

The potentially negative impacts of unemployment and low income are more likely to affect those families who remain poor for considerable periods of time. How persistent is child poverty? Do high levels of child poverty mean many children enter poverty and then move out of poverty as household income rises, or do they stay in poverty for many years?

Cross-national comparisons reveal that in most countries approximately 60 per cent of children found in the poorest fifth of the income distribution in one year are still there the next year (Bradbury et. al., 2001a:12). However, for the four countries for which longer-term data is available (the UK, Germany, Hungary and the USA), only six to nine per cent of children were in the poorest income quintile for five successive years (Bradbury et. al., 2001a:12). Thus many more children enter poverty and then leave it than remain in poverty for long

periods of time. Moreover, the majority of exits from poverty involve movements that are substantially above the poverty line, with a minority of children experiencing small movements just above and just below the poverty line (Bradbury et. al., 2001b:126). However, children in one-parent families are more likely to remain in poverty longer, having higher entry and lower exit rates than children in couple families (Bradbury et. al., 2001b:129).

Of interest to Australia (given the increasing rate of jobless families over the last ten years at a time when employment has increased) is the experience of the USA where child poverty rates have increased over the last two decades as a result of the increase in income inequality that accompanied increases in economic growth during the 1980s (Bradbury et. al., 2001a:13). In the USA, high rates of child poverty have not been accompanied by any increases in income mobility (movements out of poverty). Roughly half of the children who were living in poverty at the start of the 1970s and 1980s were still living in poverty at the end of each decade (Gottschalk & Danziger, 2001:152).

While longitudinal data on child poverty entry and exit rates is not available for Australia, child poverty is associated with

joblessness. Therefore a proxy measure for income mobility is duration of unemployment. At June 2000, 28.7 per cent of all those unemployed had been unemployed for one year or longer (ABS, 2001:119)⁴. Long-term unemployment rates (unemployment lasting 52 weeks or longer) were higher for families with dependent children. In 41 per cent of jobless couple families the husband had been unemployed for 52 weeks or more, with the average time of unemployment for jobless husbands being 63.8 weeks (ABS, 2000:5 & 31).

But what happens to jobless families in the longer-term? Do these families move out of joblessness never to return, or do they experience repeat spells of unemployment? Anglicare agencies working with such families know that, for some, joblessness is a permanent condition.

Research from the United States and the UK confirms that disadvantage can be handed down from generation to generation with a strong correlation established between the poor educational

Joblessness is a way of life ⁵

“Megan” comes from a family of six children. She has a mild intellectual impairment and has never worked, falling pregnant with her first child at the age of 16. She is now 32 years old and a mother of five children. Megan survives on Centrelink payments (Parenting Pension and Family Allowance). Megan’s mother has also never worked and has received a pension for much of her life. Four of Megan’s siblings are also unemployed and have not worked for many years. “Brian”, the father of Megan’s children, is also unemployed and has chosen to remain unemployed despite a number of opportunities and offers of employment.

Megan and her husband are divorced, but due to his unemployment, he is unable to take responsibility for child support payments for his five children. Brian is now married to another woman, “Janelle”, who has six children from a previous relationship. Neither Janelle nor her previous partner have worked for any length of time.

⁴ Tasmania, SA and Victoria had higher rates of long-term unemployment - 40.6%, 36.2% and 31.1% respectively. NSW was close to the national average (28.8%), while Queensland, the ACT, WA and the NT had rates lower than the national average; that is, 26.0%, 23.5%, 19.1% and 14.5% respectively (ABS, 2001:121).

⁵ Case study supplied by Anglicare Victoria.

attainment, poor labour force attachment and receipt of welfare payment of parents and their children (Wilson et. al., 1999: 28). Initial research done in Australia by Pech and McCoull (1999) found that most young people aged 16-19 from disadvantaged backgrounds do not spend long periods of time on income support. Almost half (46.8%) of those whose parents were on income support had never received any income support payments themselves over the three year period of the study. Only 16.7 per cent of young people from income recipient families had high levels of dependence⁶ over the three year period (Pech & McCoull, 1999:196). However, young people from income support families

were still more than twice as likely to have experienced high levels of income dependence as young people from middle to high income families or low income families where at least one parent was in the work force (Pech & McCoull, 1999: 197).

In families where children are being born into a third generation of unemployment, adults don't like to leave the house because it is associated with spending money they don't have and with negative community attitudes about "dole bludgers" (Anglicare SA, 2002b).

Children growing up in households where their parents have not had a good

Being a "dole bludger" just makes it worse ⁷

Everyone asks what you do every time you go out and you just feel so ashamed.

Society expects you to work. It's extremely judgmental about unemployment. There's an expectation that you should be working and if you're not it's your fault.

The politicians talk about dole bludgers; they make us feel that this is our fault.

There is an urge to criminalise us because we are unemployed.

⁶ Individuals were categorised as having a high level of income dependence if the number of quarters they were recorded as receiving income support was seven or higher over the three year period (Pech & McCoull, 1999:195).

⁷ Quotes taken from TasCOSS (2001:44-45).

experience of school and employment are limited in their ideas about what can be achieved through participation in education or employment (Anglicare Victoria, 2002). Living in a confined insular world, school attendance is not seen as a priority and absenteeism or exclusion from school becomes the norm. Parents and children often facilitate absenteeism because home has become the only “safe” place (Anglicare SA, 2002b). Not having enough money for school lunches, school uniforms or excursions can also limit regular school attendance and can make children feel “different” or “excluded” which can have a lasting effect on their learning ability and how they interact with other students in the school system (Anglicare NSW, 2002).

Families which have experienced generations of unemployment also tend to see child rearing (as opposed to child rearing together with education or work) as their primary goal in life. Children in such families often have no work ethic and lack the motivation to try and find something which their parents and grandparents have never experienced. Anglicare agencies, such as Anglicare Operation Kinder Community in Ipswich, Queensland, helps children in such families explore

part-time employment options as well as discussing with them the benefits of work (Anglicare Brisbane, 2001a).

Unemployment, particularly long-term unemployment erodes self-esteem and self-confidence as individuals apply for job after job with no result.

Over the past weeks I applied for over 45 different jobs and haven't heard back from one. In the public sector, I've applied for at least 60 jobs. They are not flash jobs and all I get is standard letters acknowledging receipt of application and nothing more is heard (TasCOSS, 2001:52).

Job seekers describe the process as “totally demoralising”. How “self-doubt creeps in and it is impossible to hang onto your self-confidence” (TasCOSS, 2001:43). Job seekers feel they are unable to control their own lives, they feel powerless and unable to cope with the demands life places on them (TasCOSS, 2001:43 & 47). Low self-esteem erodes parenting skills and makes it difficult for parents to be actively involved in their child's education. One of the ways Anglicare agencies try to increase parents' self-esteem is to involve them in volunteer work if at all possible

(Anglicare Victoria, 2002). For example, Anglicare Safe Kids – Maryborough (ASK-M) has assisted some unemployed parents with school aged children to do volunteer work at ASK-M. In some instances, this has given them the confidence to take up study or part-time employment or has helped them combat loneliness, depression and thoughts of suicide (Anglicare Brisbane, 2001a).

Anglicare agencies also run specific programs designed to help parents develop their parenting skills so that family stress and conflict diminishes and children are no longer at risk. For example, Anglicare SA Family Support Team assists parents who have been

referred to them from a range of Human Service agencies as well as education, community and neighbourhood services across metropolitan Adelaide. 60 per cent of the parents involved in Family Support Team services are sole parents, many of whom want to work when their children are older, but know that they lack the educational qualifications to find work and lack the confidence to pursue further education. Many have poor self-esteem, blaming themselves for their situation, an attitude which is reinforced by the human services systems they are required to access (Anglicare SA, 2002b).

Anglicare NSW Child and Family Services assist jobless families reduce

Volunteering helps...but not with paying the bills ⁸

I do volunteer work. It makes you feel you are giving something back and you get out of the house. It makes you feel useful, [and] it's free.

By doing things you have a sense of working even though you are not being paid for it.

I do volunteer work with the Fire Brigade and Salvation Army. Then I feel worthy again. I feel needed.

If you are volunteering you can have a social life but you need money.

Volunteer work - it doesn't bring food to the table.

⁸ Quotes taken from TasCOSS (2001:31,39,42,55-56).

family stress and conflict by providing regular respite care (usually one weekend a month) for children living at home, but whose family life is strained. A regular weekend stay with the same foster family provides both children and adults with a break. Families supported in this way find themselves more able to cope with the stresses associated with unemployment and financial hardship and the children's sense of well-being improves (Anglicare NSW, 2002).

The causal link (discussed earlier) between poor parenting, child abuse and neglect and involvement in juvenile crime demonstrates the importance of providing opportunities for unemployed parents (like "Andrea") to increase their self-esteem and self-confidence and develop more effective and appropriate parenting skills so that they can break the intergenerational effects of economic and social disadvantage. Andrea's⁹ family life was characterised by a transient lifestyle, abuse, neglect, unemployment and alcohol addiction. Andrea and her brothers were exposed to numerous schools and peer relationships proved difficult. Andrea struggled at school where her illiteracy was the subject of ridicule, so she dropped out in Year 8. Her limited numeracy and interpersonal skills meant it was hard for her to find and keep a job. Being sacked eroded her

⁹ Case study supplied by Anglicare Victoria.

already fragile self-confidence and self-esteem still further. "William" was born when Andrea was seventeen. William's father left six months later. Andrea's father had died when she was 12 and her mother was now in another relationship. Andrea started to experience difficulties in parenting William who was diagnosed as being hyperactive. Andrea eventually resorted to physical abuse to control William's behaviour. William became involved in the juvenile justice system in relation to property damage and theft and became increasingly violent at home. Andrea is now experiencing difficulty with her second child, "Henry", including maintaining Henry at school.

Andrea's story also illustrates the way in which the difficulties experienced by parents who have low self-esteem and self-confidence can be exacerbated by a lack of informal social supports. Programs which offer parents the opportunity to increase their parenting skills and gain a sense of support and confidence are one way of overcoming the social isolation experienced by many of those who are unemployed. For example, the Hudson Family Centre in Bunbury, WA, started running a six week program for fathers not in the workforce. As a result of the initial six week program, the fathers have built friendships, shared information and parenting tips and supported each

other. Members of the group now feel less isolated and their self-esteem and confidence has begun to rise (Anglicare WA, 2001).

While some families experience generations of unemployment, for others, the reality is a see-saw between unemployment and low-paid work. For example, a study of unemployment spells over a four year period found that two-thirds of the spells of unemployment were experienced by people who had previously been unemployed (Stromback & Dockery, 2001:33). The authors concluded that “there is a high degree of churning – exit and re-entry to unemployment benefits” in Australia (Stromback & Dockery, 2001:33). Furthermore, the spells of repeat clients (those who had already experienced unemployment) were of longer than average duration (Stromback & Dockery, 2001:33).

These results are consistent with the findings of a study of the labour market outcomes of low paid workers which compared the experiences of a representative sample of the population of low paid workers in Australia and a group of Jobseekers who had experienced a spell of joblessness or underemployment during the past year. The study found that:

workers who are low paid and who have experienced a recent spell of joblessness or underemployment have double the chance of low paid workers in the general population to exit to joblessness and are four times more likely than higher paid adult wage and salary earners in the general population to move out of employment (Dunlop, 2000:viii)

Thus, people who have experienced joblessness in the past or are in low paid work are more likely to become unemployed than those in the general population. But low pay or previous periods of unemployment are not the only risk factors for unemployment. Age, education level, occupation and location can all affect an individual's chance of becoming unemployed, or re-entering the workforce after a period of unemployment. For example, the study of labour market outcomes of low paid workers found that urban workers are more likely to become unemployed, while workers in rural locations are more likely to remain in their low paid job from one year to the next (Dunlop, 2000:31). Similarly, the presence and number of children also increases an individual's chance of joblessness (Dunlop, 2000:31; Wilson et. al., 1999:15).

4

Age, education level and English language ability

Younger workers and those with lower levels of education face a much higher risk of becoming unemployed. In October 2001, the unemployment rate was 6.9 per cent, but this rose to 19.1 per cent for 15–24 year olds who left school before completing Year 12, with unemployment rates of 10.4 per cent for 15–24 year olds who completed Year 12 and 8.2 per cent for 15–24 year olds with post-school qualifications (ABS, 2001:101). Duration of unemployment is also affected by level of education. For example in 2000, just over half (53.1%) of those aged 15–64 who had been unemployed for two years or more had not finished Year 12, whereas only 6.1 per cent of 15–64 year olds who had been unemployed for two years or more had a bachelor's degree or post-graduate qualification (ABS, 2000b:24).

The way in which educational disadvantage can be exacerbated by parental attitudes to school attendance has already been discussed. However, even in jobless families where the parents are

keen for their children to attend school, children may be disadvantaged by a lack of material resources such as books or computers, or by their parents' inability to help them with their homework. For example, in the life chances study, children in low income families were less likely to have access to a computer at home or to a large number of children's books. Children in low income families were read stories less often and their parents felt less able to help them with their homework (Taylor & Macdonald, 1998:71). In terms of educational achievements, the children from low income families had (on average) lower reading and BASE scores¹⁰ than children from middle and high income families (Taylor & Macdonald, 1998:142).

Evaluations of Canadian and US programs suggests that the educational disadvantage experienced by children in jobless families is best overcome by early and sustained interventions which involve not only the children, but also their families and local communities (OECD, 2000:201–202). Thus, the aim of Anglicare Victoria's work with jobless families is to focus on education from both the parents' and the child's point of view. From the parents' point of view, Anglicare Victoria seeks to increase parents skill levels and confidence so that

¹⁰ The Behavioural Academic Self-Esteem rating scale provides a measure of a child's academic self-esteem based on teachers' judgements about the child's behaviour at school (Taylor & Macdonald, 1998:105).

they feel able to be actively involved in their child's education. This may involve Anglicare workers attending meetings with parents at school to support them in asking questions about their child's education. In some cases, Anglicare workers have asked questions on behalf of the parents as a way of modelling how to go about discussing such issues with teachers and principals (Anglicare Victoria, 2002).

Anglicare agencies assist children with their school work by using volunteer tutors, but behavioural issues can be equally as important as not coping with academic tasks in keeping children out of the classroom (Anglicare Victoria, 2001). In expanding the range of activities provided at the Food Barn at Anglicare SA Family Centre North¹¹, a committee of members recently established a behaviour policy as well as setting up a computer and reading room which will enable children and their families to learn and maintain new computer skills. Educational disadvantage in terms of low literacy and numeracy skills will be addressed by making available a range of adult and children's books (Anglicare SA, 2002a).

As noted earlier, truancy can be a problem in families where attending

school is not a high priority. However with the loss of what used to be termed "truancy officers", schools have little or no capacity to provide support to such children and the issue is often not addressed. For example, a recent referral to Child Protection of two brothers aged 10 and 13 who were not attending school was not seen to be significant enough for Child Protection to investigate or, at the very least, refer the family onto a family support agency (Anglicare Victoria, 2002).

It is not surprising that unemployment rates increase as education levels decrease. Over the last 25 years employment has moved away from full-time jobs in manufacturing and construction, with employment growth concentrated in sectors (such as finance, property, business, community or education services) which require more highly qualified workers. These changes have reduced employment opportunities for low skilled workers, particularly low skilled migrants from non-English speaking backgrounds. During the 1950s, 60s and 70s, migrants enjoyed good employment prospects. However, since 1972, the employment-population ratio of migrants from a non-English speaking background has declined to such an extent that it is now 13 per cent

¹¹ The Food Barn provides free lunches for up to 120 people a day who are homeless, unemployed, suffer from a mental illness or physical disability or who are experiencing financial hardship (Anglicare SA, 2001a).

below the employment–population ratio for those born in Australia (Gregory & Meng, 2001:61–65)¹².

These lower employment–population ratios are reflected in the relative unemployment levels amongst families with dependent children. For example, a study by Miller (1997) found that both the husband and wife were unemployed in one in every 127 families, but for migrants from non-English speaking countries, one in every 48 families was jobless (Miller, 1997:23).

While the disparity between unemployment rates for migrants and those born in Australia decreases with length of time in Australia (Cobb-Clark & Connolly, 2001:78), lack of English language proficiency can continue to hamper the employment prospects of migrants even after they have been living in Australia for many years. For example, a study of workers retrenched from textile, clothing and footwear (TCF) industries found that retrenched TCF workers from non-English speaking countries were less successful in their search for another job than those born in English-speaking countries, in spite of the fact that the majority had been living and working in Australia for many years (Weller & Webber, 1999).

English language proficiency was used by employers to filter job applicants, which meant that to be successful “a worker does not just have to be literate, [they have] to be more literate than other applicants competing for the same vacancies” (Weller & Webber, 1999:121). TCF workers from non-English speaking countries were also disadvantaged by their lack of formal job search skills and their reliance on informal (word-of-mouth) recruitment processes (Weller & Webber, 1999:121).

The TCF study also confirms employment/unemployment patterns discussed earlier. After four years, a little over half of the original sample of 605 workers had found another job, with most of those gaining work doing so in the first three to six months after retrenchment (Weller & Webber, 1999: 108). Some of the retrenched workers experienced multiple transitions, moving in and out of employment, unemployment and training (Weller & Webber, 1999:108). Workers with higher skill levels were more likely to have found other employment, but local labour market conditions were even more significant in determining the chance of finding another job. For example, those living in areas with relatively high rates of unemployment

¹² There are no significant differences between the employment ratios of migrants from English speaking backgrounds and those born in Australia (Gregory & Meng, 2001:65).

(eg the Hunter Valley, Newcastle and, to a lesser extent, Geelong and Adelaide) fared worse than those living in inner city locations (e.g. Petersham and Bankstown in Sydney) where some TCF industries still survived, or locations such as Mount Gambier where the timber industry offered numerous vacancies for low skilled workers (Weller & Webber, 1999: 120).

Very few retrenched TCF workers moved to another location in order to find work. Retrenched workers, particularly those with dependants, were reluctant to move away from their social support networks or could not afford to move, given that moving to an area with better employment prospects “almost always implies a move to more expensive housing” (Weller & Webber, 1999:120).

Can't afford to stay, can't afford to move ¹³

“Les” and “Diane” have three children under the age of seven. Since the abattoir where Les worked as an unskilled labourer closed, he has tried to find other work in the area, but casual work is rare and there are no permanent work opportunities. Les and Diane decided to move to another region where there are more work opportunities. Because house prices in the small town they were moving to were low, Les and Diane were able to put a deposit on a house using money from the First Home Buyers Grant. After repairing the car in order to make the move, Les and Diane had very little savings left from Les’s casual work and Diane’s asparagus picking job.

Les and Diane contacted Anglicare because they could not afford to hire a furniture van, or pay a removalist. Although their Centrelink payments were due in a few days, this money was fully committed to paying off outstanding accounts, making their final rent payment and buying food for the week. Had Les and Diane already found a job, they would have been eligible for a minimal payment from Centrelink to help cover relocation expenses. Had they been relocating to another rental property, Les and Diane would have been eligible for Housing Establishment Fund Assistance, but this is not available to home purchasers. It is assumed that people who have the means to buy a home can also afford to move into it.

¹³ Case study supplied by Anglicare Victoria.

5

Unemployment and Location

The experience of the retrenched TCF workers is a clear illustration of the way in which location can affect an individual's chance of exiting unemployment. A greater understanding of the impact of location and the needs of particular regions can be gained through work done by the Commonwealth Department of Family and Community Services (Bray, 2001). Utilising data from the 1996 census, each local area in Australia was classified into one of ten regions: that is:

- the inner, middle or outer tiers of capital cities (57% of the population)
- urban centres within 75 kilometres of the capital cities (6.4% of the population)
- major non-capital cities
- towns of 40,000 people or more (which together with the previous region make up 9% of the population)
- towns of between 10,000 and 40,000 people (9% of the population)
- towns of between 2,000 and 10,000 people (7.4% of the population)
- towns of less than 2,000 people (1.8% of the population)
- non-urban localities where most people do not live in any type of urban centre or locality (8.4% of the population).

This enables comparison of demographic information and relative outcomes for each region across all States and Territories. For example, migrants from non-English speaking countries were identified as a group facing a higher risk of unemployment than those born in Australia or migrants from English speaking countries. Almost two-thirds of migrants from non-English speaking countries live in Sydney or Melbourne with numbers declining as you move from inner to outer zones of the capital cities; from capital cities to major non-capital cities; and from major non-capital cities to smaller towns (Bray, 2001:13).

Education levels also differed markedly between locations. The proportion of the population who left school at 15 was much higher in non-capital city locations. For example, approximately 50 per cent or more of the population did not complete high school in all areas of Queensland, except inner and middle

Brisbane and its major non-capital cities, in all areas of Western Australia except Perth, in outer Hobart and all towns and non-urban locations in Tasmania, as well as in towns with a population of less than 10,000 in South Australia (Bray, 2001: 17). The proportion of the population with tertiary education qualifications declined as you move from inner capital city locations (21.5%) to the outer capital city locations and major non-capital locations (9%), to a low of 6.1 per cent in small towns with a population of less than 2,000. Non-urban locations had a slightly higher percentage of the population

(7.3%) with tertiary qualifications (Bray, 2001:18).

The association between unemployment and education has already been noted. Thus it is not surprising that unemployment rates were relatively low in capital city locations (see Table 1).

However, small towns with a population of under 2,000 also had relatively low unemployment rates, with the highest rates found in major non-capital cities and towns with a population of between 10,000 and 40,000, perhaps reflecting the

Table 1: Unemployment rate, 1999 (%)

	NSW	VIC	QLD	WA	SA	TAS	NT	ACT	Aust
capital-inner	7.1	9.9	8.3	8.9	10.3	8.9	8.0	8.4	8.6
capital-middle	6.8	9.4	7.4	8.1	10.0	8.7	7.7	6.8	8.1
capital-outer	8.0	8.4	10.6	7.5	11.9	11.0	6.7	6.8	8.7
<75km from capital.	9.0	8.4	11.5	12.1	9.8	10.6	8.8	6.5	9.7
major non-cap.	11.7	12.0	10.7	-	-	10.9	-	-	11.2
pop: 40,000+	9.7	12.6	11.0	-	-	-	-	-	11.1
pop:10-40,000	11.8	11.7	13.2	8.3	13.4	13.7	4.8	-	11.6
pop:2-10,000	11.6	9.8	8.2	6.2	9.2	13.4	6.1	-	9.9
pop. < 2,000	10.2	7.3	6.3	6.6	9.5	10.8	8.1	-	8.4
non-urban	9.9	8.3	9.3	5.8	7.7	11.8	10.2	9.9	8.9
Total	8.8	9.4	9.7	8.1	10.4	11.0	7.4	7.3	9.2

Source: Bray 2001, *Social indicators for regional Australia*, p.30

movement of people away from small towns in search of work. While these trends were consistent across all States, there were significant differences between States. Tasmania had consistently higher levels of unemployment for all localities except the inner and middle zones of Hobart, as did South Australia, except for non-urban localities and towns with populations of less than 10,000, and Queensland, except for the inner and middle zones of Brisbane, non-urban localities and towns with populations of less than 10,000.

Not only did Tasmania have the highest unemployment rate of all States and Territories, it also had the highest rate of long-term unemployment with above average levels found in all areas except inner Hobart (Bray, 2001:31). In South Australia long-term unemployment was highest in those areas with lowest levels of unemployment (i.e. non-urban locations and towns with populations of less than 10,000), a pattern which was also evident in NSW and Victoria, and in non-urban locations in Queensland. Major non-capital cities and towns with

Table 2: Proportion of couples with children where neither partner is in employment, 1996 (%)

	NSW	VIC	QLD	WA	SA	TAS	NT	ACT	Aust
capital-inner	16.9	19.5	13.2	15.6	18.9	9.4	8.5	11.7	17.1
capital-middle	15.3	18.2	11.5	12.1	14.7	13.1	9.6	7.9	15.0
capital-outer	13.7	11.2	13.6	9.9	15.4	17.2	9.4	6.4	12.4
<75km from capital	11.9	9.7	14.9	15.0	112.4	14.9	9.5	0.0	12.1
major non-cap.	16.2	15.6	13.0	-	-	14.8	-	-	14.9
pop: 40,000+	10.8	16.1	14.2	-	-	-	-	-	13.6
pop:10-40,000	15.2	15.3	16.3	10.3	15.7	18.3	4.4	-	14.9
pop:2-10,000	15.6	13.2	10.8	8.8	14.3	18.1	4.4	-	14.9
pop. < 2,000	15.5	11.0	11.0	10.6	13.8	16.5	36.6	-	14.6
non-urban	15.1	11.9	13.7	10.5	11.2	17.9	40.4	16.0	13.4
Total	15.0	14.9	13.2	11.7	15.1	15.7	14.9	8.2	14.3

Source: Bray 2001, *Social indicators for regional Australia*, p.33

populations of 40,000 or more also had relatively high rates of long-term unemployment in NSW and Victoria (Bray, 2001:31). The relative low rates of long-term unemployment in all areas of Western Australia and the Northern Territory may reflect the substitution of unemployment benefits by participation in Community Development Employment Program (CDEP) schemes (Bray, 2001:32).

Data from the 1996 census used by Bray reveals that the distribution of jobless

couple families also has strong State and regional components (see Table 2).

Inner city zones in Sydney, Melbourne, Adelaide and Perth had relatively high proportions of jobless families, as did country Tasmania and the outer zone of Hobart and non-urban localities and small towns in the Northern Territory (Bray, 2001:33). In Queensland, the highest percentage of jobless families were found in towns with a population of between 10,000 and 40,000.

Table 3: Proportion of one-parent families where the parent is not in employment, 1996 (%)

	NSW	VIC	QLD	WA	SA	TAS	NT	ACT	Aust
capital-inner	54.2	59.7	52.7	54.6	58.2	46.1	40.4	50.8	55.8
capital-middle	55.4	56.7	51.4	51.0	55.7	56.2	44.4	39.1	54.2
capital-outer	58.7	52.7	58.9	50.1	59.7	58.0	45.5	40.8	55.7
<75km from capital	58.6	54.2	59.4	62.9	56.7	58.1	51.6	0.0	57.7
major non-cap.	62.4	62.9	54.8	-	-	59.4	-	-	59.1
pop: 40,000+	60.1	61.8	60.1	-	-	-	-	-	60.7
pop:10-40,000	61.1	61.9	59.8	54.3	63.7	64.4	41.3	-	60.4
pop:2-10,000	64.5	61.9	58.3	57.3	60.7	66.1	44.3	-	62.1
pop: < 2,000	66.3	63.2	59.1	56.7	63.2	61.6	69.8	-	63.3
non-urban	62.7	58.6	60.0	52.9	55.8	64.5	70.8	61.5	59.7
Total	58.8	57.5	56.5	53.4	58.2	59.3	51.8	43.4	57.2

Source: Bray 2001, *Social indicators for regional Australia*, p.34

Unlike jobless couple families, jobless one-parent families tended to live in regional centres and smaller towns (see Table 3).

So far this section has considered the distribution of education and unemployment. Both measures of socio-economic disadvantage have strong State and regional components which raises the question as to which are the most disadvantaged areas in Australia? Are there regions which achieve consistently low scores across a range of socio-economic indicators? The index of

Relative Socio-economic Disadvantage developed by the Australian Bureau of Statistics with information from the 1996 Census, looks at low income, low educational attainment, high unemployment and jobs in relatively unskilled occupations. Advantaged areas score highly (more than 1,000) and disadvantaged areas achieve low scores (less than 1,000).

Table 4 reveals that, generally, disadvantage increases as you move away from capital city locations. The exception to this is the outer zones of

Table 4: Index of relative socio-economic disadvantage, 1996

	NSW	VIC	QLD	WA	SA	TAS	NT	ACT	Aust
capital-inner	1044.8	1030.9	1042.9	1017.0	1004.8	1078.0	1032.1	1084.4	1035.3
capital-middle	1039.1	1014.4	1028.2	1029.2	1001.8	1005.8	1044.2	1102.7	1027.0
capital-outer	1008.5	1029.9	964.5	1025.3	956.3	939.5	1037.0	1087.0	1008.0
<75 km from capital	995.6	1020.2	971.3	945.8	994.2	978.9	996.3	1146.7	992.4
major non-cap.	974.0	979.8	991.0	-	-	977.8	-	-	982.1
pop: 40,000+	991.9	985.6	961.0	-	-	-	-	-	978.8
pop:10-40,000	971.3	975.4	964.0	978.2	920.3	928.4	1024.4	-	968.4
pop:2-10,000	965.1	983.3	970.5	961.9	949.7	939.2	983.7	-	967.3
pop: <2,000	952.0	1007.2	929.2	986.7	966.4	947.3	751.2	-	948.7
non-urban	998.1	1014.2	973.5	977.0	992.9	955.7	817.5	1007.7	987.1
Total	1006.7	1016.0	988.6	1005.7	983.7	974.1	959.2	1091.0	1003.7

Source: Bray 2001, *Social indicators for regional Australia*, p. 78

Hobart, Adelaide and Brisbane which have lower scores than major regional centres and areas within 75 kilometres of the capital cities. In NSW the divide between Sydney and the rest of the State is particularly strong. With the exception of the Northern Territory, small towns with populations of between 2,000 and 40,000 show consistently poor results, particularly in Tasmania, South Australia and, to a lesser extent, Queensland. While non-urban localities score significantly lower than capital city locations (with the exception of Victoria), such areas score more highly than towns with populations of up to 40,000 (except in Western Australia and the Northern Territory). Major regional centres, locations within 75 kilometres of the capital and towns with populations of more than 40,000 fall within capital city locations and smaller towns in terms of relative socio-economic disadvantage. The only exception to this is towns of

40,000 or more in Queensland which have lower scores than smaller towns with populations of between 2,000 and 40,000.

While indexes such the index of Relative Socio-economic Disadvantage provide useful tools for those responsible for the planning and implementation of social welfare services, their aggregate nature can hide individual characteristics. Particular disadvantage can occur even in areas which score relatively highly. For example, the inner and middle zones of capital cities are the least disadvantaged locations in Australia, yet the inner and middle zones of Sydney and Melbourne contain high numbers of migrants from non-English speaking countries and low-income residents in these areas are much more likely to suffer housing stress; that is, spend more than 30 per cent of their income on rent or mortgage (Jamal, 2001:5).

6

Unemployment and health

Geographic location is one factor associated with poor health outcomes. There is also a strong correlation between low income and poor health of both adults and children. Low levels of education and unemployment are also associated with serious chronic illness

or being in poor health (McClelland, 2000:206). While unemployment has a negative effect on the health of those who are unemployed, how much of this effect is due to the low incomes of jobless families? After controlling for differences in family income and other factors, it is clear that unemployment is an independent cause of ill health in both adults and children (Travers, 2001:117). In other words, you would expect health outcomes of children living in jobless families to be worse than the health

Unemployment, stress and ill health ¹⁴

When “Cathy” was born her mother, “Zoe”, was living with her eldest child in a high rise flat in inner Melbourne. Zoe has limited education (Year 9), some literacy problems and little work experience. She separated from Cathy’s father soon after Cathy was born.

When Cathy was 18 months old she was in foster care because of her mother’s health problems and unstable housing, the family having left the high rise estate. 18 months later, Zoe and her two children were living in a room behind a relative’s house in outer Melbourne, but planning to move. Cathy has considerable health problems - asthma, heart murmur, accidental poisoning - and is on medication for hyperactivity. Zoe herself has experienced poor health, having been hospitalised with asthma, and has also experienced serious disagreements with Cathy’s father, with relatives, as well as financial and housing problems. Zoe gets some help from her own father, but none from Cathy’s father who, though working, doesn’t pay any maintenance. Zoe can’t always afford to buy Cathy the food or medication she needs. Zoe feels depressed, but tries not to let this affect the children.

¹⁴ Case study taken from Gilley & Taylor (1995:9).

outcomes of children living in families with similar income levels, but where at least one parent has a job. The stresses associated with unemployment (discussed earlier in this report) may be one reason for this effect (McClelland, 2000:206).

In Australia, Medicare ensures that low income families are able to see a doctor or be treated in hospital. For example, in the life chances study, the use of health services such as general practitioners, chemists, community health centres and hospitals was similar regardless of family income. However, low income families were less likely to have been to a dentist for a check-up, but more likely to have had dental treatment, a reflection of the poorer dental health in children from low income families. Low income families were also less likely to have used maternal and child health services or specialist medical services, but more likely to have used hospital outpatient services where low income families can see specialists as a public patient (Taylor & Macdonald, 1998:125-126). Low income families are also less likely to use preventive or early intervention programs such as pap smear, mammography screening or rubella immunisation (McClelland,n.d.:3).

Paying for medicines is a problem for low income families, particularly if the medication prescribed is not on the

pharmaceuticals concession list and the doctor does not prescribe generic brands (Taylor & Macdonald, 1998:127).

Even common items purchased over the counter, such as cough mixtures, can be beyond the reach of low income families (Anglicare Victoria, 2001:17). The reliance of low income families on doctors who bulk bill means that parents wanting to use alternative therapies for their children may be unable to do so. For example, “May” one of the children in the life chances study from a Cantonese speaking family, suffers from eczema, but her mother cannot afford to buy the medication needed for May’s eczema.

I want to take her to the Chinese herbalist for her skin rashes, but I cannot afford to go because Chinese herbalists do not bulk bill (Taylor & Macdonald, 1998:114).

One of the ways in which Anglicare agencies assist low income families improve the health of their children is through education and prevention programs such as that run by Anglicare Safe Kids-Maryborough. However, the effectiveness of such programs could be greatly enhanced by an additional staff member who is able to visit young parents in their own homes, pointing out basic safety issues and offering advice

about diet and children's health while allowing the parents to become more confident about their ability to care for their children (Anglicare Brisbane, 2001b).

Studies of health outcomes identify young people (15–24 year olds) who are neither working nor studying as having extremely high rates of nervous system disorder, drug dependence, cancer, homicide and suicide (Travers, 2001: 117). The Drug Diversion Program at Australia SA Family Centre North

works with young people and their families who are experiencing the negative effects of drug use. The service offers information, counselling, brief intervention, advocacy and support groups. Although the program is still relatively new, it has been successful in working with families and individuals to maximize opportunities for change. The major challenge faced by the Drug Diversion Program is the lack of alternative activities in the area for those breaking away from their old life-style (Anglicare SA, 2002a).

Disability

One of the reasons why some individuals do not have paid employment is because they have a disability. In 1998, the labour force participation rate for people with disabilities was 53 per cent, compared to 76 per cent for the population as a whole (ABS, 2001:77). Those in the labour market are also more likely to be unemployed if they have a disability – in 1998 the unemployment rate for people with a disability was 12 per cent compared to 8 per cent for the general population (ABS, 2001:77). Individuals with an intellectual or psychological

disability or head injury are at an even greater risk of unemployment (see Table 5).

Labour force participation and unemployment levels are also affected by the severity of the restriction. For example, in 1998, 46 per cent of those with a psychological impairment had a profound or severe restriction. This group of people had the lowest labour force participation rate (29%) and highest unemployment rate (25%) of all impairment groups (ABS, 2001:78).

Given the relatively low labour force participation rates and higher than average unemployment rates experienced by people with a disability, it is not

Table 5: Labour force participation and unemployment rate for people with a disability

Impairment group	Labour force participation rate %	Unemployment rate %
sensory & speech	55.7	8.4
intellectual	38.2	21.6
physical	49.1	12.2
psychological	28.8	24.9
head injury, stroke or brain damage	36.5	18.0
All persons with a disability	53.2	11.5
All persons	76.5	8.3

Source: *Australian Social Trends, 2001* (ABS Cat. No. 4102.0), p. 77.

surprising that there is a strong association between disability and low income (Bradbury & Norris & Abello, 2001:10). Moreover employment is no guarantee against poverty, as people with a disability are more likely to work in part-time jobs without award conditions (Bradbury & Norris & Abello, 2001:52).

Generally, disability rates decrease as education levels increase. For example, disability rates amongst those who have tertiary qualifications are about half those who have secondary or lower educational qualifications (Bradbury & Norris & Abello, 2001:20). The reason that disability rates decrease as education levels increase could be because disability causes disadvantage. For example, those with an intellectual or psychological disability may find it difficult to complete education courses. Causality could also run in the opposite direction. That is, less educated individuals are more likely to undertake physically strenuous or risky work, thereby increasing their chance of acquiring a disability (Bradbury & Norris & Abello, 2001: 21). Less educated workers are also more likely to be unemployed which leaves them vulnerable to offers of work for cash-in-hand without the protection of normal industrial and occupational

health and safety provisions. For example, several men involved in programs run by Anglicare South Australia's Family Support Team sustained serious injuries while working for cash-in-hand. These injuries have left the men with permanent pain and disability (Anglicare SA, 2002b).

Nevertheless whichever direction causality runs, it is clear that disability (such as an intellectual disability) can combine with other factors (such as a history of physical abuse, minimal social skills, violent behaviour etc) to compound disadvantage, making it difficult for such individuals to progress through school and get a job without substantial assistance.

The support offered by Anglicare agencies to families where a family member has a disability takes account of the range of complex, interconnected needs of such families. For example, the "Roberts" family was referred to Anglicare Victoria Eastern Youth Services Family Support Program by DHS Protective Services. There are three children in the family, aged 10, 12 and 14. Both parents have an intellectual disability. When they were referred to Anglicare, the family had significant

financial difficulties and were living in unsatisfactory accommodation. All the children were having problems at school. A number of notifications had

been made to Protective Services and an investigation to assess if the children should be moved was in progress (Anglicare Victoria, 2001:20).

William's story ¹⁵

“William” used to live in public housing with his mother, “Andrea”, a single parent trying to raise two children with minimal support from their father. When William was two years old he was diagnosed as being hyperactive. His mother resorted to physical abuse to control his behaviour. William was never successful at school (at 15 he was diagnosed as having a mild intellectual disability) and left at the end of Year 7. William became involved in the juvenile justice system in relation to property damage and theft and became increasingly violent at home. Eventually his violent behaviour led to the involvement of protective services and subsequent court intervention. It was decided that William could not continue to live with his family and at age 16 is living in an Anglicare intensive community placement with a high level of agency and worker support.

William has not returned to school, but has completed a few short courses in computing and woodwork (usually with one-on-one support) which have been set up through Anglicare social workers. William has minimal independent living skills and has no capacity to form relationships and relate to peers. Even after his residential placement ends when he turns 18, William will need assistance from supported housing and employment programs.

The education system, and more particularly the lack of access to supportive early intervention programs, has failed to meet William's individual needs. William now needs assistance through intensive employment skills programs if he is to have any chance of getting a job. If supported employment programs are not available, William's only option is to survive on a disability allowance.

¹⁵ Case study supplied by Anglicare Victoria.

Anglicare Eastern Youth Services Family Support Team commenced working with the family. The financial counsellor worked intensively on the financial issues, while the social worker and outreach youth workers addressed issues including parenting, housing, the children's safety and their education. A decision was made not to remove the children because Anglicare was working with the family. After 18 months of working intensively with the Roberts family, their finances are in order, they have secured a priority public housing property, and the parents are aware of the needs of their children who are attending school and doing well. DHS Protective Services are no longer involved and the children's confidence and self-esteem have increased markedly (Anglicare Victoria, 2001:20).

Not only does the rate of disability increase as education levels decrease, the rate of disability in children increases as the education level of their parents decrease (Bradbury & Norris & Abello, 2001:32). However, children living in one-parent families are more likely to have a disability than children living in couple families regardless of the level of parental education or income (Bradbury & Norris & Abello, 2001:30 & 32)¹⁶.

Disability Support Pensions are payments

made to persons with long-term disabilities that impair their capacity to find employment. The number of Australians on the Disability Support Pension (DSP) has grown over the last decade from 2.4 per cent of the population in June 1990 to 4 per cent of the population (602, 280 people) in June 2000 (AIH&W, 2001:279-280). The majority (63%) of DSP recipients are men, of whom 20 per cent are aged in their forties, 31 per cent in their fifties and 25 per cent in their sixties (AIH&W, 2001:278). Of the 219,929 female DSP recipients the largest percentage (43%) are in their fifties, with 24 per cent in their forties (AIH&W, 2001:278).

Some idea of where people with disabilities live can be gained by looking at the distribution of disability support pensions. Not surprisingly, the distribution is similar to the distribution of unemployment (see Table 6). For example, the highest rates of receipt occur in towns with populations between 10,000 and 40,000, with high rates in areas adjacent to capital cities, and the lowest rates occurring in the inner and middle zones of capital cities. Overall, Tasmania and then South Australia had the highest level of receipt of all the States and Territories.

¹⁶ There is continuing debate in the literature as to the reasons why children living in one-parent families experience higher rates of disability. Some argue that the presence of disability puts additional stress on the family which increases the likelihood of family breakdown. Others argue that it is caused by the lower age and education levels of single mothers (Bradbury & Norris & Abello, 2001:30).

Table 6: Persons assisted by the Disability Support Pension as a proportion of the population aged 15 years and over, 1998 (%)

	NSW	VIC	QLD	WA	SA	TAS	NT	ACT	Aust.
capital-inner	3.3	4.1	3.4	3.9	5.2	4.0	3.2	2.6	3.8
capital-middle	3.4	4.4	3.5	3.6	4.8	5.5	3.0	2.2	3.8
capital-outer	4.0	3.4	5.3	3.6	5.9	7.6	2.8	2.1	4.1
<75km from capital	4.9	3.6	5.5	6.1	4.8	6.7	3.6	2.5	4.8
major non-cap.	5.7	4.6	3.8	-	-	5.3	-	-	4.8
pop: 40,000+	4.9	5.6	4.9	-	-	-	-	-	5.1
pop:10-40,000	5.7	5.6	4.6	3.5	6.2	7.8	3.7	-	5.3
pop:2-10,000	5.6	5.3	3.9	3.5	5.9	7.7	2.6	-	5.0
pop: <2,000	5.8	4.2	3.7	3.4	5.0	6.7	2.1	-	4.6
non-urban	5.3	4.3	4.9	3.2	4.3	7.2	2.1	2.7	4.7
Total	4.4	4.2	4.3	3.8	5.2	6.4	2.9	2.3	4.3

Source: Bray 2001, *Social indicators for regional Australia*, p. 65

While payments of Disability Support Pensions are lowest in the inner city areas of capital cities, the provision of disability employment services is concentrated in these areas (Bray, 2001: 74). Outside the capital cities, services are concentrated in the major non-capital cities and the larger non-metropolitan areas. Therefore, those people living in small towns with a population of less than 10,000 (particularly in NSW and Tasmania where rates of receipt in these locations are still relatively high) are at a

disadvantage when it comes to accessing appropriate services.

Not being able to access appropriate supported accommodation means families continue to struggle to care for family members with a disability, sometimes to the detriment of the health of other family members. For example, “Ronald” is 19 and lives at home with his mother, “Sally” and three younger siblings in the West Gippsland area of Victoria. Ronald has been unable to

keep his job as a barman in a local pub because of mental health issues, including schizophrenia. Sally finds it difficult to cope with Ronald's behaviour which includes paranoia, staying up all night and making a noise which disrupts the rest of the household, staring at his siblings whilst they are sleeping, annoying siblings by talking to them and touching them after they have asked him to leave them alone and drinking excessively. Ronald sees a psychiatrist once a month for a one hour session. Sally has to drive him to these sessions, as the psychiatrist is a one hour drive from where they live.

Sally worries about Ronald continuing to live at home. She feels she cannot guarantee the safety of her three other children (including a three year old child), especially when Ronald is having a paranoid episode. The stress of living with Ronald is causing her emotional and psychological problems. But housing in the West Gippsland area is very difficult to access. Mental health services and housing support services in the area have been exhausted. The only

option available to Ronald is an on-site caravan in a caravan park, but this is inappropriate because Ronald cannot live independently and needs support. Consequently Ronald has to remain at home with Sally and his three younger siblings.

The shortage of long-term supported housing options in the West Gippsland area indicates that, in spite of the 8.8 per cent increase in funding for disability support services in 1999/2000 the problem of significant unmet demand noted in *State of the Family 2000* (Neville, 2000:25-26) has yet to be resolved. The importance of supported accommodation and employment services is clearly illustrated in the lives of people like Ronald and his family. Ronald requires access to supported housing to assist him to learn skills that will enable him to live independently as well as better access to psychiatric services and to drug and alcohol counselling. His mother needs to be able to relinquish some of the responsibility of caring for Ronald.

8

Housing and homelessness

Low income families typically spend a much higher percentage of their income on housing than do middle or upper income families (Harding et. al., 2001: 18). The proportion of a family's income spent on housing also depends upon their housing tenure. Those who have paid off their mortgage or are in government housing have much lower housing costs than those who are still purchasing their home or renting from private landlords. For example, 12.1 per cent of those who own their own home are estimated to be in poverty before housing costs are taken into account. This figure drops to 8.1 per cent after housing costs are taken into account. However, for those purchasing their home, after-housing poverty rates rise from 8.2 per cent to 17.5 per cent (Harding et. al., 2001:19). For adults aged 25 to 44 years (ie when they are most likely to have dependent children), the risk of being in poverty increases from approximately 12 per cent to 18 per cent after housing costs are taken into account (Harding et. al., 2001:18). The higher costs incurred by those renting from private landlords, as compared to public housing tenants, is reflected in the fact

that private renters are more likely to cite accommodation-related matters (such as financial difficulties) as the reason they are seeking assistance from the government's Supported Accommodation Assistance Program (AIH&W, 2001:78).

If public tenants are better off (in terms of paying a smaller proportion of their income on housing) than private renters, what is the distribution of public housing? Does it correspond to the areas with high levels of unemployment? Across Australia 6 per cent of all households are public housing tenants. This figure varies considerably from State to State and within each State. The two Territories have the highest proportion of households residing in public housing – 20 per cent for the Northern Territory and just over 12 per cent for the ACT. Victoria has the lowest proportion of public housing tenants (4%), with Queensland's rate only marginally higher than that of Victoria (AIH&W, 2001: 70). Tasmania, the State with the highest unemployment rate has just over 6 per cent of households residing in public housing, while South Australia has just over 10 per cent (AIH&W, 2001:70).

In terms of distribution within States, Victoria's public housing is concentrated in the inner zone of Melbourne and in towns with populations of between

10,000 and 40,000 (Bray, 2001:49). While unemployment in such towns is relatively high, it is even higher in the larger towns and major regional centres. A mismatch between unemployment rates and provision of public housing is even more obvious in the Northern Territory and Western Australia.

In the Northern Territory, there is almost no public housing in non-urban locations, which have the highest rates of unemployment. In Western Australia, the area within 75 kilometres from Perth has the highest unemployment rate and relatively low rates of public housing. In South Australia, the distribution of public housing is closely aligned with unemployment rates. Towns of between 10,000 and 40,000 people have the highest unemployment rate and the highest proportion of public housing tenants. In Queensland, unemployment is also highest in towns of between 10,000 and 40,000, but unlike South Australia, such towns in Queensland have below average levels of public housing¹⁷. In NSW the distribution of public housing is more closely aligned with the areas of high unemployment with major regional centres having both high levels of unemployment and public housing tenants. However, unemployment rates are also high in smaller towns with populations of between 10,000 and

40,000, but these areas have below average levels of public housing.

Another broad indicator of the adequacy of housing infrastructure is the proportion of households living in caravans or impoverished dwellings. Across Australia only 1.4 per cent of households live in caravans, but the majority of such households occur in smaller towns with populations of between 2,000 and 40,000 people (particularly in Queensland, Western Australia and the Northern Territory) and in non-urban areas of the Northern Territory and the ACT (Bray, 2001:50). The distribution of improvised dwellings largely corresponds with areas which have high indigenous populations, reflecting the inadequacy of housing infrastructure for indigenous Australians (Bray, 2001:51).

Inadequate housing is a major source of stress for unemployed and low income families, stress which over time can lead to family conflict, poor health and eventually family breakdown. For example, when the “Ali” family¹⁸ arrived in Australia they lived with relatives, moving from one relative to another because they couldn’t afford private rental. When Mr Ali got a job, the family of seven (two parents and five children) rented a two bedroom flat, but

¹⁷ In Queensland, the highest concentration of public housing is found in the outer zone of Brisbane (Bray, 2001:49).

¹⁸ Case study supplied by Anglicare Victoria.

they couldn't keep up with the periodic rent increases, particularly after Mr Ali lost his job. When the family received access to a three bedroom house they thought their problems were over. But the house is inadequate - the rooms are so small there is no space for wardrobes or a desk for study. Two children share Mrs Ali's bedroom. No-one in the family has any privacy and, as a result, Mr Ali left because he could no longer cope. The children fight all the time, Mrs Ali is stressed and the younger children are always sick, suffering from asthma and pneumonia.

For the Ali family inadequate housing has placed enormous burdens on family relationships. The children would like to live in a house where the rooms are big enough for wardrobes and a desk. The 14 year old would like some privacy and all the children want to stay in the same area so they do not have to move to a new school. Mrs Ali would like to live in a comfortable, safe house in good condition with a reasonable kitchen. She would like a room of her own.

The desires of the Ali family for a comfortable, liveable home are not unreasonable, yet a number of factors work against the family (and families in similar circumstances) realising their dream. Low income families cannot

afford to purchase their own home and private rental properties are expensive or poor quality. Moreover, estate agents and landlords prefer not to rent to low income families, single parent families, large families or families from different cultures and linguistic backgrounds or to indigenous families. Public housing is limited (there has been a reduction in building even though demand is still high), with the only chance of gaining access to public housing is if families move to the country which means they are isolated from family and friends (Anglicare Victoria, 2002).

Recognising the need for secure, affordable housing, Anglicare Central Queensland (CQ) Gladstone Community Rent Scheme provides subsidised rental accommodation to low income households in the Gladstone/Boyne Island/Tannum Sands region. Over 95 per cent of the households assisted by the Community Rent Scheme are jobless and are drawn from those groups in the community which face discrimination in the private rental market. When the program was first started it concentrated on "putting a roof over people's heads". Now the program works with other support agencies in the community (e.g. Mental Health Services, Community Health, Women's Health, Disability Services) and with educational and

employment facilities to address the other issues facing low income households. Expanding links with other service providers means that Community Rent Scheme tenants are able to maintain their tenancies (Anglicare CQ, 2001a).

All the factors which make it difficult for low income households to secure adequate accommodation make such households vulnerable to instability in their housing situation. For example, 60 per cent of families requesting assistance

One year – too many moves ¹⁹

“Sharon” is a single mother with five children aged five to fifteen years. The four youngest children all have a learning or intellectual disability and the family is suffering financial hardship. The family was living in an Office of Housing home in a rural town. A dispute between the family and their neighbours which had been going on for two years resulted in Sharon and her children being evicted from their home. Sharon had established support networks and services for the children in their home town. All of those working with the family believed it would be extremely disruptive and detrimental to the entire family if they were moved to another town.

The only accommodation available for the family was a caravan in a caravan park located 25 km from the town. The family did not own a car and public transport was non-existent, so the children were unable to attend school. The caravan park arrangement broke down after a short period and the family was moved to another town about 60 km away where they were placed in emergency housing. Sharon and her children lived in this property for about eight months as appropriate housing was not available.

The family then moved into private rental. Again, financial hardship and family pressures led to a breakdown in this tenancy arrangement. The family has now moved to another private rental property. Workers from various agencies submitted a joint report requesting that the family be allowed back into the public housing system. This request was rejected.

¹⁹ Case study supplied by Anglicare Victoria.

from SAAP agencies in 1999/2000 had lived in two or more different homes over the previous 12 months (AIH&W, 2000:xvi). In the life chances study, almost half of the low income families had moved three or more times over six years, compared with 25 per cent of middle and high income families (Taylor, 1999:5). In a more recent longitudinal study of 50 families who had used homeless services in Victoria (Hanover Family Outcomes Study), 10 families reported moving between six and ten times over a two year period (Horn & Cooke, 2001:18). Over 75 per cent of families in the study identified relationship and family breakdown as the main reason for moving house. However, 62 per cent of families also identified financial difficulties caused by loss of employment, gambling or drug addiction, or (most commonly) the inability of the family to survive on their current income from government benefits (Horn & Cooke, 2001:19).

The vulnerability of low income households is increased if issues such as rent arrears, condition of the property or disruptive behaviour leads to the family being evicted from their home. For this reason, Anglicare SA Family Centre North established an Early Intervention Pilot Program in January 2000 to assist families address these issues before they

are evicted. All of the families at risk of eviction are jobless which, together with other factors creates financial and consequently housing stress. Families experiencing domestic violence, alcohol and drug abuse, parents who have experienced child abuse and children at risk are assisted through a combination of financial or budgeting counselling, personal counselling, parental advice and information, medical intervention and/or referral to specialist services (Anglicare SA, 2002a). Most of the families who have been referred to the Early Intervention Program have not only been successful in stabilising their tenancy, but have also been successful in creating a safe and stable home environment, managing their finances, negotiating with creditors and agencies, improving their physical and emotional health, increasing their interpersonal skills and obtaining employment or training (Anglicare SA, 2002a).

While public housing tenants are better off than private renters in terms of housing affordability and security of tenure, some public housing tenants, particularly those living in large public housing estates, believe such neighbourhoods are not good places to bring up children. For example, in the life chances study, families who remained in public housing (primarily sole parent

and jobless families) enjoyed living close to the shops, services and public transport, but were concerned about the lack of space for children to play and the presence of drug addicts, as well as their personal safety and the safety of their children (Taylor, 1999:10-11).

I don't really approve of the neighbourhood for children... [My son] mostly plays in the back and people have found used syringes. I'm very worried about that so I try and avoid taking him outside. You can always find drunk people in the lifts and stairways. It's not a very good place to bring up children (Gilley & Taylor, 1995:100).

Housing costs are higher in capital city locations with affordable housing increasingly concentrated in areas characterised by high levels of unemployment and low levels of public housing (Commonwealth Advisory Committee on Homelessness, 2001: 19). Unemployment, particularly long-term unemployment, can significantly increase a person's chance of becoming homeless. For example, it is estimated that approximately 20 per cent of long-term unemployed are homeless²⁰ (Commonwealth Advisory Committee on Homelessness, 2001:11). In the Hanover Family Outcomes study, none of the

families were in full-time employment, 14 per cent were in part-time or casual employment and the remainder were unemployed. The average length of time families had been jobless was four years. 12 per cent of families had never been employed (Horn & Cooke, 2001:20).

Families with children make up the fastest growing sector of the homeless population (Commonwealth Advisory Committee on Homelessness, 2001: 45). In 1999/2000, one quarter of those seeking assistance from SAAP agencies were accompanied by children (Horn & Cooke, 2001:1). The majority (54%) of such children were living in one-parent families, with a further 38 per cent living with both parents (AIH&W, 2000:22).

That families with children are increasingly experiencing homelessness is alarming given that individuals who experience homelessness as children are more likely to experience homelessness as adults (Commonwealth Advisory Committee on Homelessness, 2001:45). Children who experience homelessness are also more likely to experience poor health, behavioural problems, and poor educational outcomes (Commonwealth Advisory Committee on Homelessness, 2001:46). For example, studies of the impact of homelessness on children

²⁰ In Australia homelessness is divided into primary homelessness (those without shelter), secondary homelessness (those staying in emergency accommodation, refuges or temporarily with friends, relatives or in boarding houses) and tertiary homelessness (those living in a boarding house on a medium to long term basis). The majority of the homeless in Australia experience secondary homelessness and for most households the experience is a single, one-off crisis (Horn & Cooke, 2001:1 & 3).

identify a higher than average incidence of physical health problems such as asthma, ear infections, eczema and accidents as well as a higher than average incidence of behavioural problems (Horn & Cooke, 2001:2), results which are consistent with the experience of SAAP workers who report that in 1999/2000, 31 per cent of children in families seeking assistance had behavioural problems, 27 per cent had health problems such as anxiety and 11 per cent were suffering from depression (AIH&W, 2000:27).

Homelessness and housing insecurity can have an adverse impact on educational achievements if children are forced to change schools as their housing situation changes. In the Hanover Family Outcomes study, children had (on average) changed schools twice over the past two years. However, some children had changed schools ten times in the past two years and 20 per cent of children had changed schools four or more times in the past two years (Horn & Cooke, 2001:26). 29 per cent of children were receiving special assistance at school which indicates that “this group of children were under-achieving and at significant disadvantage compared to the general population” (Horn & Cooke, 2001:27).

People with disabilities, particularly psychological or intellectual disabilities or an acquired brain injury, are also vulnerable to homelessness. For example, nearly all SAAP clients in inner city areas have a significant level of disability (Commonwealth Advisory Committee on Homelessness, 2001:33).

People who have spent time in juvenile justice facilities or adult prisons are another group at risk of homelessness. Individuals who were homeless before they entered prison invariably leave with no support or accommodation plans in place, thereby recreating the circumstances which led to them going to prison in the first place (Commonwealth Advisory Committee on Homelessness, 2001:38-39). The likelihood of accommodation and support being available when individuals are released from prison will be enhanced if inmates are able to maintain contact with their families while they are in prison. Anglicare agencies, such as Anglicare Housing (Anglicare CQ) in conjunction with the Families of Inmates Support Group, assist families to maintain contact while a family member is in prison through the provision of suitable accommodation and up-to-date information about accessing the correctional facility (Anglicare CQ,

2001b). Prisoners released on parole have higher rates of unemployment and lower incomes than the rest of the population, making it difficult to find and maintain stable accommodation (Commonwealth Advisory Committee

on Homelessness, 2001:38-39). In extreme circumstances, individuals may even re-offend because prison is the only form of secure accommodation they have ever been able to access (Anglicare Victoria, 2002).

Prison is the only home Sue can find ²¹

“Sue” is 19 years old. She has experienced severe physical, sexual and emotional abuse from an early age from family members and others in positions of trust. Her education has been disrupted, changing primary schools as her family moved around Victoria. Sue has never attended secondary school or undertaken alternative educational programs and has never been employed because of low skill levels. Sue tends to use violence to solve immediate problems and has faced a number of intermittent custodial sentences since the age of 12.

Residential placements have broken down, creating an inability to access or maintain current housing options. Sue needs long-term supported accommodation which recognises her limited capacity to access part-time or permanent employment and provides Sue with assistance in developing the skills that will enable her to maintain a home - shopping, cooking, cleaning, how to access furniture as well as relating to neighbours.

But safe supported housing options are non-existent for young people like Sue. Many housing programs, including public housing, simply exclude applicants like Sue. So prison has become Sue’s answer to accessing secure accommodation, with Sue wilfully re-offending in order to meet the criteria for this form of housing.

²¹ Case study supplied by Anglicare Victoria.

Conclusion

In Australia the 1990s was a decade of economic growth. More Australians were working at the end of the decade than ever before. Yet the 1990s was also characterised by a steady increase in the number of Australians living in poverty. While academics argue about the best way to measure poverty, after housing costs are taken into account, poverty increased in Australia during the 1990s whichever measure of poverty is used (Harding et. al., 2001:36). Moreover, despite the rising number of people who are working, unemployment is still the most important cause of poverty in Australia. “More than half of all Australians who are unemployed live in a family that is poor” (Harding et. al., 2001:vii).

The benefits of economic and employment growth have not been distributed equally amongst the population. Should Australians be concerned about this? Should Australians be concerned that at the end of the 1990s, more Australians do not have enough money to feed their families, or

buy medicine when a family member is sick? Most of all, should we be concerned that the instance of poverty amongst children is significantly greater than it is amongst adults (Hugo, 2001:5)? In tracing the impact of unemployment and low income on children and their families, *State of the Family 2002* paints a clear picture of why Australians should be concerned about increasing levels of inequality in our society and an increasing proportion of Australian children living in poverty.

Poverty has a negative impact on the physical and mental health of both children and adults. Depression is more prevalent amongst women in low income families and rates of drug dependence, homicide and suicide are higher amongst unemployed young people than amongst those who have a job or are studying.

Poverty strains family relationships. Financial hardship generates stress and conflict, making it harder for families to stay together. Financial hardship also makes it harder for families to find and maintain secure and appropriate housing, thereby adding to the stress experienced by parents and children.

Finally, and most importantly, Australians should be concerned at the increasing levels of inequality in our society because

disadvantage can be handed down from generation to generation. Young people whose parents are dependent on government cash benefits are more likely to themselves be dependent on income support than young people from non-income support families. Children growing up in families where their parents or grandparents have not had positive experiences of school and employment have limited ideas about what can be achieved through participation in education or employment. Economic stress makes it harder for parents to react appropriately to their children, increasing the risk of child abuse and neglect which can in turn harm a child's physical and emotional development, retard their educational achievements and increase the likelihood of involvement in juvenile crime.

Given the intergenerational effects of poverty and the strong link between unemployment and poverty, the increasing number of jobless families should be of particular concern. For some of these families, unemployment is a temporary condition, but for a significant minority, unemployment is long-term. The experiences of Megan's family, Andrea and her son, William, Zoe and her daughter, Cathy, and the Ali family, clearly illustrate the negative impacts of sustained periods of unemployment

and low income on families. But what should be the government and community's response to the ways in which poverty impacts on current and future generations? A number of issues and challenges emerge from *State of the Family 2002*.

The first issue to emerge is the importance of education in breaking the intergenerational cycle of disadvantage. Those with low levels of education are much more likely to be unemployed and to be unemployed for longer. Their children are also more likely to be unemployed. Helping young people overcome the obstacles to educational achievement (whether they be academic or behavioural) will go a long way towards breaking the cycle of poverty. Moreover, assistance needs to be provided early in a child's school life before failure becomes entrenched and young people drop out of secondary school. The fact that labour market programs have had little success in helping disadvantaged young people find and keep jobs indicates that money is better spent on improving the early educational experiences of children from disadvantaged families so that they do not drop out of secondary school and are therefore better equipped to find and keep a job when they do enter the labour market.

Secondly, the ability of families to access secure, appropriate and affordable housing is also important. An inability to access secure and affordable housing means families are forced to move between private rental, living with relatives, living in caravans or boarding houses or emergency accommodation. Frequent moves often disrupt a child's schooling, making it harder for the child to succeed at school. Even if families are not forced to move, living in inadequate housing places additional stress on families who are already experiencing the stresses associated with financial hardship. The importance of appropriate housing to the general health and well-being of families is demonstrated in the 1998 Tasmanian Health Communities Survey where subjective quality of life increased as housing adequacy increased and declined as housing adequacy declined (AIH&W, 2001:49).

The impact of financial hardship is exacerbated if low income families are forced to pay a high percentage of their income on housing. Public and community housing is the means by which governments have traditionally assisted low income families access affordable accommodation. In the early 1990s, the Australian government began to move away from supply-side measures (the provision of public housing) to

demand-side measures such as rental assistance to low income households in the private rental market (AIH&W, 2001:58). Consequently, government expenditure on rental assistance to low income families in the private rental market increased by 84 per cent in real terms between 1990/91 and 1999/2000, while expenditure on public and community housing declined by almost 11 per cent over the same period (AIH&W, 2001:63). The switch to demand-side assistance assumes that it is low income, rather than the lack of low cost housing, which is the main reason why low income households find it difficult to access affordable accommodation. However, recent research which reveals large increases in private rental stock in the middle to high end of the market and a decline in private rental stock at the lower end of the market casts doubt on the assumption that the private rental market is capable of providing low income households with the opportunity to access secure, affordable and appropriate housing (AIH&W, 2001:59).

Housing insecurity is exacerbated for low income households if they live in areas where the stock of public housing is low. This is a particular problem in States such as Tasmania with high levels of unemployment and low levels of

public housing and in particular regions in certain States and Territories.

Thirdly, the report demonstrates the effect of location on an individual's chance of exiting unemployment. Governments tend to assume that if someone is unemployed they will (or should) move to an area where more jobs are available. However, the unemployed, particularly jobless families, face a number of obstacles in moving to areas where more jobs are available. It costs money to move, particularly interstate, and housing is more expensive in areas of low unemployment. Moving means children have to change schools and make new friends at the same time as the parents leave behind the network of family and friends that previously supported them and their children. Given the importance of informal social supports in ameliorating the negative impacts of disadvantage, is it sensible to expect jobless families to move? Should governments and communities instead be working towards developing new employment opportunities in areas with high levels of unemployment? Location also provides a challenge to government in terms of access to services. It is clear that for some groups in the community with special needs (such as those with a severe psychological impairment), living outside capital cities and major regional

centres means services which could help them and their families are simply not available.

Finally, *State of the Family 2002* raises the issue of how can governments and communities more effectively help those with multiple disadvantage? Young people like William and Sue whose lives illustrate the effects of cumulative disadvantage: disadvantage generated by their parents' impoverished lives as well as their own individual circumstances.

In looking at the ways unemployment and low income impact on the lives of children and their families, *State of the Family 2002* raises fundamental questions about where Australian society is heading in the twenty-first century. It challenges government and the community: do we want to live in an increasingly unequal society and, if we don't, what are we going to do about it? It is obvious from the discussion in this report that the problems generated by poverty are complex and solutions will need to be multi-faceted, requiring co-operation across all levels of government as well as across a range of government portfolios. *State of the Family 2002* provides a starting point for such solutions. While this report does not attempt to set out detailed policies to reduce poverty, especially child poverty, it does identify the key

problems to be tackled. It is significant that, by and large, these issues are not at the forefront of current political debate. Putting them there would be a good first step.

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