
EXECUTIVE SUMMARY

THIS PROJECT IS BUILT ON A FOUNDATION OF NATIONAL AND INTERNATIONAL RESEARCH DOCUMENTING SOCIAL INFLUENCES UPON DISADVANTAGES THAT LIMIT PEOPLE'S LIFE OPPORTUNITIES.

Particular acknowledgement is made of the World Health Organisation's documentation of the social determinants of health but the findings of numerous researches spanning fields as diverse as health, education, employment and criminology, have converged upon a set of general insights into the onset and sustainment of disadvantage. Poor social and economic circumstances affect people's prospects of fulfilment throughout life. Disadvantages tend to concentrate among the same people and their effects on health and life opportunities are cumulative. That Australian children do not escape the social influences upon their wellbeing is reflected in findings of the Growing Up in Australia longitudinal study.

While there has been a particular research emphasis on the interplay of social and biological factors, three earlier publications in the present series, *Unequal in Life* (1999), *Community Adversity and Resilience* (2004), and *Dropping Off the Edge* (2007), have charted the vulnerability of Australian neighbourhoods to a range of material, behavioural, and educational forms of disadvantage as well as those related to 'health.' The present project,

conducted throughout 2014, has used a total of 22 indicators to study the geographic distribution of disadvantage throughout six Australian States and two Territories. Some data has been derived from sources like the Australian Bureau of Statistics, NAPLAN, and the Australian Early Development Index, but considerable trouble has been taken to systematically secure additional information about important aspects of social disadvantage (like confirmed child maltreatment and psychiatric admissions) from state and territory government human service agencies.

The rationale for choosing particular indicators is presented in some detail in the text but two criteria have especially been emphasised, namely, that the indicator has an established research provenance, and that it has a bearing on the limiting of life opportunities. For example, low family income is a central factor in shaping individual and family life opportunities. The research evidence is that family income is interwoven with the influence of other forms of disadvantage represented by the range of indicators included in the present study. With regard to disability support, there is frequently pre-existing disadvantage

among people who become disabled. In addition, there is the impact of disability onset itself, and the consequences of remaining disabled. Child maltreatment can have grave short, medium and long-term consequences for individual life opportunities.

Police and prison statistics indicate that the bulk of crimes are committed by people from low socioeconomic backgrounds with limited formal education. Extended education is negatively associated with early family formation, child abuse and neglect, and unemployment. Similar rationales lie behind the selection of the project's 22 indicators which have been given the following operational definitions:

| Variable name | Description |
|-------------------------------|---|
| Internet access | proportion of households without access to the internet in each counting area |
| Housing stress | proportion of households allocating 30% or more of income to housing costs in each counting area |
| Low family income | proportion of households with an income less than \$600 per week in each counting area |
| Overall education | proportion of the population in a counting area aged 16-65 years who left school before 15 years of age |
| Post-schooling qualifications | proportion of population aged 18-64 years not possessing degree/diploma/grad diploma/grad certificate/postgraduate degree/certificate in each counting area |
| Unskilled workers | proportion of the workforce (ABS definition) classified as lowest skill (ABS definition) in each counting area |
| Young adults not engaged | proportion of 17-24 year olds neither engaged in full-time study or work in each counting area |
| Readiness for schooling | proportion of all children tested for language and cognitive skills (school-based) and assessed as being 'developmentally vulnerable' in each counting area |
| Disability Support | proportion of people aged 18-64 years in receipt of the Disability Support Pension in each counting area |
| Long-term unemployment | proportion of the workforce (ABS definition) aged 18-64 years in receipt of Newstart for one year or more in each counting area |
| Rent assistance | proportion of people aged 18 and over in receipt of rental assistance in each counting area |

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|------------------------|--|
| Unemployment | proportion of the workforce (ABS definition) aged 18-64 years in receipt of Newstart in each counting area |
| Y3 numeracy | proportion of year 3 students not "At or Above National Minimum Standard Percentage" on the numeracy assessment scales in each counting area |
| Y3 reading | proportion of year 3 students not "At or Above National Minimum Standard Percentage" on the reading assessment scales in each counting area |
| Y9 numeracy | proportion of year 9 students not "At or Above National Minimum Standard Percentage" on the numeracy assessment scales in each counting area |
| Y9 reading | proportion of year 9 students not "At or Above National Minimum Standard Percentage" on the reading assessment scales in each counting area |
| Child maltreatment | rate of confirmed maltreatment of a child per 1,000 of children and young people under 15 years of age living in each counting area |
| Criminal convictions | rate per 1,000 of people aged 18-49 years convicted of crime in each counting area |
| Juvenile convictions | rate per 1,000 of people 10-17 years convicted or found guilty of crime in each counting area |
| Domestic violence | rate of domestic/family violence orders per 1,000 population aged 18-64 years in each counting area |
| Prison admissions | rate per 1,000 of people aged 18-49 years admitted to prison in each counting area |
| Psychiatric admissions | rate of psychiatric hospital admissions per 1,000 of the population over 18 years of age in each counting area |

The counting units employed to capture the spatial distribution of the aforementioned indicators, vary according to the circumstances of different jurisdictions. Postcodes are used in Victoria, New South Wales and the ACT; Statistical Local Areas (SLAs) in Queensland, South Australia and the Northern Territory; Local Government Areas (LGAs) in Western Australia and Tasmania.

SUMMARY OF FINDINGS

In every jurisdiction there is a marked degree of spatial concentration of disadvantage:

- In Queensland, 6% of statistical local areas (SLAs) accounted for half of the top 5% ranks on the indicators;
- In South Australia, 5.5% of SLAs accounted for 57% of the top 5% ranks on the indicators; and
- In NSW, Victoria and Western Australia, 1.5% of postcodes accounted for 12-14% of the top 5% ranks on the indicators.

In smaller jurisdictions using the top three ranks as the criterion:

- In Tasmania, the five most disadvantaged local government areas accounted for 64% of the top three ranks on the indicators; and
- In the Northern Territory, 6% of the SLAs accounted for 50% of the top three ranks on the indicators.

In each jurisdiction, the profiles of localities identified by the number of their top rank positions as *Most or Next Most* disadvantaged were examined to discern whether there were recurring

characteristics. Some variations were found, such as the relative importance of rent assistance in Victoria and this indicator's virtual absence in New South Wales. However, the latter state's profile serves as a useful template for identifying core characteristics of Australia's disadvantaged communities. In two-thirds of those localities in New South Wales *criminal convictions* were a dominant characteristic, and *adult imprisonment* and *juvenile offending* were at significantly high rates within communities additionally burdened by *long and short unemployment*, *disabilities*, *lack of formal qualifications*, *deficient education generally*, *low family incomes*, *domestic violence* and *mental health problems*. With one exception, criminal justice indicators were also prominent in the profile of Victoria's disadvantaged areas, the exception being the lower frequency with which juvenile offending was to the fore. '*Young adults, no full-time work, or education/training*', was also less prominent. The overall level of education and deficiencies with respect to post-school qualifications were elements of the Victorian profile but NAPLAN results were less of a distinguishing characteristic.

In South Australia unemployment, overall level of education, criminal *convictions* and *unengaged young adults* were the prominent features, a pattern similar to that of Queensland, South Australia, and Northern Territory and with a small number of LGAs involved, Tasmania. The high frequency indicators in Western Australia's disadvantaged areas placed more emphasis on NAPLAN *deficiencies*, *internet access*, *unengaged young adults*, *overall education*, *prison and psychiatric admissions*.

INTERCONNECTIONS BETWEEN INDICATORS

It is one thing to note the manifestations of disadvantage that recurrently feature in the profiles of many vulnerable communities, and another to consider the interconnections between the attributes in question. In earlier reports in this series we have invoked the image of a *web of disadvantage* to capture the way in which the opportunity constraining effect of one form of disadvantage can reinforce the impact of one or more other forms of disadvantage. That pattern can be discerned by simple reflection but rendered more tangible by quantifying the extent to which areas' scores on pairs of indicators wax or wane together. Within each of the jurisdictions we have attempted to identify those variables that by the sheer number and scope of their connections with other measures of deprivation appear to be elements of the structure of localised disadvantage. To pursue this issue we have employed a statistic known as the correlation coefficient or *r*. The practical challenge comes down to this: to what extent do areas with 'high', 'middling', or 'low' scores on one indicator tend to have similar patterns of scores on the other indicators used in the study?

Detailed analyses of interconnections between the indicators are presented in chapters dealing with each jurisdiction. What those analyses show is that the restraints on the attainment of life opportunities can be more than the sum of separately operating influences. In both Victoria and New South Wales 13 indicators correlate with at least nine others at the +.50 level. The group of

Victorian indicators fulfilling the above-stated requirements only differed from the New South Wales equivalent by the absence of *unengaged young adults* and *Year 9 reading* which were less prominent as connecting threads of localised manifestations of disadvantage. A more prominent role was played by long and short term unemployment, disability support, child maltreatment and prison admissions. In New South Wales, internet access, long and short term unemployment, low family income, unengaged young adults, disability, lack of qualifications, and overall limited community education were among the strong interconnecting variables. The pattern in South Australia, Western Australia and Tasmania resembled that in New South Wales but was a little more compressed in Queensland where internet access, low family income, overall education, post-school qualifications and young people not engaged in work or study, were the major connecting threads.

MOST DISADVANTAGED LOCALITIES

Using two methods to rank the relative degree of disadvantage, and taking account of positions on the full range of indicators, clear evidence emerged of the consistent identification of the most disadvantaged localities. For example, in Victoria, 25 of the 2014 'top 40' locations coincided with their 2007 counterparts. However, the critically important outcomes concern places occupying the 12 highest overall rank positions that we refer to as bands 1 and 2. Consistencies within these top 12 places were striking: in 1999 eight of the 12 names in the top two bands were the same as for 2014;

the same was true midway through this period (2007). A similar set of results occurred with New South Wales. One common feature across the jurisdictions was the prominence of disadvantaged localities in rural areas and on the fringes of metropolitan areas.

The consistency of the results when different methods of ranking were employed was striking (see Chapter 3). Particularly telling was the finding that 15 years ago nine of the 12 names in the top two bands for New South Wales were the same as in the present listing. In South Australia, all of the SLAs identified by the principal components analysis as being in the two most disadvantaged bands were in the top 10% of places based on extreme rankings on the indicators. Furthermore, there were eight SLAs in the first two bands of the current principal component findings that were reported upon in 2007; all eight were included among the 12 'most' or 'next most' disadvantaged in 2007. The study concludes that "Four waves of research over a 15 year period (1999 – 2014) have served to confirm the enduring cumulative social disadvantage of a relatively small number of localities across Australia." Several recommendations are based on this insight.

While the project has generally enjoyed a high level of cooperation, the research has not benefitted from universal support. Two states in particular claimed that data was not available in the form requested. Had the opportunity been afforded for discussion with staff directly concerned with generating the relevant data, as happened in other jurisdictions, a way around the difficulties may have been found. Greater success may also have attended the data gathering if it had been undertaken by an agency

established on the basis of a national/ state-territory agreement to undertake this work.

RECOMMENDATIONS

1. A driver of strategy

To identify and assist Australian communities with high social needs and concentrated disadvantage, a Centre for Community Strengthening and Program Evaluation be established within the Commonwealth Government. The Centre should be so located as to facilitate its coordination of community service initiatives by government and non-government organisations, and undertake rigorous collaborative evaluations of community strengthening projects. It should be established on a basis that enables it to gather full statistical information on local populations while adhering to existing data confidentiality guidelines, in the manner illustrated by the present project. The Centre should continue to develop and refine the data gathering and dissemination of community wellbeing information pioneered by a number of non-government agencies over recent decades, including the sponsors of the present project.

In recommending a national Centre for Community Strengthening and Program Evaluation we are fully conscious of the responsibility state and territory governments have for strengthening disadvantaged communities within their respective jurisdictions. Community level interventions should be an integral part of their human service functions but they have generally not dealt with this facet of their work in a knowledgeable, focused way. Achieving confidence in community strengthening, and a willingness to

cooperate fully with the proposed Centre, are priority requirements of state and territory governments. The latter need look no further than the summary of the high rates of occurrence within a limited number of highly disadvantaged areas of problems for which states have a primary responsibility – including criminal convictions, imprisonment, child maltreatment, education and mental illness. The establishment of the recommended Commonwealth level centre needs to be matched by the creation of counterpart state and territory units performing linked coordinating, educational and evaluation functions. Their efficient operation would be less dependent on staffing numbers than their strategic location within the structure of government services, their supportive professional mandates and their capacity to draw upon seconded professional personnel for specific tasks and purposes.

2. An instigator of focused, practical change

the proposed Commonwealth Centre, while of modest size and incorporating the seconded services of existing specialist staff of relevant government agencies, should be endowed with the authority necessary to carry out its community strengthening functions and secure the necessary cooperation of Commonwealth and State authorities. That cooperation generally has been extended to projects in the present series but should be even more forthcoming when backed by a degree of official sanction.

The Centre should be staffed by officers who have practical experience of community work and research, and a demonstrated interest in, and capacity

to contribute to, the furtherance of knowledge and approaches that bring practical benefits to cumulatively disadvantaged communities. The selection criteria should include candidates' demonstrated interest in working collaboratively with people engaged in community interventions, as well as possessing the detachment and objectivity needed to distinguish tangible benefits from good intentions. If the present inequalities of opportunity are to be seriously remedied, the Centre must focus on strengthening disadvantaged communities, starting with those identified in the present report, while providing practical feedback to Government on policies and practices that will help close the opportunity gap that persistently separates those communities from mainstream Australian society.

3. Establishing and demonstrating high standards

the Centre for Community Strengthening and Program Evaluation should act as a repository of international and national research and practice insights into the evaluation of community interventions and insights gained, and should undertake interventions in its own right. The Centre should have particular responsibility for auspicing and participating in an exemplary project in each Australian jurisdiction, chosen jointly with the respective governments. The selected project sites should be among the communities nominated as 'most disadvantaged' in the present report and, for the reasons nominated in the report, should in the first instance, have a minimum intervention period of six to eight years, subject to further extension if judged necessary. The cost of exemplary projects should be shared

between the Commonwealth and the relevant State or Territory Government. The methods employed and the outcomes achieved should be widely disseminated if our nation is to achieve the necessary knowledge and means of providing its citizens – especially its young – with life opportunities consistent with our tradition of the ‘fair go.’

Recommended operational principles

A. Perseverance Given the persistence of documented cumulative disadvantage in a number of Australian communities, it is unrealistic to expect rapid short-term improvements following brief community strengthening interventions. What is needed is:

A firm political and administrative commitment to staying the distance with a manageable number of highly disadvantaged communities for the durations previously specified.

B. Knowledge The shaping of community strengthening endeavours is not a knowledge-free area. The choice of objectives and their sequencing, while substantially reflecting the views and aspirations of the communities involved, must also be influenced by knowledge gained from decades of community development practice and research findings. Vital in this regard is an underlying shared conception of the capacities of a well-functioning community.

The adoption of individual community initiatives should be based on appraisals of their contribution to the overall strengthening of the community and its ultimate capacity for strong independent action.

C. Extra-communal resources

The un-negotiated arrival of externally provided resources seldom provides a disadvantaged community with long-term benefits. Yet severely disadvantaged communities cannot attain their goals by ‘spinning thin air’. The capacity to harness the arguments and make the case for external assistance is actually part of the negotiating equipment of strong communities and disadvantaged ones sometimes need assistance simply to attain their fair share of infrastructural and other centrally dispersed resources. However, pragmatism needs to be balanced with community strengthening principles. The gaining of externally sourced assistance can be an important part of a community strengthening project provided, wherever practicable, the opportunity is taken to involve the community in prioritising the resources to be pursued and participating in, and learning from, the negotiations entailed. Both of these activities rehearse skills that are central to effective communal management.

Examples of the afore-mentioned approach include identifying potential local employment opportunities and leveraging government and non-government organisations based outside of the community to employ locals.

Such communal action could address the high unemployment levels which the present research confirms are a recurring feature of multiply disadvantaged communities in Australia. Likewise, pressing for additional skilled support to help ensure the successful launching of children's education and to help maintain their meaningful engagement in school and post-school training and education, would also address another of the recurring features of the most disadvantaged areas. So, too, would problem-solving collaboration between police and social agencies where the detection of early juvenile offending provides opportunities to intercept criminal careers in the making.

Frequently the object of community strengthening is aided by the more effective use of existing resources but that is not always possible. Constructive strategies sometimes come at additional costs. However, in reckoning the scale of those outlays account needs to be taken of the institutional, service and social value costs of tolerating the continuation of the locally concentrated disadvantage that we have documented in this report.

In pursuing additional resources every effort must be made to rehearse skills that are central to effective communal management including the prioritising of objectives and local participation in associated negotiations.

D. Community-level changes.

Community strengthening projects need to maintain a steady focus upon core problem-solving and effort-sustaining capacities of the community *qua community*. In earlier sections we have emphasised the importance in that regard of building organisational competence and realistic confidence in the pursuit of local goals. Key attitudinal requirements are the development of mutual trust and willingness to take action for the common good. The transformative power of these attributes, summarised in the notion of collective efficacy, is now widely recognised and was reflected in Victorian data included in the earlier publication *Dropping off the Edge* (Chapter 6: Assessing the Impact of Social Cohesion).

Without unduly restricting the intellectual framework employed, a focus upon community level change should be a mandatory requirement of projects intended to strengthen multiply disadvantaged communities.