



FAST FACTS

Child Poverty in Australia



anti-poverty week

act on poverty

What is it like for children to grow up in poverty?

Growing up in poverty impacts the hopes and dreams of young people.

Kids growing up in poverty too often go to bed or school hungry; they can feel left out if they can't afford to join a local sport team or go on school camps; they may be living in an overcrowded home where there's no quiet place to do homework and they worry about their parents.

It also means not having enough to eat or not having enough healthy food – a 2016 study of more than 5,000 children aged 8 to 14 years found that of those who were materially deprived were frequently going to school or bed hungry.

Foodbank provided relief to 710,000 Australians per month in 2017-18, 15% were aged under 15. Single parents often make personal sacrifices to ensure their children can eat: 3 in 5 single parents experiencing food insecurity skip a meal at least once a week to make sure there is enough food for their family and 1 in 3 go a whole day without eating at least once a week.

1 in 6

Australian children
aged 0-14 years lived in
poverty in 2015-2016

*“They're used to hearing,
'I'm OK, I ate while I was cooking'”*
– single mum from Melbourne.ⁱ

How many children are living in poverty in Australia?

739,000 children or 1 in 6 Australian children aged 0-14 years lived in poverty in 2015-16 (the latest available data). At 17.3%, the percentage of children living in poverty is higher than the percentage of any other age group – including those aged 65 years and over.ⁱⁱ

What can we do to reduce child poverty?

Child poverty in Australia isn't inevitable – we made great strides in the 1990's when the former PM Bob Hawke and his government committed to end child poverty. Child poverty wasn't eliminated but it was reduced by 30%.ⁱⁱⁱ

A very high proportion of children experiencing poverty are living in families who rely on government payments.^{iv} Increasing those payments - family payments, Newstart and single parent payments - will reduce poverty.

Find out more at www.antipovertyweek.org.au



A House of Representatives Committee of the Federal Parliament recommended in February 2019 that “the Australian Government review the effects of government policy, including the adequacy of payments, on young people and single parent families in the 46th Parliament.” It also recommended considering delaying single parents moving onto Newstart (from the higher Parenting Payment) until their youngest child reaches 12 years old, (rather than 8 as it is currently).^v

ARACY has called for an increase in Newstart of at least \$75 a week and improved health, preventative and early intervention programs, anti-bullying programs in schools, more inclusive education and improved data.^{vi}

In addition to increased income, UnitingCare Australia has said that completing Year 12 education or equivalent and reducing exposure to housing stress (where families spend more than 30% of their income on rent) would also help reduce child social exclusion.^{vii}

Investing in reducing child poverty also saves money for society in the longer term

“The evidence is clear that by investing in helping kids get off to a good start, the costs to the community in areas such as healthcare, homelessness and unemployment can be massively reduced.”

– Elaine Henry OAM, ARACY Board Chair

Is poverty just about not having enough money?

“Money isn’t the only thing but having some money to buy food and to pay for your rent and stuff is really good.”^{viii}

Multiple studies have found that poverty isn’t just about not having enough to eat and a secure home. A lack of money limits children and young people’s lives and learning and seeps into other aspects of their life.

ARACY’s research based on a long term study of children born in 2004 and published in 2019, found children living below the poverty line were more likely to experience deprivation in terms of their relationship with friends, yelling in the home, enjoyment in exercise, adequate fruit and vegetables, mental health, school attendance, learning at home, and involvement in extracurricular activities like sport.^{ix}

Other research has found that children who grow up in poverty are more likely to be behind in school – at least 1 year behind in reading and numeracy even by Year 3.^x The 2016 Child Well-Being study found a strong association between going to bed or school hungry and less school attendance and satisfaction. Food or clothing deprivation was associated with low school engagement.^{xi}

“My mum struggles, she gets paid on Thursdays but struggles on the Wednesday. Me and my brother, if there is not food for school, we don’t go to school at all. She has never sent us to school with no food.”^{xii}

Young people are also often keenly aware of what they are missing out on. Research undertaken by The Smith Family and UNSW^{xiii} found that it was clear that the 14 year olds had a good understanding of what a healthy diet meant but often lacked the ability (due to a lack of money in the household) to ensure that they had a healthy diet. It also found that while many young people acknowledged that a quiet space or desk was the ideal, this was not the case for them.



Does experiencing poverty in childhood restrict secure employment, health and well-being later in life?

If poverty is not addressed early and it continues into later life, children can carry the scars with them into adulthood.

“A significant number of young Australians who grow up in poverty find it difficult to engage with formal education; they leave school early or cannot navigate from education to the world of work.”^{xiv}

“Disadvantage early in a child’s life reverberates throughout childhood and youth and the risks associated with disadvantage and academic adjustment continue and accumulate over time, ultimately affecting the child’s socioeconomic status in adulthood.”^{xv}

ARACY has found that when kids grow up in deprivation, they are more likely to be negatively affected throughout their lives. This includes adult health conditions such as coronary heart disease, stroke, diabetes and cancer.^{xvi}

Who are most at risk?

Children living in sole parent families have a poverty rate of 39.4%, 3 times that of couple families (13.1%).^{xvii}

Children whose parents are reliant on **Newstart** - there are more than 107,000 families with nearly 160,000 children reliant on Newstart or Youth Allowance Other at December 2018, 79% are in sole parent families.^{xviii}

When children are growing up in poverty during the **first 5 years of their life** - the years from birth to age 5 have been identified as the most important developmental period during childhood. ARACY states: “*Brain development in the first years of life lays the foundation for language development, literacy acquisition, cognitive processes, emotional development, self-regulation and problem-solving skills and has a lasting impact on health, future learning and life success.*”

If poverty **persists over time**. Academics have found children who had been living in persistent poverty until age 8 or 9 were more than 3 times likely to be at risk of psychological clinical problems than children who had never experienced poverty (27% compared to 8%).^{xix}

ARACY looked at deprivations based on a long-term study of children born in 2004. It found in addition to living below the poverty line, children experienced more deprivations

in families where **no parent had a job** (unemployed or not looking for work) and for **children with a disability**. The 2016 Child Well-Being project found food and clothing deprivation was concentrated among **children with disability, young carers and Indigenous young people**.^{xx}

By **neighbourhood** - UnitingCare Australia found there are clear clusters of neighbourhoods at risk of high child exclusion and others where the risk is very low. It found 1 in 3 children living in remote and very remote Australia experienced the highest rate of social exclusion. The Child Social Exclusion Index 2018 also found that 87% of local communities with the highest risk of child social exclusion in 2011 had no improvement in 2016.

“**Australian communities have people that are really doing it tough, particularly people in remote and regional areas of Australia and in many instances, single mothers and their children.**”

– Russell Broadbent

Liberal MP in forward to [Living on the Edge](#),
Final Report of Parliamentary Inquiry into
Intergenerational Welfare Dependency.



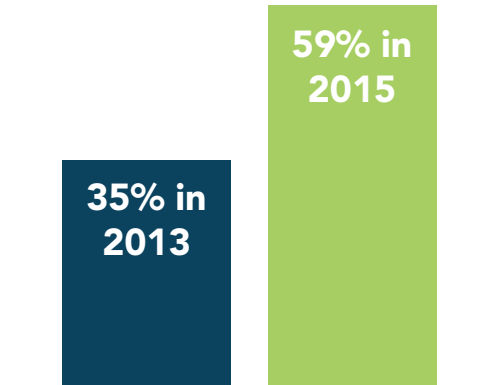
Why is child poverty increasing?

After 80,000 sole parents were transferred to Newstart Allowance in 2013 the rate of poverty among unemployed sole parents increased from 35% in 2013 to 59% two years later. (Payments for a sole parent with school-age children reduced by at least \$60 a week.)^{xxi}

Professor Peter Whiteford has concluded that cuts in family and sole parent payments have significantly increased poverty among children in Australia.

“Since 2006, the cumulative effects of changes mean that for single parents still on Parenting Payment Single with two younger children have lost nearly \$85 per fortnight; about 6% of their disposable incomes. For families with older children (receiving Newstart), the loss is about \$271 per fortnight; a cut in disposable income of nearly 19%.”^{xxii}

UnitingCare Australia concluded that life became harder for all families between 2011 and 2016 due to housing stress and labour market changes.^{xxiii}



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Produced by Anti-Poverty Week as part of its **Fast Facts** series. Data correct as of 22 July 2019.

For more, visit our website at www.antipovertyweek.org.au.

See also: [2018 Submissions to the House of Representatives Committee on Intergenerational Welfare Dependence](#), in particular from the **Brotherhood of St Laurence** and **The Smith Family**.

The [Child Social Exclusion Index](#) provides data at a small area level - by suburb in a city (technically called Statistical Area 2)

ⁱ [The Hunger Report 2018](#), Foodbank, October 2018.

ⁱⁱ Davidson, P., Saunders, P., Bradbury, B. and Wong, M. (2018), [Poverty in Australia 2018](#). ACOSS/UNSW Poverty and Inequality Partnership Report No. 2, Sydney: ACOSS.

ⁱⁱⁱ Davidson, P., Saunders, P., Bradbury, B. and Wong, M. (2018), [Poverty in Australia 2018](#). ACOSS/UNSW Poverty and Inequality Partnership Report No. 2, Sydney: ACOSS.

^{iv} Dina Warren, [Low-Income and Poverty Dynamics: Implications for Child Outcome](#), Social Policy Research Paper Nos 47, Commonwealth of Australia (Department of Social Services) 2017.

^v Recommendation 14, [Living on the Edge](#), February 2019.

^{vi} ARACY summary report: [To Have and To Have Not - Measuring child deprivation and opportunity in Australia](#), 2019.

^{vii} [Poverty, Social Exclusion and Disadvantage in Australia, UnitingCare Australia in partnership with The University of Canberra's, National Centre for Social and Economic Modelling, October 2018](#).

^{viii} Quote from child participant, cited in Redmond, G., Skattebol, J., Saunders, P., Lietz, P., Zizzo, G., O'Grady, E., Tobin, M., Thomson, S., Maurici, V., Huynh, J., Moffat, A., Wong, M., Bradbury, B. and Roberts, K. (2016), [Are the Kids Alright? Young Australians in their Middle Years](#), Final Report of the Australian Child Well-Being Project, Flinders University, University of New South Wales and Australian Council for Educational Research.

^{ix} Sollis, K. (2019). [Measuring Child Deprivation and Opportunity in Australia: Applying the Nest framework to develop a measure of deprivation and opportunity for children using the Longitudinal Study of Australian Children](#). Canberra: ARACY. Summary report: [To Have and To Have Not - Measuring child deprivation and opportunity in Australia](#), 2019.

^x Dina Warren, [Low-Income and Poverty Dynamics: Implications for Child Outcome](#), Social Policy Research Paper Nos 47, Commonwealth of Australia (Department of Social Services) 2017.

^{xi} Redmond, G., Skattebol, J., Saunders, P., Lietz, P., Zizzo, G., O'Grady, E., Tobin, M., Thomson, S., Maurici, V., Huynh, J., Moffat, A., Wong, M., Bradbury, B. and Roberts, K. (2016), [Are the Kids Alright? Young Australians in their Middle Years](#), Final Report of the Australian Child Well-Being Project, Flinders University, University of New South Wales and Australian Council for Educational Research.

^{xii} Billie aged 14, cited in Redmond, G., Skattebol, J., Saunders, P., Lietz, P., Zizzo, G., O'Grady, E., Tobin,

M., Thomson, S., Maurici, V., Huynh, J., Moffat, A., Wong, M., Bradbury, B. and Roberts, K. (2016), [Are the Kids Alright? Young Australians in their Middle Years](#), Final Report of the Australian Child Well-Being Project, Flinders University, University of New South Wales and Australian Council for Educational Research.

^{xiii} [Material Deprivation and Social Exclusion Among Young Australians: A child-focused approach](#), Peter Saunders, Megan Bedford, Judith E. Brown, Yuvisthi Naidoo and Elizabeth Adamson, November 2018.

^{xiv} Jennifer Skattebol and Gerry Redmond. [Troubled kids? Locational disadvantage, opportunity structures and social exclusion](#), 2018.

^{xv} Dina Warren, [Low-Income and Poverty Dynamics: Implications for Child Outcome](#), Social Policy Research Paper Nos 47, Commonwealth of Australia (Department of Social Services) 2017.

^{xvi} Dina Warren, [Low-Income and Poverty Dynamics: Implications for Child Outcome](#), Social Policy Research Paper Nos 47, Commonwealth of Australia (Department of Social Services) 2017.

^{xvii} Davidson, P., Saunders, P., Bradbury, B. and Wong, M. (2018), [Poverty in Australia 2018](#). ACOSS/UNSW Poverty and Inequality Partnership Report No. 2, Sydney: ACOSS.

^{xviii} See APW Fast Facts and Newstart – data derived from Department of Social Services, December 2018..

^{xix} Dina Warren, [Low-Income and Poverty Dynamics: Implications for Child Outcome](#), Social Policy Research Paper Nos 47, Commonwealth of Australia (Department of Social Services) 2017.

^{xx} Redmond, G., Skattebol, J., Saunders, P., Lietz, P., Zizzo, G., O'Grady, E., Tobin, M., Thomson, S., Maurici, V., Huynh, J., Moffat, A., Wong, M., Bradbury, B. and Roberts, K. (2016), [Are the Kids Alright? Young Australians in their Middle Years](#), Final Report of the Australian Child Well-Being Project, Flinders University, University of New South Wales and Australian Council for Educational Research.

^{xxi} Davidson, P., Saunders, P., Bradbury, B. and Wong, M. (2018), [Poverty in Australia 2018](#). ACOSS/UNSW Poverty and Inequality Partnership Report No. 2, Sydney: ACOSS.

^{xxii} Peter Whiteford, [It's not just Newstart: Single parents are \\$271 per fortnight worse off](#), The Conversation, December 3, 2018.

^{xxiii} [Poverty, Social Exclusion and Disadvantage in Australia, UnitingCare Australia in partnership with The University of Canberra's, National Centre for Social and Economic Modelling, October 2018](#).