



## 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.

The 2021 Unicef/ARACY report shows child poverty in Australia had risen from 17.3% in 2010 to 17.7% in 2017-18, that we were worse in terms of comparison with other OECD countries from 13/41 in 2014 to 15/41 in 2018 and concluded "Poverty too remains stagnant and unacceptably high."<sup>1</sup>

In 2021, Foodbank provided food relief to over 1 million people per month and reported 1.2 million children were living in food insecure households.<sup>2</sup> Their 2018 Hunger Report found that 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.<sup>3</sup>

*"They're used to hearing, 'I'm OK, I ate while I was cooking' – single mum from Melbourne."*<sup>3</sup>

### How many children are living in poverty in Australia?

774,000 children or 1 in 6 Australian children aged 0-14 years lived in poverty in 2017-18 (the latest available data). At 17.7%, the percentage of children living in poverty is higher than the percentage of any other age group – including those aged 65 years and over.<sup>4</sup>



1 in 6

Australian children  
aged 0-14 years lived in  
poverty in 2017-2018

## 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%.<sup>5</sup>

A very high proportion of children experiencing poverty are living in families who rely on government payments.<sup>6</sup> Permanently increasing those payments - family payments, JobSeeker and single parent payments - will reduce poverty.



**Children can thrive and be healthy when they have what they need to develop well. To treat all of Australia's children fairly, we need to ensure every family has enough money to cover the basics and a secure roof over their heads.**

*"The period during the Covid-19 pandemic when income support payments were lifted was hugely beneficial to children and their families. We saw less anxiety about whether families could meet their basic needs such as food, heating, and shelter. We saw reduced suicides as a result. Income support payments should be set at a level that supports individuals and families to live with dignity and meet their basic needs."* - **Statement from the AMA** <sup>7</sup>

The full Coronavirus Supplement saw poverty drop by more than half for the poorest families - those headed by single parents. Poverty rates for these families reduced from 39% to 17%. <sup>8</sup>

*"It has helped me so much in being able to help my child to be clothed and eat more healthy options, to keep my house warm during the winter."*

*"I have spent the extra money on everything I needed to get employed.. on my vehicle so I can travel to job interviews... on internet to help with being connected for job interviews on Zoom...on clothing so that I look more professional when I'm attending a job interview, whether it is online or face-to-face."* <sup>9</sup>

The Everybody's Home campaign is calling for a large investment in social housing by Federal and State/Territory governments to address the crisis in housing affordability facing too many individuals, families and children in Australia. This would also assist women and children needing to flee domestic violence. <sup>10</sup>

## 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."* <sup>11</sup>

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. <sup>12</sup>

*"The playing field is not level for all Australian children. Those growing up in poverty are less likely to complete high school, find a good job and have stable housing."*

***They often suffer from poor mental and physical health and social isolation. Devastatingly, we will compromise their life chances if we fail to disrupt the cycle of disadvantage.***

— Life Course Centre Director **Professor Janeen Baxter**

*"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."* <sup>13</sup>

Young people are also often keenly aware of what they are missing out on. Research undertaken by The Smith Family and UNSW <sup>14</sup> 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.” <sup>15</sup>

“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.” <sup>16</sup>

Children who grow up in poverty are 3.3 times more likely to suffer adult poverty than those who grew up in never poor households. <sup>17</sup>

## 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%).** <sup>18</sup>

Households that have to rely mainly on social security payments (e.g. unemployment, parenting, and disability payments) are five times more likely to experience poverty (36%) than those receiving most income from wages and salaries (7%). However, 38% of those in poverty are in wage-earning households; the majority of whom are households with children. <sup>19</sup>

When children are growing up in poverty during the first 5 years of their life - 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%). <sup>20</sup>

Children in monetary poverty (that is children living below the poverty line) suffered effects far wider than just their material basics. They are more than 1.7 times more likely to face food insecurity, nearly twice as likely to lack good relationships with friends and almost two and a half times more likely to be missing out on learning at home. <sup>21</sup>

In 2021, more than 1 in 5 Australian children (22%) were assessed as developmentally vulnerable when they started school, potentially reducing good health, education and social outcomes later in life. “Growing up in poverty is a strong predictor of a child being developmentally vulnerable by the time they start school.” <sup>22</sup>

*“For one-in-six Australian children who live in poverty, disadvantage at home carries over into disadvantage at school. Children living in poverty have lower school completion rates and lower scores on national tests such as NAPLAN and students who live in poverty also experience more social exclusion at school than their more advantaged peers.”*

- Professor Gerry Redmond [The Conversation](#) 10/3/22

**“We need to make sure that every child gets the opportunity to be the best that they can be, because that helps, not just that individual, that’s the key to Australia as well. We need to be the smart country.”**

- PM Anthony Albanese, [Interview on 7.30](#), 23/6/22



## Why is child poverty increasing?

After 80,000 sole parents were transferred to Newstart Allowance (now JobSeeker) in 2013, payments for a sole parent with school-age children reduced by at least \$60 a week. <sup>23</sup>

Income support for families, especially sole parent families have been eroded over many years:

- Parenting Payments are paid at a lower rate than age or disability pensions;
- Sole parents whose youngest child is 8 need to claim the punishingly low JobSeeker Payment instead of Parenting Payments;
- Rent Assistance hasn't had an increase beyond inflation for more than 22 years; and
- Family payments have been raided for Budget savings such that real expenditure in 2020-21 is the same as in 2000-01. <sup>24</sup>

The child support system is also not working as it should, with debts owed to children conservatively estimated to be at least \$2B in 2022. <sup>25</sup>

Combined, these changes mean that at March 2022, maximum payments (including rent assistance and all supplements and family payments) for a sole parent:

- with older children (11 and 13 years) is more than \$80 a week below the poverty line;
- with two children aged 8 and 5 years is \$17 a week below the poverty line;
- with two children aged 4 and 2 is just \$8 a week above the poverty line. <sup>26</sup>

Produced by Anti-Poverty Week as part of its **Fast Facts** series. Data correct as of 8 August 2022.

For more, visit our website at [www.antipovertyweek.org.au](http://www.antipovertyweek.org.au).

See also the **Australian Research Council Centre of Excellence for Children and Families over the Life Course** (the [Life Course Centre](http://www.life-course.org.au)) who are delivering transformative research and translation to break the cycle of deep and persistent disadvantage for Australian children and families.

1 The Wellbeing of Australia's Children, <https://www.unicef.org.au/our-work/unicef-in-australia/the-wellbeing-of-australia's-children>

2 Foodbank 2021 Hunger Report, <https://www.foodbank.org.au/foodbank-hunger-report-2021/?state=nsw-act>

3 The Hunger Report 2019, Foodbank, The Hunger Report 2018, Foodbank, October 2018.

4 Davidson, P., Bradbury, B., Hill, T. and Wong, M. (2020), *Poverty in Australia 2020: Who is affected?* ACOSS/UNSW Poverty and Inequality Partnership Report No. 4, Sydney: ACOSS.

5 Davidson, P., Bradbury, B., Hill, T. and Wong, M. (2020), *Poverty in Australia 2020: Who is affected?* ACOSS/UNSW Poverty and Inequality Partnership Report No. 4, Sydney: ACOSS.

6 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.

7 Statement from the AMA, <https://www.ama.com.au/index.php/media/ama-joins-call-child-health-taskforce>

8 Ben Phillips and Vivikth Narayanan, *Financial Stress and Social Security Settings in Australia*, ANU Centre for Social Research and Methods, April 2021.

9 Quotes from *550 Reasons to Smile campaign*, National Council of Single Mother and Her Child.

10 *Everybody's Home* and *SHARP* proposal.

11 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.

12 Solis, 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.

13 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.

14 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.

15 Jennifer Skattebol and Gerry Redmond. *Troubled kids? Locational disadvantage, opportunity structures and social exclusion*, 2018.

16 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.

17 *Breaking Down Barriers report* series (2020). Melbourne Institute: Applied Economic & Social Research, The University of Melbourne.

18 Davidson, P., Bradbury, B., Hill, T. and Wong, M. (2020), *Poverty in Australia 2020: Who is affected?* ACOSS/UNSW Poverty and Inequality Partnership Report No. 4, Sydney: ACOSS.

19 Davidson, P., Bradbury, B., Hill, T. and Wong, M. (2020), *Poverty in Australia 2020: Who is affected?* ACOSS/UNSW Poverty and Inequality Partnership Report No. 4, Sydney: ACOSS.

20 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.

21 *Measuring Child Deprivation and Opportunity in Australia*, February 2019.

22 *AEDC 2021* published in 2022 by the Department of Education, Skills and Employment on behalf of the Australian Government.

23 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.

24 Australian Parliamentary Library, *Social security and family assistance*, July 2022.

25 Anti-Poverty Week, *Child Support Briefing*, 18/8/22.

26 Anti-Poverty Week, *Women, Violence and Poverty*, 22 July 2022.