

Inquiry into the extent and nature of poverty in Australia



To:	Senate Community Affairs References Committee
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Subject	Inquiry into the extent and nature of poverty in Australia
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Barnardos Australia (Barnardos) is a well-recognised and prominent not for profit children's social care organisation and registered charity, providing direct care and support to 15,000+ children and their families through our integrated Children's Family Centres (CFCs) each year. Barnardos CFC services are geographically located in, and targeted to reach, specific areas of poverty and socio-economic disadvantage. Barnardos also provides foster care for an additional 1500+ children, the majority of whom are referred to us by statutory child protection departments with poverty a directly contributing factor to childhood neglect. Barnardos delivers services in many areas with significant Aboriginal populations, including the Central Western and South Coast regions of NSW, and Inner and Outer Western Sydney. Barnardos has worked with children, young people and families to break the cycle of disadvantage and create safe, nurturing and stable homes, for almost hundred years.

Introduction

Barnardos submission to the Inquiry into the extent and nature of poverty in Australia is focused on children. Specifically, the impact of the extent and nature of poverty as a direct causal factor of child abuse and neglect, which brings children to the attention of statutory child protection systems in Australia and increases risk of children being separated from their family and entering out-of-home care (OOHC). Barnardos extensive experience in child protection clearly indicates that the families of children at risk of entering OOHC are among those most adversely impacted by poverty, material deprivation, and economic (including housing) disadvantage. Children in foster care, whilst placed into OOHC for factors related to abuse and neglect, are predominantly from impoverished families. When placed into foster care, children's chances of successful restoration to family can be adversely impacted by parental poverty, with potential future adult economic and social outcomes further diminished as a direct result of growing up in care.

Robust and long-standing evidence exists of the links between severe poverty, rates of child abuse and neglect, and risk of placement into OOHC (Bywaters et al., 2002; Bywaters et al., 2016; White-Wolfe et al. 2021). Recent research has also further evidenced adverse life outcomes for children in OOHC (Sacker et al., 2022; Sariaslan et al., 2021). Yet despite decades of State and Territory reform, numerous Australian child protection inquiries with consistent findings (Urbis 2020), and the establishment of National Child Protection Frameworks, we continue to fail to protect Australian children from the impact of material hardship. Australia must support our children better by providing integrated services for families to be supported by community and social networks, thereby reducing the risk of significant harm and consequent child protection reporting and entry into OOHC.

This Submission focusses specifically on Terms of Reference (c), (d) and (f) of the Inquiry in relation to children. It concludes with suggested strategies to address the impact of economic deprivation and cumulative disadvantage on children and families who are at risk of being reported to, and already in contact with, child protection and OOHC systems. These strategies include increasing income support payments, coupled with significantly prioritised funding for the establishment of co-located integrated services nationwide, specifically targeting lower socio-economic areas and parents living in poverty. This could be achieved by Australian Government funding for the scaling up of evidence-based Children's Family Centres nationwide, to enable joined-up and integrated service responses to practically

reduce service fragmentation and gaps currently experienced by impoverished families. Strong investment in renewed social housing to boost accommodation security thereby alleviating poverty is a further essential strategy.

Poverty, children, and risk - employment, housing, health and education (ToR c)

Poverty increases risk of entry to OOHC and challenges restoration to family

Substantial new international evidence demonstrates that family poverty and increasing inequality are key drivers of harm to children. Poverty and economic disadvantage alone, without any other factors, have been shown to have a contributory causal relationship to rates of child abuse and neglect (Bywaters et al., 2016; Bywaters et al., 2022). Severe and persistent poverty, rather than low income and temporary difficulties, are particularly damaging to children's safety and their developmental trajectories (Bywaters et al, 2022). Geographic and social isolation combined amplifies the risk of children's exposure to these harmful effects. Analysis of NSW Department of Communities and Justice (DCJ) District profile data shows increases in rates of 'risk of significant harm' reports (including numbers of children seen for child protection assessment by DCJ caseworkers) and elevated rates of domestic assault, for families living in the most economically disadvantaged rural and remote NSW DCJ District (Far West NSW), which notably in 2019-2020 was also ranked first amongst DCJ districts on all three of these indicators.¹

Community poverty impacts the rates of children entering foster care (White-Wolfe et al. 2021), and once having entered care, compounds the difficulty for parents of their children being safely restored home (D'Andrade, 2021). Previous research has demonstrated that parental income was the most critical variable related to foster care placement (Lindsay, 1991; Pelton, 2014). Once children have entered OOHC, poverty obstructs parents' efforts to have their children returned home due to the inadequate resources available to parents for finding secure and affordable housing and adequate transportation, and conflicts between service attendance and work, meaning that for these parents the permanent loss of their children as a result of factors related to poverty is a reality (D'Andrade, 2021).

Children who are placed in OOHC for *any* period of time are consistently reported to have poorer functioning in socio-economic circumstances, family formation and relationships, and living arrangements in later life (Sacker et al, 2022) and face 1.4 to 5 times the risk of adverse social and health outcomes in adulthood (Sariaslan et al. 2022). The most adverse outcomes were observed for children with a history of residential care followed by placement with unrelated adults in foster care (Sacker et al. 2022).

Despite efforts within child protection systems aimed at supporting restoration of children who enter OOHC, these are frequently adversely impacted for those families living in poverty. For example, for families engaged with Barnardos ACT OOHC services, efforts to restore children and young people to parental care, even with family support services in place, are greatly complicated by insecure and inadequate housing and overwhelming

¹ *Children, young people and families by NSW DCJ District 2017-2018 to 2019-2020* (Unpublished table available on request)

financial stresses on parents caused by low income. Our practitioners work with many mothers and children escaping domestic and family violence who find themselves unable to access appropriate public housing, due to lack of availability of larger properties suitable for a family. Further, a crisis in the accessibility of private rental properties in the ACT makes this option both unavailable and unaffordable to many families. As such, overcrowding and a lack of appropriate and safe housing are significant barriers for parents seeking restoration of children.

Families who are in contact with child protection systems frequently face stressful daily dilemmas such as whether they should purchase school uniforms and classroom equipment at the expense of purchasing adequate food, paying the rent, and buying essential medications - with unavoidable consequences for children in not having their basic needs met and potentially triggering further risk of harm notifications. Managing large expenses, which are commonly required when children are transitioning to high school for example, can be enormously challenging for these families and directly cause the need for crisis intervention.

These omnipresent financial and housing strains for poor families are often shared by the extended kinship networks such as grandparents and other relatives who are typically also living in impoverished neighborhoods and circumstances, and require material aid and support from Barnardos in order to be able to support and provide adequate care for their children. To alleviate financial stress, Barnardos links families and kin to services that can help write off outstanding debts, develop budgets and payment plans, and provide material aid to address basic food, safety and health needs. For example, to reduce severe overcrowding Barnardos provided a caravan to function as an additional bedroom to enable a young person to live safely with a family member, in order to safely finish High School.

Access to other services and support which mitigate risk for children, such as attendance at child care, is compromised for disadvantaged families. It is widely accepted that quality care can support child development, particularly for vulnerable children. The recent 2022 evaluation published by the Australian Institute of Family Studies of the federal Government's 'Child Care Package' introduced in 2018 to restructure financial support to child care, with a specific focus on low and middle income families, found that the positive impact for low income families specifically was minimal (Bray et al., 2022). Despite the policy intent, the evaluation found that certain groups of vulnerable children including Aboriginal and Torres Strait Islander children, children from low-income families, and families reliant on income support, demonstrated lower participation in child care when compared to the wider community.

Integrating support for vulnerable families can directly alleviate poverty

Barnardos' Children's Family Centres (CFCs) provide community-embedded, individualised support for children and their families who are impacted by severe poverty; substance abuse; domestic, family and sexual violence; homelessness; and mental illness - factors which exacerbate risk to the safety and wellbeing of children. Barnardos' Children's Family Centres operate under an evidence-based, integrated, holistic service delivery hub model via which families can access a range of non-stigmatising services and programs 'under one roof'.

Families accessing Barnardos CFCs are generally known to statutory child protection as a result of child abuse reporting, however, have not been 'allocated' for investigation due to competing demands. These families have lived experiences of deep and entrenched poverty, domestic and family violence, substance misuse and often undiagnosed mental health conditions exacerbated by social isolation and substandard housing. By narrowly focusing on parental behaviours, without recognition of the ongoing impact of poverty and violence, child protection workers make decisions that often lead to removal of children into OOHC, while the family's material deprivation and experiences of family violence are rendered invisible and consequently not addressed (Benneth et al., 2020). Social isolation further amplifies family problems and coupled with often unrealistic and changing expectations of child protection systems, estranges poor families from engagement with services and consequently reduces their chances of avoiding having a child removed (Keddell et al., 2021).

Economic modelling clearly shows the scale of economic and social cost to the community of future welfare costs, when the direct impact of poverty on children is not addressed (Taylor Fry, 2018):

- for children aged 0-5 costs are 1.4 times higher than those of a comparison at a total estimated future cost of \$40 billion (or \$23 billion additional costs to the community).
- for vulnerable young adolescents costs are 1.8 times higher at a total estimated future cost of \$25 billion (or \$14 billion additional costs to the community).
- for vulnerable young people transitioning to adulthood costs are 2.0 times higher at a total estimated \$11.5 billion in future costs (or \$7.1 billion additional costs to the community).

Individual tailored responses that build community and social networks, based on consistent and realistic goals designed to engage families and available 'under one roof', are essential for breaking the cycle of poverty, violence and harm to children. Barnardos' deep experience in the benefits of delivering evidence-based interventions that are effective for families living in ongoing poor circumstances and poverty are outlined below.

Demographics and specific communities (ToR d)

Aboriginal children

The difficulties of escaping entrenched poverty are amplified for Aboriginal children, who are overrepresented both in reporting rates to statutory child protection and in OOHC, because of the heavy impact on Aboriginal families of intergenerational trauma, violence, institutionalized racism, and lack of health care and other services. Expanded support for culturally safe services and in particular to Aboriginal Community Controlled Organisations to respond with Aboriginal led solutions for children who are at risk of entry to care, or who have been removed from their families and communities and Country, is therefore essential.

Kinship carers

Kinship care placements in OOHC, where children who cannot return home to live with their parents are placed in the care of extended family (frequently grandparents) or non-family

member in their extended network, have risen steadily for the last decade and are widely recognised as the fastest growing type of OOHC (Macnamara & Mitchell, 2022). Research evidence shows that kinship care whilst maintaining continuity and birth family links, is also associated with carer stress and financial difficulties in kinship families (Taylor, 2020). Barnardos direct and ongoing experience is that kinship carers whether through statutory child protection, family law proceedings or informal, are more likely to be experiencing significant financial hardship than the general community. Consequently, children as well as the adults caring for them are likely to continue to suffer the ongoing impact of poverty and economic disadvantage.

Mechanisms to address and reduce poverty (ToR f)

Research shows that extreme disadvantage is multilayered and highly concentrated in a small and disproportionate number of communities in each state and territory (Tanton et al., 2021). An effective and evidence based means to disrupt this intergenerational cycle of disadvantage in these communities is to prioritise and invest in targeted hubs in communities and geographical area where poverty and disadvantage is predominant. Barnardos Children's Family Centres are an evidence based example of effective integrated service delivery resulting in strengthened engagement with children and families, leading to enhanced basic material needs via access to support and resources, providing concrete assistance whilst simultaneously addressing the multiple underlying issues of impoverished families that also impact on parenting capacity.

Income support policies that reduce the depth of persistence of poverty should be a national priority to reduce harm to children from child abuse and neglect, and lower the number of Australian children entering care. Increased investment in social housing and other strategies aimed at reducing pressure on housing availability and affordability are also urgently required.

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