Australian social policy research currently lacks a clear understanding of the nature of poverty, deprivation and social exclusion and how they are related. Until now, research has typically focused on using people’s incomes as a proxy for deprivation by measuring the numbers of people whose incomes fall below a ‘poverty line’ (ACOSS, 2003; Harding, Lloyd and Greenwell, 2001; Saunders, 2003a). However, the lack of agreement about how and where to set a poverty line has undermined its credibility (The Australian Government Department of Family and Community Services, FaCS, 2003; Saunders, 2003b) and as a result, poverty research has become disconnected from the actual experiences and living standards of poor people (Peel, 2003).

In order to restore Australia’s leading position in international poverty research it is essential to develop a new evidence base that recognises the complex factors that constitute the different (but overlapping) dimensions of poverty. This involves examining the different constituents of living standards, yet despite the internationally acknowledged advantages of this approach, no comprehensive national study of this kind has been attempted in Australia. Until such information is available to strengthen the connections between poverty and the realities of exclusion and deprivation it will not be possible to develop effective policies to eradicate poverty.

The research reported here forms the first stage of a project designed to develop new indicators of disadvantage for Australia in the new millennium. A major motivation for the project is to respond to the criticism that has been levelled at poverty lines by building a new approach based on the knowledge and insights provided by those who are living in poverty, and on community understanding of the necessities that all Australians should have access to. The goal is to develop a concept that captures those aspects that define poverty in the minds of those who experience it, thereby giving greater credibility to the instruments that are produced.

The project is funded by a two-year Linkage grant awarded by the Australian Research Council, with the Australian Council of Social

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The views expressed in this Newsletter, as in any of the Centre’s publications, do not represent any official position of the Centre. The SPRC Newsletter and all other SPRC publications present the views and research findings of the individual authors, with the aim of promoting the development of ideas and discussion about major concerns in social policy and social welfare.
It seems to me that there is a new industry developing in Australia and around the world - developing indicators of child wellbeing (or alternatively Outcomes Frameworks; Key or Headline Indicators and a host of other names). Although statistics about children and families are not new, the outcomes indicator movement is a relatively new phenomenon, and the indicators are being used for a much wider range of purposes. The basic idea is that secondary data sources such as census data, administrative data (hospital separations, referrals to child protection services, school attendance registers) is collated and analysed to provide a comprehensive picture of the lives of children and how their outcomes in various domains are changing over time, or how they compare with other countries.

In recent months we have seen the Australian Institute of Health and Welfare produce A Picture of Australia’s Children followed swiftly by Stanley, Prior and Richardson’s Children of a Lucky Country? and then the Brotherhood of Saint Laurence’s The Brotherhood’s Social Barometer (Scutella and Smyth, 2005). SPRC itself has developed a number of outcomes frameworks (Families First and Better Futures for NSW DoCS; Stronger Families and Communities Strategy for FaCSIA), and are bidding for a number of other projects involving the development of outcomes frameworks themselves. I have attended a number of conferences in the past year which focused on developing better datasets to measure outcomes for children. The Australian Research Alliance for Children and Youth includes the development of better data sets as one of its major programs.

This is not only an Australian phenomenon. In the UK there is a major reorganisation of children services (billed as Every Child Matters after the eponymous Green Paper) which uses an outcomes framework as one of its central tools (www.dfes.gov.uk/everychildmatters). In the USA the Forum on Child Statistics annually produces America’s Children: Key National Indicators of Well-Being (available at http://childstats.gov/americaschildren/index.asp). There is a strong feeling that Australia is behind the rest of the developed world in this respect, and that the development of detailed comprehensive ‘linked’ data sets

Several years ago, when working for an NGO in the UK, I was part of a delegation which lobbied the then minister responsible for children’s services to institute a wellbeing index. So this movement has been building up over a long period.

All this activity around developing indicators has a very benign purpose - to help policy makers better understand the condition of children and respond appropriately to improve the lives of children, especially disadvantaged or vulnerable children. Outcomes frameworks are also used for planning purposes and for monitoring the performance of various services with a view to improving policies and interventions, making them more efficient, effective and economic.

So we should all welcome these developments, and should applaud the technical and methodological changes which enable increasingly sophisticated data to be produced and analysed. It would be churlish and rather perverse not to want better data about children, so that services better respond to the needs of children and so that it can be demonstrated how well Australia’s children are doing in relation to other developed countries. From a researcher’s point of view, developing outcome indicators is an interesting and challenging activity, and one in which one can easily see the ultimate benefits. I have often been disappointed and even shocked by the lack of reliable data relating to children and families in Australia, and the pusillanimous attitude of many public bodies with regard to putting data into the public domain (often hiding behind excuses such as privacy concerns, reluctance to stigmatise communities etc).

However, whenever I consider these outcomes frameworks, or am involved in developing a new one, there is always part of me that has misgivings. Although the stated purposes of these frameworks are benign, as are the motives of those NGOs and academics calling for better outcomes frameworks, there is, I believe, a ‘dark side’ to measuring outcomes which is not often recognised.

Firstly there are a number of assumptions underpinning outcomes frameworks which are seldom acknowledged, but which need to be unpacked in order to understand their significance. The first is the assumption that outcomes are uncontroversial and that everybody agrees on them. And of course it is hard to argue against better educational attainment, improved health, more exercise, fewer referrals into the child protection system and lower involvement in crime and anti social behaviour. But the notion that the measured outcomes are good for everyone obscures issues for different sectors of the population. It is rare, for instance, that outcomes such as ‘spiritual enlightenment’ are ever incorporated into these frameworks - because only a small sector of the population considers spirituality to be an important characteristic (and it would be diabolically difficult to measure). But for some people it is vitally important. So the idea that all children could or should aspire to the same set of outcomes turns out to be deeply conservative.

Another contentious area is the definition of ‘poverty’ - which my colleague Peter Saunders has written so eloquently about. Although it is universally accepted that living in poverty is bad for children, how poverty is defined and

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operationalised is a matter of intense debate and furious contention, and, not surprisingly, advocates for different definitions happen to stand on different sides of the ideological divide, although most of these arguments are couched as scientific rather than ideological debates.

A second difficulty for me is that outcome indicators are part of a general move towards public services being managed as businesses. Outcomes frameworks can be used to better understand how society is changing, but generally they are used to measure the effectiveness of this or that agency or program. Although it is obviously important that public servants (and indeed academics) should be accountable for their actions, and should not spend public money irresponsibly, it is still rather strange for me to consider public services as businesses whose primary aim is to improve their rate of outputs and outcomes. Sometimes this way of thinking can produce perverse incentives which can actually be harmful. For example creating the incentive of improving educational achievement or school readiness can lead to programs focusing not on the most disadvantaged, but on those whose school readiness is most likely to improve as a result of the intervention - typically children just below the average.

Another issue is that most outcomes frameworks, by definition, are based on the idea of children as future citizens, and the outcomes are not really about their current wellbeing (having fun, happiness, enjoying life etc are not generally measured) but are part of the tendency for us to view children as productive workers in the making (and parents as producers of future citizens).

But the biggest problem I have with outcomes frameworks is that the preoccupation with developing frameworks and measurement of children seems often to be a distraction from concerns about children themselves. Something must be wrong in a society in which NGOs campaign for better data rather than for better lives for disadvantaged children. The old adage ‘you are just a statistic’ - meaning you are not really worth anything, has been turned on its head. Unless you are a statistic now, you don’t really exist. This is not to blame the NGOs or even the governments. They are simply reflecting changes in the way society sees itself and the forces which drive policy. Arguments based on values or justice are much less salient than arguments based on ‘science’ - and arguments based on numbers are easily defined as ‘scientific’, especially when there are dollar signs attached to those numbers.

Another example of these trends is provided by the two recent visitors to Australia from the USA - James Heckman and Jack Shonkoff. Both are very distinguished academics who are strong advocates of early intervention. I will save my comments on their actual arguments regarding early intervention later, but one of the most fascinating elements of both their talks is the idea that ‘new’ developments in science and economics lead logically to the conclusion that early intervention is good public policy. Shonkoff in particular is rather apologetic about the involvement of ‘hard nosed’ science and economics in what was previously the domain of social workers, paediatricians, early education specialists, volunteers and philanthropists - he appears to believe that science and economics (and, incidentally, scientists and economists) should be used to bolster what is really a moral argument about the importance of children and families. Heckman's argument is more pragmatic - having previously found that job training and welfare to work are largely ineffective ways of improving the quality of the workforce, and that there are some very effective early intervention programs, he has concluded that the best way of improving the quality of the future workforce is through early intervention. Andrew Leigh, an Australian based economist put forward a strong case in the Sydney Morning Herald in favour of Heckman’s thesis, and advocated powerfully for Australian randomised control trials to find out what works in early intervention.

But Heckman, Shonkoff and all the rest of us know that ultimately these decisions are not scientific, but are based on beliefs and judgements. Scratch the surface of these ‘scientific’ arguments and you will find glaring inconsistencies with a touch of eugenics thrown in. For example, the oft quoted finding that there is a 17:1 cost benefit ratio for early intervention (Based on one study, the Perry Preschool program), even if it is globally valid, does not apply to all children. Children with disabilities rely on services throughout their lives, no matter what early interventions they receive. Children in remote communities are much more expensive to serve than urban children on whom these calculations have been made. Are we to conclude that programs should only be targeted at children who have the potential to give us a return of 17:1? Of course not! We provide services to children with disabilities and children in remote communities because they have needs which we believe the state should address.

So we are left with this dilemma: On the one hand to provide services on the basis of need and want, which could lead to a lot of money being spent ineffectively, or to spend large amounts on research and data collection, and wait another twenty years until we know ‘what works’ before committing fully to early intervention - neither of which are particularly attractive propositions. What is likely to actually happen is a continuation of the current policy process - i.e. that policy in the early years (as in most other spheres) will continue to be developed by a combination of political expediency, ideology, economics, lobbying, and…… research evidence.
services (ACOSS), the Brotherhood of St Laurence, Mission Australia and Anglicare (Diocese of Sydney) as Industry Partners. This important collaboration reflects the need to connect research with practical experience and provides a vehicle for making contact with people who are using different kinds of welfare services.

FOCUS GROUP METHODOLOGY

The first stage of the study was conducted over a three-month period, between May and July 2005 and involved a total of 13 focus group discussions with clients from selected welfare programs in New South Wales and Victoria. The discussions were designed to investigate how families experience and cope with low income, exclusion and deprivation, and to identify the pathways into exclusion and the barriers experienced once there.

Of the 13 discussion groups, ten were held with clients and three with staff working in welfare agencies - the latter providing additional information on the issues identified by the agency clients as well as validating the views expressed. Participants were asked about their views of what constitutes being disadvantaged and the components of a decent standard of living in contemporary Australian society, and to provide feedback on the usefulness of some of the questions already used in national surveys to identify aspects of hardship and financial stress. This article focuses on the first issue only, with the second being used to develop questions for a survey that will be conducted later in 2006.

In order to provide a framework for the focus group discussions, the different components of a decent standard of living were separated into a small number of domains that relate to everyday experience. The following discussion is organised around these domains, although the discussions highlighted several areas where the domains themselves could be specified better, and these ideas are currently being developed as part of the on-going research.

FINANCIAL RESOURCES

Not surprisingly, many low-income Australians felt that inadequate financial resources, or shortage of money prevented them from achieving a decent standard of living. Lack of financial resources reduced choices and opportunities in life and led to a range of interconnecting problems including poor housing, limited access to health services, lower levels of nutrition, reduced social participation, poorer educational outcomes and reduced employment opportunities. Money was always at the forefront of peoples minds as they juggled what they had in order to make it stretch to cover all that they needed.

Affordability emerged as a constant theme and a significant cause of people missing out on decent housing, health care and social participation, so that it was not just income that mattered but how much things cost: tax and pricing policies (‘user pays’) were thus as important as income support. This meant that many people had to make difficult choices between items that were seen as essential for a decent life because their money would not cover all basic necessities. For some this meant missing out on food, and for others this meant missing out on decent housing or not being able to pay the bills.

However, despite the importance of financial resources, many felt that this should not be the central focus of discussion and made it clear that improved access to financial resources would not automatically have a flow-on effect to an improved standard of living, reinforcing the notion that poverty is multidimensional and extends beyond the parameters of income and income related measures.

EMPLOYMENT

Whilst all groups identified employment as a key pathway out of poverty, many agreed that decent employment was about more than just income, but also covered job satisfaction and opportunities for progression. Many had limited experience in long-term paid employment but agreed that jobs also had to be stable and safe. Improved workplace conditions and greater levels of job security were often as important as income itself.

Problems attributed to poor education and limited work experience also meant that many were exposed to low wages and poor employment conditions, which caused them to miss out on a decent standard of living. Many said that they faced major financial disincentives when accessing paid employment, as the transfer from welfare to employment often resulted in a loss of concessions that were tied to benefit receipt.

EDUCATION

Poor education was the underlying cause of their poverty for many, and one of the key reasons people were unable to access decent employment, housing and healthcare. It was felt that poor education was a key indicator of exclusion, and one of the most significant barriers limiting choices and opportunities. Most considered a formal education to be important, with basic reading, writing and mathematical skills seen as imperative. Access to technology such as a computer and the Internet was seen as a key indicator of educational success within Australia, but the high costs of accessing these had caused many to miss out. The migrant and refugee participants, who had little experience with this technology,
also felt that poor computer literacy skills further excluded people from succeeding in the Australian education system. Apprenticeships and traineeships were also seen to offer a key pathway out of poverty through the combined provision of paid employment and training.

In terms of an informal education, learning general life skills such as basic cooking, cleaning, personal hygiene and budgeting skills were all important. However, many felt they had missed out on these skills because the schooling system did not offer this type of education. Young people in particular felt that very little attention is actually placed on identifying the types of skills they need, or where they can go to learn them.

HEALTH

Affordable healthcare was a key issue that emerged from all groups, with access to free or subsidised services through bulk billing and a healthcare card considered essential for people on low-income. Many participants indicated that the high costs of prescriptions and medication were a significant problem, whilst others reported that they had to forgo major dental work because they could not afford it. The affordability of dental care was a pressing issue, and many had waited years to access appropriate services. They felt that poor dental health had a negative flow-on effect to many other areas such as reduced employment prospects and poor self-esteem.

Inadequate access to services and information created problems associated with lengthy waiting lists, while language barriers caused many to miss out on appropriate healthcare. Many of the younger participants mentioned the importance of having access to appropriate and relevant sexual health information and services – an area they felt they had been excluded from.

Participants also felt that nutritious and healthy food was important for a decent standard of living but problems associated with affordability and poor budgeting and cooking skills had prevented many from accessing a suitable and appropriate diet. Some felt that conflicting information about which foods should be considered ‘healthy’ was a problem, whilst others thought that the under-resourcing of welfare agencies had caused people to miss out on decent food and nutrition.

HOUSING

The high costs of rental properties forced many to make difficult choices between marginalised housing conditions, or paying large sums on rent and consequently missing out in other areas of their lives. Poor housing conditions were another common theme and a key area where participants felt they were missing out on a decent standard of living. Limited housing options was a further problem, as many felt that the opportunities they had available to them were neither suitable nor appropriate. This was especially significant for people with disabilities requiring wheelchair access and people with large families requiring more bedrooms.

Public housing waiting lists and strict accessibility criteria were major problems and many felt that the actual process of allocating housing frequently ignored the individual person and their needs. Within private housing, participants felt that the importance of providing a good rental history and quality references was particularly problematic and had excluded many from accessing appropriate housing, while others felt they had missed out because of discrimination based on their age, race and the fact they were unemployed. Many complained about the degrading treatment they had to endure when dealing with public housing authorities.

LOCATION AND TRANSPORT

Throughout the discussion on housing it became clear that location had a significant impact on one’s overall standard of living. Living in a location that was close to support networks such as family and friends was especially important, as was access to local services, facilities and amenities such as hospitals, schools and employment.

Within the location, accessible transport was seen to be especially important, particularly for people living in rural and remote areas. For many, adequate public transport was considered sufficient but for others private transportation was essential, but the high costs incurred from using taxi services or obtaining a licence and vehicle had excluded many. Overall, participants felt that a lack of adequate transport facilities was a constant problem that caused people to miss out in many areas of their lives.

SOCIAL AND RECREATIONAL PARTICIPATION

Affordable social and recreational opportunities were seen as essential, especially for families with children. Problems attributed to affordability were seen to exclude many from meeting new people and making new friends and as a consequence those who could not afford such opportunities were at risk of becoming socially isolated and depressed, with flow-on effects on self-esteem and hope for the future. Participants also identified knowledge and awareness of available opportunities as a major issue and a significant problem that prevented people from social and civic participation.

Many of the young participants felt that consultation was essential
for social and civic engagement, but a lack of respect and acceptance of the opinions of young people stopped them expressing their opinions and having them heard. Political involvement was also seen as important, with participants agreeing that awareness of rights and entitlements was essential for a decent standard of living.

CARE AND SUPPORT

It was agreed by all participants that care and support in all facets of life - mental, psychological, physical, emotional and social - were essential for a decent standard of living. Support services that are accessible within the local community were seen to be especially important, but many felt that strict accessibility criteria and the skills and attitudes of staff within support agencies had been a significant barrier to access. Some also felt that the stigma associated with poverty had prevented some from accessing the support services they needed.

It was suggested that a supportive family was equally important for ascertaining decent care and support, although ideas of what constitutes a ‘family’ differed, with some migrants arguing that it was important for the family to be seen as blood-related and united, as defined in a specific social and cultural context. Separation and divorce, mental health and drug and alcohol related issues, ageing and death and prison were the most commonly identified problems that caused family fragmentation that prevented people from receiving decent care and support from their families when they needed it.

CONCLUSIONS

The focus group discussions provide a unique and revealing insight into what it means to be missing out on the growing prosperity that many others take for granted. The numbers involved are too small to allow any generalisations from the discussions, but that was not their intention; rather, the aim was to explore what kinds of things lead to people missing out in specific situations, and how they cope with this.

One thing that is apparent is that low-income Australians experience a diverse range of problems, may of them a direct result of lack of income, others reflecting more deep-seated problems. In the midst of one of the richest countries on the planet, many are still ‘doing it tough’ and are forced to make hard choices between items that constitute a basic standard of living.

Lack of affordability was a constant theme across all domains and this forced many to make invidious choices: between a decent home or enough for an adequate diet; between keeping in touch with others or paying too much on transport; between paying to see a doctor or giving the kids a special treat; between having one’s teeth treated and fixing that leaking tap in the bathroom; between complaining or having to queue endlessly and be treated with a lack of respect and dignity.

The people we spoke with did not demand the earth, and were aware of their own limitations and misjudgements. Their desires for a decent life for themselves and their children seem to conform to what others expect (although this issue will be taken up in the second half of the project). The expressed needs of low-income Australians are often modest and it is not beyond our capacity as a society to help them to be achieved through a range of policies and programs.

(Note: A report describing this research and its findings in greater detail is now available on the SPRC and collaborating agencies’ websites).

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...low income Australians experience a diverse range of problems, many of them a direct result of lack of income, others reflecting more deep seated problems.”
On the 5 January 2006, a piece of simple news from Xinhua, Chinese official news agency, may mean that the situation of hundreds of thousands of Chinese orphans will be improved in the near future.

Li Liguo, China’s Vice Minister of Civil Affairs in the People’s Republic of China, reported to mass media that the Ministry of Civil Affairs (MCA), are currently improving social assistance to orphaned children, including providing orphans life subsistence cost no lower than the local average, building and restructuring orphan-adoption facilities and offering more financial assistance for orphans’ education, medical treatment, employment and lodging.

The decision of the MCA is in part a response to research conducted by Xiaoyuan Shang and Peter Saunders in the Australian Research Council project ‘The Extent and Cost of Foster Care of Orphans in Rural China’ that is receiving financial and non-financial support from Save the Children (UK) as Industry Partner, as well as in-kind assistance and support from the Ministry of Civil Affairs and Beijing Normal University.

According to a survey conducted as part of the project in April 2005, the total number of orphans (defined as parentless children) in China is 573,000. The number of orphans in rural areas far exceeds that of the cities, totaling 490,000, which accounts for 86.3 per cent of all orphans. In provinces with large populations such as Henan and Shandong, the rural orphans account for more than 95 per cent of the total.

**EXTREME POVERTY AMONG CHINESE RURAL ORPHANS**

The research also found that many rural orphans are living in poverty. Among these orphans, 293,000 obtain aid from the state, among whom, 53,000 obtain urban low-income subsidies, and 241,000 receive aid for the extreme rural poor. However, about 202,000 (35.2 per cent) orphans receive no regular systematic assistance country wide, with the most problematic region being Henan province, where almost two-thirds (64 per cent) of orphans receive no assistance. The rate is more than 50 per cent in Qinghai and Anhui province. Across the country, about 370,000 orphans receive various forms of assistance, which accounts for about 64.8 per cent of the total that obtain support.

The research team calculated costs of children in foster care using a ‘budget standard’ method, which developed in Australia and other Western countries. Application of the approach using focus groups indicated that in Funan county in Anhui province, it normally costs between RMB 2995 and RMB 3785 (AUS $507 to AUS $641) a year to raise a child. However, the assistance for rural orphans is very low and cannot cover the normal needs of an orphan. Even the maximum cannot cover one quarter of a normal child’s living expenses and in most places not even one tenth, so the assistance is only symbolic. If we include the orphans who receive only symbolic help, the orphans who need assistance would account for 55 per cent of the orphan population.

**ALTERNATIVE CARE**

Orphans not only need financial support, but also foster care to survive and grow up. About 69,000 (12 per cent) orphans in China live in child welfare institutions or senior homes. The vast majority are cared for by their relatives, consisting of about 450,000, accounting for 78.5 per cent of the total. Less than one per cent are cared for by private charities, and 8.7 per cent live in unrelated families or receive other forms of care giving.

Among the families the research team have surveyed, it is not uncommon to see older people in their 70s caring for grandchildren. The oldest the team has encountered was a 91-year old, taking care of her great grand daughter. Indeed, both of them required help!

Once some orphans live in their relatives’ homes, because of the increased house chores and financial burden on their host families it sometimes triggers conflict among the family members, most commonly between the spouses. In this kind of circumstance, it is very hard for the foster children to grow up in a healthy environment. In extreme cases, it has even happened that the children were abused by their relatives.

In addition, in families with very few relatives, some rural orphans have no steady carers, consequently they live alone. In our survey in Mouyu county, Xinjiang, the research team saw some Uygur orphans who have no steady carers even 3-4 years after they lost their parents. The younger ones eat within different neighborhoods in the village and live alone in the houses left by their parents. The
On the beautiful Sydney evening of 14 October, over 65 people attended a dinner held in the Scientia Building at UNSW to celebrate the 25th anniversary of SPRC. A very distinguished list of attendees included past and current members of staff, postgraduate students, academics, practitioners and senior Commonwealth and State policy makers. The event was made possible by a grant from UNSW Vice-Chancellor Professor Mark Wainwright, who was unfortunately unable to attend due to a last minute commitment.

Those who were able to come included former Minister for Social Security Brian Howe (whose speech is reprinted on the following page), founding SPRC Director Adam Graycar, past and current Directors of the Australian Institute of Family Studies (David Stanton and Alan Hayes, respectively), and the previous and current Commonwealth Public Service Commissioners (Andrew Podger and Lynelle Briggs).

Guests heard speeches from Adam Graycar and Brian Howe and were entertained by the harmonious musical and subtle and ironic humour of The Spooky Men’s Chorale, as well as by several impromptu recollections from (slightly inebriated) participants.

The occasion provided an opportunity for the many friends and supporters of the SPRC to reflect on a quarter century of achievement that will hopefully be the first of many.

In attendance were:

- Current staff: Sol Encel, Bettina Cass, Tony Eardley, Kristy Muir, Duncan Aldridge, Megan Griffiths, Cathy Thomson, Xiaoyuan Shang, Natasha Cottis, Peter Saunders, Christiane Purcal, Bruce Bradbury, Peter Siminski and Ilan Katz.

- Previous staff/PhD students: Michael Bittman, Sheila Shaver, Viv Milligan, Mary-Anne O’Loughlan, Diana Encel, Adam Graycar, Michael Fine, Alan Morris, George Matheson, Sharon Burke, Roger Patulny, Kate Norris, Lyn Sitsky, Nick Turnbull, Ariadne Vromen, Amanda Elliot and Gaby Ramia.

Gordon Brown may have overstated it when he described recent global economic changes as 'the most the most dramatic restructuring of global economic activity since the industrial revolution' but true or not, economic changes in Australia over the past two decades have been ongoing and dramatic. The internationalisation of the Australian economy has had impacts across the nation affecting people everywhere and in all walks of life. Economic change has been accompanied by rapid technological change requiring older people such as myself to master a whole range of essential new technologies including ATM banking, the internet and DVD’s, dramatically influencing social behaviour in ways which Michael Bittman is more qualified than myself to comment.

However, apart from changes driven by economics and technology, younger people especially are choosing to live their lives in very different ways than their parents. Many of these changes have been particularly pronounced over the past twenty-five years making the decision in 1980 of the Fraser government and Minister Margaret Guilfoyle to create the Social Policy Research Centre very timely.

Hugh Collins has described Australian politics as an exercise in ‘Benthamite pragmatism’. The Centre over its twenty-five years has been able to test the truth of this proposition. Both major parties have been in government for roughly equal periods over the life of the Centre and have had ample opportunities to promote policy change. The Centre, for its part, has had its share of opportunities to either influence or evaluate policy shifts during that period. I especially recall the work that the Social Policy Research Centre undertook in the early 1980s on equivalence scales and the adequacy of child payments. This work carried out by Peter Whiteford in concert with Professor Cass’s comprehensive review of the Australian Social Security system certainly influenced the level of social security payments for low income parents and provided a platform on which further improvements have been made by successive governments. On the other hand our government’s shift to embrace ‘active society’ type changes in pensions and benefits for people of workforce age was critically scrutinized by Social Policy Research Centre Director Professor Peter Saunders who, with his staff, have remained ever vigilant about evaluating changes in social security entitlements especially for people of workforce age.

The Social Policy Research Centre has also maintained and updated the Henderson poverty line for more than three decades, ensuring it retained Professor Henderson’s emphasis on an austere line but one that measured relative inequality in the distribution of incomes. Peter Saunders and the Centre, not just in the area of income security, but across all its work, have always seen the issue of inequality as at the centre of its concerns and this has enabled it to integrate what has become a massive and ongoing research contribution.

Australians have been more than willing to ignore poverty in
the midst of affluence. Ian Manning has often remarked that calling for tax cuts is virtually asking society to rob the poor. Professor Wilfred Prest, born in York, educated in Leeds and influenced by the Seebohm Rowntree tradition, was shocked on his arrival in 1940s Australia to take up his Chair in Economics at Melbourne University to find that we had made no survey of poverty. He with Dick Downing carried out a survey of income and housing in Melbourne that unfortunately was never comprehensively published. Professor Henderson, a student of Keynes and Denis Robertson, more successfully surveyed poverty in Melbourne and went on to research poverty in Australia but sadly with little impact on government.

The SPRC has continued in the tradition of Rowntree, Prest and Henderson in seeking through its own research and its biannual conferences to promote rigorous standards for research in social policy in Australia. SPRC interests have been important in evaluating macro issues of policy such as income security, taxation, demographic trends and the changing character of the Australian welfare state. On the other hand the Centre has also worked at the micro level evaluating services in many fields and resulting in improved service development. All of this research has been published, contributing to the gradual development of social policy as an academic discipline in Australia. The biennial conference is now a major event in the calendar of all serious students of social policy in Australia and draws many experts from overseas.

On the first day that I was appointed the Minister of Social Security in 1984, I attended a seminar at ANU along with officers from the then Development Division of the Department of Social Security. At this seminar Alan Jordan advised me that most of the expertise on social security in Australia was in this section of the Department. The SPRC has done much to broaden and deepen our expertise in social security and related matters so that Alan’s remark would not be true today.

The challenge facing social policy in Australia at a time of rapid economic and social change is to develop the ability to identify major themes from the mass of data and information available, that suggest the need for change as well as the most important considerations in fresh approaches to policy. Sheila Shaver’s work on gender and structural change and the need for policy reform (O’Connor, Orloff and Shaver, States Markets and Families) has been one such example in a society now well past the ‘wage earner’s welfare state’ but still wondering how far it is prepared to embrace gender equity. Peter Saunders has provided strong leadership at the SPRC that has encouraged rigour in research above all else. It is very important for governments representing different politics to be told the truth, or at least as far as you are able to ascertain, the direction the evidence is leading. The SPRC under Peter’s leadership has never moved away from an emphasis on what has come to be called ‘evidence based policy’. In his address to the SPRC conferences this year Saunders discussed the definition of social policy developed by Richard Titmuss, which makes clear that while social policy analysts are not required to wear their hearts on their sleeves they are also not required to hide their values. The SPRC has managed to maintain a fine tradition of professionalism while always impressing one with the sense that it is no supporter of utilitarian or instrumental values. The SPRC has always had a commitment to truth and to humanitarian values, to social policy as being about building capability for people to realise their own aspirations.

Over twenty-five years the Centre has witnessed the end of ‘full employment’ as it was interpreted in the post war period, along with the steady increase in part-time work and various forms of contract employment. As women have increased their work force participation, issues of work life balance have become central to gender equality. Poverty has become an issue for people of work force age and social security benefits have become increasingly conditional following the United States rather than European model. There are ever more people living in our society without social protection. Inequality, as social stratification in the sense that seemingly old-fashioned sociologists talked about it, seems to be increasing rapidly. These trends were behind Melbourne University’s Centre for Public Policy conference in February on ‘Transition and Risk’ to which the SPRC made a number of important contributions.

The SPRC itself has had to survive over a number of years with far too limited public support while it competes for various tenders for private research to maintain its staff and its work. The SPRC has experienced, and will continue to experience in the future, a high degree of risk. But it has survived as an outstanding Centre of excellence for the study of social policy for a quarter of a century. I personally owe much to people, like Professor Bettina Cass (now back at SPRC), Dr Meredith Edwards and Jenny Macklin MHR, not only in their own work but especially because they introduced me to the SPRC from which I have learned so much. The SPRC is part of a strong tradition of evidenced based research, policy and social reform. I am sure that its impact will be even greater over the next twenty-five years.
older ones leave to seek work or simply drift around. They are easy targets for recruitment by criminal elements and terrorist organisations. In Mouyu county alone, every year, about 200 children get repatriated from other regions, most of whom, are between 10 to 15 years old. Among these children, it is very likely that some are orphans. In fact, they have no home to go back to, and therefore they are likely to drift again after repatriation.

Most live-alone orphans have to drop out of school to work in order to support themselves. The older ones even have to support their younger brothers or sisters.

**DIFFICULTIES IN EDUCATION AND HEALTH CARE**

Most orphan families cannot afford out of pocket payments for education and medical care. The survey discovered that in regions where the school fees are not completely eliminated, for a child 13 years and older education accounts for more than 22 per cent of the rural family’s expenses, and more than 40 per cent of cash outlays. Many rural orphans have to drop out of school to find work. Many orphans with very good academic scores have to give up their dreams of going to college.

For some orphans who are still in school, the financial burden of keeping them there is enormous for their families. During the survey, the team found that the problem is actually more severe not in the officially declared poorest counties but in poor counties that have not been designated as such by the state. This is because in the poor counties designated by the state, the school fees have been completely waived for residents. Where such fees still exist, they pose a very significant burden for rural families caring for orphans.

**POLICY IMPACTS**

The research team provided policy recommendations to the Chinese government. After reading the main findings of the research, reported in the internal official journal Xinhua Reference, Hu Jintao, President of the People’s Republic of China, gave a directive to MCA, requiring the government to take effective action to provide adequate assistance to Chinese orphans. The Chinese government has accepted most of the policy recommendations made by the research team, and it is expected that the new policy on social assistance to orphans will have profound impacts on the reform of the whole social assistance system in China.

**FROM THE PHD CORNER...**

**BY MARILYN MCHUGH**

In 2005 three scholars commenced their PhD study at the Centre. Bob Davidson who has held senior positions with the Commonwealth and State government and in the corporate sector plans to examine *The structure of markets in government-funded human services programs*. The thesis suggests that: the increasing use of market processes to determine the design and delivery of government-funded social policy and human services programs is based on number of assumptions about competitive markets. Some of these assumptions have an inherent tension with the actual environment in which these ‘quasi-markets’ must operate (eg. nature of human services, government as the source of demand, the type of provider organisations that will participate, the contracting mechanism, etc). The research is examining the theoretical and empirical evidence as to what market structures and types of service providers are in fact likely to emerge in quasi-markets for human services and the reasons why market structures and the number and nature of providers vary between services. There is a particular focus on services for disadvantaged people and where competitive tendering and contracting processes are used to determine and manage service providers. The findings will have implications for the future design of human services programs.

Peter Siminski, previously a Senior Research Officer at SPRC, is examining *Government-funded health care and the distribution of income in Australia*. This thesis will contribute to the literature on valuing government-funded health care in distributional analysis. Such valuation can assist in addressing a range of research questions, such as the equity of health service provision and the distributional impact of health care, or towards constructing a broader measure of
**A Perennial Problem: Employment, Joblessness and Poverty**

Peter Saunders

SPRC Discussion Paper 146, January 2006

The idea that unemployment is the principal cause of poverty among those of workforce age has been a central finding of poverty research. The precise nature of this key relationship has changed along with changes in the labour market, but unemployment remains a perennial cause of poverty among the working-age population. This paper, written in appreciation of the contribution made by Professor Peter Sheehan to work in the area, examines the links that exist between employment, unemployment, joblessness and poverty against the background of the growing diversity of labour market trends. After briefly reviewing the recent controversy that has surrounded the measurement of poverty trends in Australia, the paper examines the complex empirical links between income poverty, the employment status of individuals and the incidence of joblessness among households. A major finding is that a full-time job is needed to produce sufficient income to raise people above the poverty line. These results are then supplemented by an analysis that combines evidence of low-income with evidence of hardship or deprivation. The use of direct deprivation or hardship measures to supplement the indirect income-based measures of poverty does not affect the central conclusion that employment can only make substantial in-roads into poverty if it is full-time. Overall, the results demonstrate that unemployment continues to be a major cause of poverty in Australia and that employment only provides an escape when it comes in the form of a full-time job. Because many of the new jobs created over the last two decades have been either part-time or casual, they have not been sufficient, by themselves, to protect workers and their families from poverty.
NEW PROJECTS

IMPLEMENTATION OF THE STRONGER FAMILIES AND COMMUNITIES STRATEGY EVALUATION

Ilan Katz, Cathy Thomson, Natasha Cortis, Christiane Purcel, kylie valentine, David Abelló, Sharni Chan with the Australian Institute of Family Studies

The Australian Department of Family and Community Services and Indigenous Affairs

The Australian Government Department of Family and Community Services and Indigenous Affairs has commissioned the UNSW Consortium to implement an evaluation of the Stronger Families and Communities Strategy (2004-2008) (SFCS). The SFCS aims to:

• help families and communities build better futures for children;
• build family and community capacity;
• support relationships between families and the communities they live in;
• and improve communities’ ability to help themselves.

Recognising the need for additional research capacities to undertake the evaluation of a complex strategy such as SFCS, the UNSW Consortium includes members from the Australian Institute of Family Studies (AIFS), experts in the fields of early childhood development, the pathways approach to crime prevention, parenting, early intervention and prevention, non-government organisations, economic evaluation and community strength. In addition, advisers to the Consortium include international researchers responsible for the evaluation of the UK strategy Sure Start and Australian researchers involved in the LSAC and HILDA development.

IF MEN DID MORE HOUSEWORK WOULD WOMEN HAVE MORE BABIES: CROSS-NATIONAL FERTILITY RATES AND THE GENDER DIVISION OF LABOUR

Lyn Craig
Australian Research Council Fellowship

Birth rates are falling throughout the western world. Not only are fewer people having children, but also, people are having fewer children. Surprisingly there is no definitive answer as to why this is happening. This project aims to increase understanding of fertility decline in Australia and other OECD countries. By using comparative research and analysis of time use data it seeks to establish if the way in which men and women allocate time to market work and domestic labour influences whether they are likely to become parents in the first place, or to have subsequent children.

Time use data offer a unique window into how people allocate their labour resources to paid work and family care. Comparative research provides a framework for testing the effects of alternative policy settings. The project takes as its point of departure that policy settings can facilitate or hinder combining work and family, thereby affecting decisions to have children. By comparing time-use patterns from 14 countries, this project aims to find which policy settings are associated with which work-family outcomes, and whether there is a correlation between these work-family outcomes and national birth rates.

DESIGN AND IMPLEMENTATION OF THE EVALUATION OF THE EARLY INTERVENTION PROGRAM

Ilan Katz, Karen Fisher, Sam Everingham, Sarah Parker and Pooja Sawrikar with Centre for Health Economics Research and Evaluation, University of Technology Sydney; School of Education and Early Childhood Studies, University of Western Sydney; and Gnibi College of Indigenous Australian Peoples, Southern Cross University

Department of Community Services, NSW

The NSW Department of Community Services has commissioned the SPRC consortium to design and implement an evaluation of the Early Intervention Program. The Program aims to prevent problems from escalating into family crises by providing targeted support to vulnerable families.

The SPRC will be the lead agency in the Consortium and be responsible for the overall management of the evaluation.

A key factor underpinning our evaluation design is the need for the evaluation to be both summative (report retrospectively on the effectiveness of the Program) and formative (facilitate the refinement of the policy and practice related to implementing the Program). We expect that the evaluation findings will provide significant insights into the implementation of the Program and optimal service models, including identifying facilitators and barriers to its success. In addition the evaluation findings will contribute to the evidence base of the Program to improve early childhood results.
MENTAL ILLNESS AND THE MILITARY: AN HISTORICAL AND CONTEMPORARY EXPLORATION OF THE AUSTRALIAN DEFENCE FORCE AND DEPARTMENT OF VETERANS’ AFFAIRS’ MENTAL HEALTH POLICIES

Kristy Muir
Faculty Research Support Grant

Ex-service personnel are more likely than their civilian counterparts to suffer from mental illness. This research aims to understand how the Australian Defence Force (ADF) and Department of Veterans’ Affairs deal with mental illness and post-war readjustment in both peacekeeping and active service personnel. It will examine how history has influenced contemporary perceptions and policies, despite a changing defence environment. This research is significant at a time when Australia’s military strategy is dominated by terrorism and while the ADF continues to deploy defence personnel on active service and peacekeeping missions. The study is expected to reveal whether Australia is meeting best practice guidelines for preventing, intervening and responding to mental illness in this cohort.

GROWING OLD IN A RAPIDLY CHANGING WORLD

Xiaoyuan Shang, Peter Saunders and Kaiti Zhang (CRCA)
Australian Research Council Discovery Grant

The project will build on earlier ARC-funded research and exploit the important research partnership that has been developed to investigate how the aged are faring in terms of their economic status (as measured by income and access to resources), their social status (as indicated by within-family interactions, patterns of social and political participation, and attitudes to family roles and social change), and their health status (as indicated by self-assessed health, use of health services, and the financial and non-financial barriers to health care usage). This will involve detailed analysis of a unique dataset not elsewhere available to Australian researchers, combined with a series of focus group discussions and face-to-face interviews with aged people that will explore their life histories and ‘flesh out’ the lived experience of ageing in an era of rapid economic and social change. A series of comparisons with the aged in Australia will highlight similarities and differences in objective and subjective conditions and point to areas where policy must address common concerns.

FROM THE PHD CORNER...

Sherman Chan is extending her undergraduate Honours work on financial exclusion to her PhD research. Sherman’s thesis title is The indicators of financial exclusion. The term ‘financial exclusion’ refers to the exclusion from the financial system, including both the lack of physical access to a financial institution or the intangible barriers such as high fees and charges that prevent certain groups of people from using financial products and services. The aim of the thesis is to develop three indicators (or indexes) of financial exclusion: (1) showing the likelihood of someone falling into financial exclusion given his/her personal characteristics, (2) examining the proportion of the Australian population that is experiencing financial exclusion, and (3) quantifying the extent of financial exclusion they face.

On the completion side for PhD scholars, Dr Trish Hill is to be warmly congratulated. Her degree has been conferred and she graduated in December 2005. Trish continues working at the Centre on an ARC Linkage grant entitled Negotiating caring and working – the impact on carers’ wellbeing.

Congratulations are also in order for Roger Patulny. Roger submitted his thesis on social capital in November 2005 and in early 2006 is to take up a two-year appointment as Research Fellow studying social and political trust, at the Department of Sociology, University of Surrey, UK. Christie Robinson and Marilyn McHugh current scholars at the Centre anticipate submitting in 2006.
SPRC REPORTS

The reports listed below are available at http://www.sprc.unsw.edu.au
Cathy Thomson, Sonia Hoffmann, Karen Fisher and Nick Turnbull, Families First Area Review South West Sydney, report prepared for The Cabinet Office, New South Wales, SPRC Report 5/06
Ciara Smyth, Margot Rawsthorne and Peter Siminski, Womens Lifework: Labour Market Transition Experiences of Women, for the Commonwealth, State Territories and New Zealand Ministers’ Conference on the Status of Women (MINCO) funded by the Womens Activity Trust Fund, SPRC Report 7/06

SPRC DISCUSSION PAPERS (FREE)
The Discussion Papers below have been posted to the SPRC Website:

MAILING LISTS (FREE)  □ SPRC Email Notices You will receive email updates about events at SPRC
□ SPRC Newsletter Mailing List You will receive Newsletters regularly
□ SPRC Annual Report Mailing List You will receive Annual Reports

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OR Fax: +61 (2) 9385 7838 Phone: +61 (2) 9385 7802
Email : sprc@unsw.edu.au