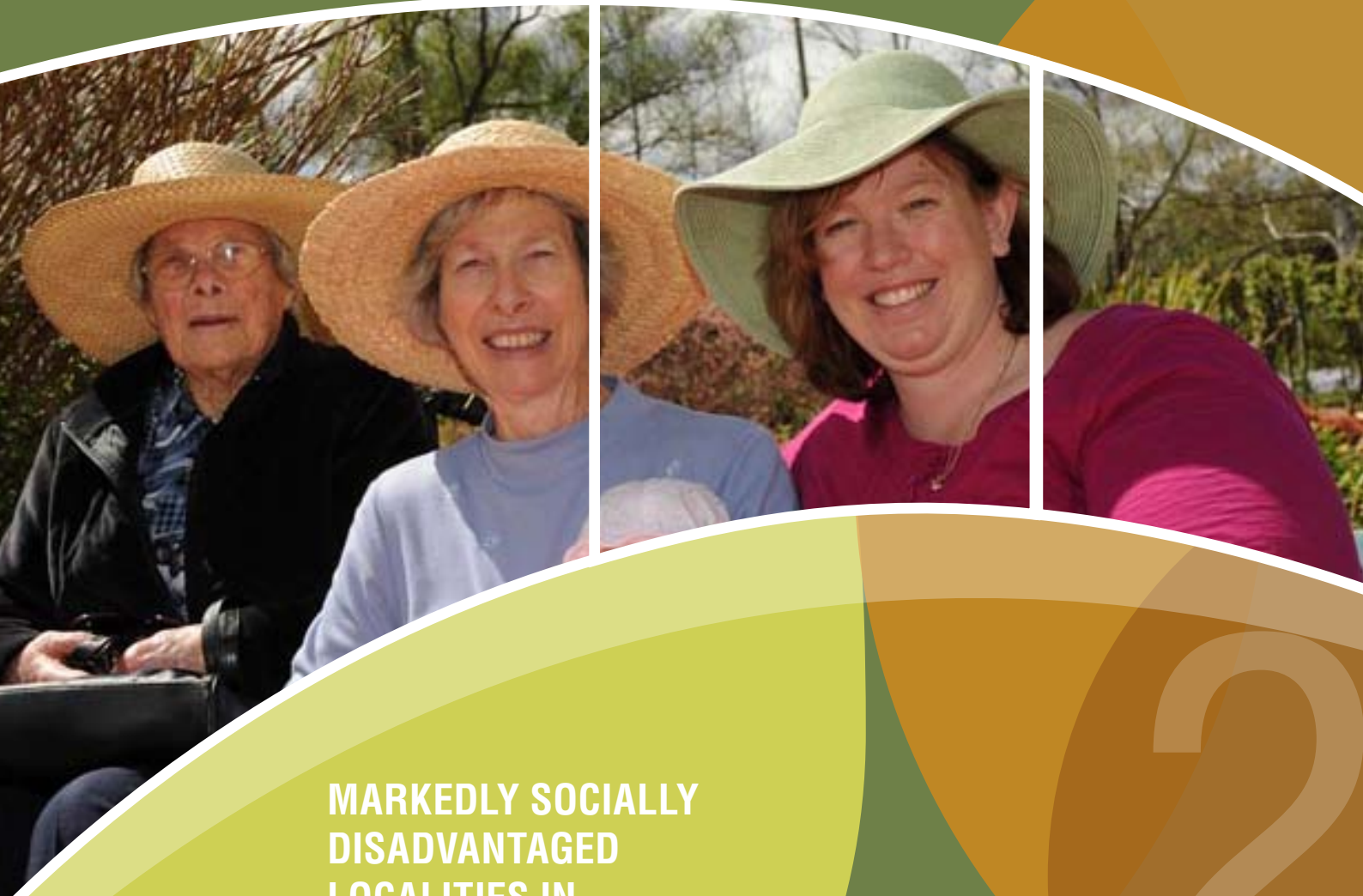




Australian Government

Department of Education, Employment  
and Workplace Relations

# Social Inclusion



**MARKEDLY SOCIALLY  
DISADVANTAGED  
LOCALITIES IN  
AUSTRALIA: THEIR  
NATURE AND POSSIBLE  
REMEDICATION**

2

January 2009

This is the second of a series of commissioned papers on social inclusion/exclusion, prepared for the Australian Department of Education, Employment and Workplace Relations by Professor Tony Vinson, Faculty of Education and Social Work, University of Sydney. June 2008.

January 2009—revised

© Commonwealth of Australia 2009

This work is copyright. You may download, display, print and reproduce this material in unaltered form only (retaining this notice) for your personal, non-commercial use or use within your organisation. Apart from any use as permitted under the Copyright Act 1968, all other rights are reserved. Requests and inquiries concerning reproduction and rights should be addressed to Commonwealth Copyright Administration, Attorney General's Department, Robert Garran Offices, National Circuit, Barton ACT 2600 or posted at <http://www.ag.gov.au/cca>

ISBN 978-0-642-77842-0 (PDF)

ISBN 978-0-642-77849-9 (RTF)

# Contents

<b>HIGHLY DISADVANTAGED AREAS</b>	<b>1</b>
Background	1
Labour Market Studies	2
Social Perspectives	2
Significance of Approach	4
Means and Ends	4
Characteristics of Successful Interventions	5

# HIGHLY DISADVANTAGED AREAS

## Background

Localities in which there is a markedly high level of disadvantage are often characterised in terms of perceived behavioural shortcomings—things like residents' lack of commitment to improving their situation, indifferent motivation generally, unlawful conduct, and parents' inadequate attention to child rearing. Indeed, surface appearances of the kinds mentioned are used to justify a view that the dominant cause of residents' plight resides in their moral slackness and own defective personal choices.

Researches in which such judgements have been suspended and an attempt made to identify the foundations of locational disadvantage have come to different conclusions. They have found that much more is involved than the compounding of individual laxity. For example, two priority concerns of DEEWR, namely, education and employment, were to the fore in the earliest formal investigations of the geographic concentration of social disadvantage. One hundred and fifty years after Mayhew (1861)<sup>1</sup> mapped the spatial concentrations of illiteracy, unemployment, crime and teenage marriage in England and Wales, there is ample evidence that concentrations of the kind he discovered continue to be a feature of our Australian social landscape. Indeed, there is evidence of a *growing* concentration of urban poverty in Australia and, in Gregory and Hunter's (1995) terms these areas are developing their own 'pathologies', the consequence being a cycle of increasing disadvantage.<sup>2</sup>

A 1974 report of the Melbourne Metropolitan Board of Works, based on different aspects of socioeconomic status, also found a clear concentration of social problem areas in central Melbourne and a collection of socioeconomically advantaged areas in the east and south of Melbourne.<sup>3</sup> A very high correlation was found between the male unemployment rate and social dysfunction\* suggesting that the former could be used as a proxy for the relative social dysfunction of an area. It was concluded that anything which affects the unemployment rate in a locality will influence, either directly or indirectly, the incidence of social dysfunction.<sup>4</sup> Another Australian study of the city of Newcastle in the 1970s (Vinson and Homel, 1975),<sup>5</sup> also found a high correlation between employment, education and social dysfunction.\*

---

1 Mayhew, (1861) *London Labour and the London Poor*, Vol. 4, Reprinted: New York, Augustus M. Kelly, 1967. See also: Booth, C., (1902-'03) *Life and Labour of the People in London* (17 Volumes). London, Macmillan and Co.

2 Gregory, R., Hunter, B., (1995), "The Macro-economy and the Growth of Ghettos and Urban Poverty in Australia", Canberra, Centre for Economic Policy Research Discussion Paper, No. 325, April 1995

3 Little, F., Morozow, O., Rawlings, S., Walker, J., (1974) *Social Dysfunction and Relative Poverty in Metropolitan Melbourne*, Melbourne, Advocate Press

\* More technically, a very high correlation was found between the male unemployment rate and the first principal component of social dysfunction

4 Bright, C., Walker, J., "Police Resource Allocation," (1994) in D Biles and S McKillop (eds.) *Criminal Justice Planning and Coordination*, proceedings of an Australian Institute of Criminology Conference, 19-21 April, 1993

5 Vinson, T., Homel, R., (1974) "Crime and Disadvantage. The coincidence of medical and social problems in an Australian city," *The British Journal of Criminology*, January, 21-31

+ As with the Melbourne Metropolitan Board of Works study, a high correlation was found between the unemployment rate and the first principal component of social dysfunction.

## Labour market studies

Kelly and Lewis' (2000) study of youth unemployment patterns in Melbourne in the 1990s confirms the above-reported heavier rate of unemployment in areas of low socioeconomic status.<sup>6</sup> However, their study probed the background to that association, in particular, whether the different rates of unemployment reflect external factors, like the proximity of work opportunities, or the operation of factors internal to the neighbourhoods in question.

The authors' earlier work in Perth indicated that there were factors other than proximity to employment, both in terms of distance and access, which contributed to employment outcomes. The authors' 2000 study found that neighbourhood characteristics do play a significant role in determining youth employment outcomes. Factors like the lack of informal job networks, the absence of positive role models and the demographic characteristics of a neighbourhood are important. Kelly and Lewis conclude: "Clearly youth unemployment is not a general problem which can be addressed by macro level solutions...more emphasis needs to be placed on the geographic and socioeconomic concentration of unemployment in policy approaches to the issue." On the basis of these and other relevant findings, Hunter (1996) advises that if there are influences other than personal attributes that are contributing to inequality of employment outcomes, then policy aimed solely at correcting personal attributes will be deficient and will fail to adequately address the problem.<sup>7</sup>

## Social perspectives

Sociological research is well placed to contribute to our understanding of the factors operating within disadvantaged areas that can aid, or hinder, the work of a Department like DEEWR. The social geographic approach initiated by the mid-nineteenth century researchers has become much more sophisticated in theory and methodology in recent decades. A primary interest of this research has been communities that have 'fallen off the edge,' with striking differences between them and other communities in the rates of occurrence of various problems. It has been found that when social disadvantage becomes entrenched within a limited number of localities a disabling social climate can develop that is more than the sum of individual and household disadvantages and the prospect is increased of disadvantage being passed from one generation to the next. In such circumstances, where an accumulation of problems makes a serious and sustained impact upon the wellbeing of residents of a disadvantaged area, locality-specific measures may be needed to supplement general social policy.

How can these areas be identified? First one has to choose a set of markers, called *indicators*, which are believed to signal the presence of social disadvantage. It is considered desirable that these indicators should, to the maximum extent possible, be direct manifestations of disadvantage and not included on the assumption that the concentration of certain groups is itself indicative of disadvantage. Then the rates of occurrence of these indicators within statistical units (postcode areas, statistical local areas, defined regions, and the like), taking into account the population profile of the areas, need to be calculated. At the simplest level it can be informative just to see the number of times a locality is included in the top bracket, say, the most disadvantaged 5% of areas, within a jurisdiction. Across the Australian States and the ACT, 1.5% of localities account for six to seven times their share of top ranking positions.

---

6 Kelly, R., Lewis, E., (2000) "Neighbourhoods, Families and Youth Employment Outcomes: A Study of Metropolitan Melbourne," Sydney, Family Futures: Issues in Research and Policy, 7th Australian Institute of Family Studies Conference, 24-26 July, 2000

7 Hunter, B. (1996), 'Explaining Changes in the Social Structure of Employment: the importance of geography', Social Policy Research Centre, Discussion Paper No. 67, July 1996, University of New South Wales, Sydney

However, statistical methods are generally used that combine the findings for each of the indicators into summary scores so that localities can be arranged, like beads on a string, from the most to the least disadvantaged.

If the indicators are truly different manifestations of the same underlying concept, social disadvantage, then to a large extent one would expect them to wax and wane together. That, in fact, is what generally happens as shown by the significant degree of inter-correlation between them. So, a *web of disadvantage* is the appropriate metaphor for describing people's entrapment within highly disadvantaged communities. Progress in overcoming one limitation, say, unemployment, can be inhibited by related factors like limited funds, poor health, inadequate training or having a criminal record. This web-like structure of disadvantage restricts attempts to break free of it. And because disadvantageous conditions are often 'bundled' in this way, efforts must be directed to loosening systemic constraints on people's life opportunities if progress is to be achieved. If, as is commonly the case, unemployment and crime correlate with limited education and limited work skills then the preventive pathways need to take heed of these interconnections.

This is precisely what is happening in Mildura in north-western Victoria. Under the patronage of the Rural City Local Government a series of task groups that combine local government, professional and community representatives are working backwards from manifest problems—like high levels of childhood accidents, crime and unemployment—to offer 'up-stream' opportunities to strengthen individuals' and neighbourhoods' capacities to avoid such problems. Prominent among the deeper solutions being pursued is the promotion of early education and care support to those groups most in need of it. The policing of disadvantaged areas is linked with the work of other social agencies in pursuit of improved community problem solving. Preventive work of this kind at the national, state and local government levels requires clear policies backed by an information and skills infrastructure, such as is being firmly established in Victoria but which is thinly spread elsewhere in our country.

Another way of viewing the linkages between different strands of disadvantage is to identify the distinguishing features of our most cumulatively disadvantaged localities. This was one of the aims of a recent national study (*Dropping off the Edge*)<sup>8</sup> which had the aim of pulling together the information yielded by 25 indicators of the *overall* susceptibility to social disadvantage of 2,140 localities across Australia.<sup>#</sup> The statistical procedure called upon to assist in this endeavour is called Principal Components Analysis. This enables the researcher to capture along a single dimension many aspects of disadvantage previously reflected in 25 separate indicator scores, while at the same time enabling us to see what features are most prominent in the make-up of the disadvantage factor. The *Dropping off the Edge* findings convey a picture of the especially damaging consequences of limited education, deficient labour market credentials, indifferent health and disabilities, low individual and family income, and engagement in crime. Localities with markedly high rankings on these and other forms of disadvantage are areas where confirmed child maltreatment is also likely to be high. Whatever other measures are necessary to combat the geographic concentration of the problems highlighted in this study, it is difficult to deny the centrality of limited education, employment and the capacity for economic independence in the making and sustaining of localised disadvantage in Australia.

---

<sup>8</sup> Vinson, T., (2007) *Dropping Off the Edge*, Melbourne, Jesuit Social Services/Catholic Social Services Australia.

<sup>#</sup> Except for the Northern Territory. The indicators covered family and individual income, housing stress, low birth weight, deficient immunisation, childhood injuries, disability/sickness support, life expectancy, psychiatric admissions, suicide, confirmed child maltreatment, domestic violence, criminal convictions, prison admissions, unskilled workers, unemployment, long-term unemployment, computer use, non-attendance at preschool, education/training of 18-24 year olds, school level attained by area's adult population, post-schooling qualifications.

## Significance of approach

Do these findings really matter? Does all the social arithmetic really help to identify society's highly vulnerable neighbourhoods, areas that may not benefit to the same extent as others on a tide of rising prosperity? The importance of the evidence of substantial differences between areas in their degree of cumulative disadvantage is reinforced by strong evidence of the stability of those differences over time. The rank order of Victorian and New South Wales places on the disadvantage scale in 2004 and 2007 was remarkably similar and, notwithstanding major differences in the number of indicators employed in 1999 and 2007, a similar relationship existed between those two sets of results.

Another way of gauging the importance of the findings revealed by this approach is to make simple comparisons of the circumstances of areas identified as extremely disadvantaged and the remainder of their state or territory. To illustrate the difference the 3% most disadvantaged locations—69 places across Australia—have been contrasted with the remaining 97%. Illustrative of the differences is the fact that in Western Australia the rate of prison admissions in the 3% most disadvantaged localities is fifteen times that of the remainder of the State. Long-term unemployment is 5.5 times greater, disability and sickness support just under five times greater and the non-completion of high school or other training, 2.5 times greater. Confirmed child maltreatment data was not available in Western Australia but in the extreme 3% most disadvantaged areas of New South Wales it was 4.5 times greater, just under four times greater in South Australia and three times greater in Queensland. Long-term unemployment was another recurring feature of the extreme 3% most disadvantaged areas: the difference in rates ranged from 5.5 times in Western Australia and the ACT, to more than three times in South Australia, and approximately 2.5 times in Queensland and New South Wales. Apart from the marked difference in prison admission rates in Western Australia, the rate in New South Wales' 3% most disadvantaged areas was 3.5 times higher than in the remainder, the difference was threefold in Queensland and sevenfold in the ACT.

## Means and Ends

Not surprisingly, disparities on this scale draw suggestions for locality-specific interventions that include programs targeted at individuals living in such disadvantaged localities and facing social exclusion in different spheres of their lives. Additionally, because the areas in question frequently have limited or deteriorated social infrastructure and environments, renewal and development programs focusing on public spaces, housing, transport systems and business are often seen as priorities. These ideas are all to the good but, complicating though it may be, successfully implementing these strategies requires that they be seen as *means to an end* and not as independently adequate ways of achieving a sustainable transformation in the lives of people residing in markedly disadvantaged places. What holds deprived communities back often is more than the sum of individual and household disadvantages and environmental and infrastructural needs. The social climate of disadvantaged places frequently exerts an influence in which inputs of the two types mentioned can be absorbed without lasting benefits<sup>9</sup>. For example, when people feel that their lives are dominated by external influences, living for the day and consuming whatever comes their way are possible responses to the help that is offered.

---

<sup>9</sup> See Atkinson, R., Kintrea, K., (2001) "Disentangling Area Effects: Evidence from Deprived and Non-deprived Neighbourhoods," *Urban Studies*, V.38, No. 12, 2277-2298.

Hence it is vital to do more than simply provide tangible assistance. Rather, the challenge is to make such assistance a medium for strengthening the capacities required by a self-managing, problem solving community whose members are capable of 'pulling together' to achieve common goals.

Research has shown an association between neighbourhood-wide qualities and containment of the ill-effects of financial and other deprivations. *Collective efficacy* is the name given by researchers to that linkage of mutual trust and willingness to intervene for the common good that is associated with reduced crime<sup>10</sup> and better health<sup>11</sup>, among other social benefits. Indeed, the social cohesion component of *Dropping off the Edge*<sup>12</sup> showed a consistent association between combined aspects of 'cohesion' and the containment of the ill-effects of disadvantageous community conditions. That is to say, for example, that many of the harmful consequences usually associated with limited education and unemployment were dampened down in localities where residents belonged to local groups, attended local events, were involved in neighbourly exchanges and operated in an atmosphere of trust.

These research insights serve to confirm the practice wisdom of community development workers who have plied their craft in some of Australia's most disadvantaged localities over the past forty years. The research and practitioner insights converge on one fundamental principle: *in order for services and infrastructural interventions to be effective in the long run, they must not only be useful in their own right but simultaneously serve the end of strengthening the overall community.* 'Strengthen' in this context includes building 'collective efficacy' by developing connections and trust between people and between organisations; developing the confidence and ability to identify ways of promoting the common good; and securing the resources, internal and external, needed to pursue them. Implied is a range of necessary communal capacities that can be grown by sensitive attention to the sequencing and blending of interventions and by using the interventions to exercise the capacities that are needed to sustain community wellbeing. Otherwise there is the very real prospect that once a period of locality-specific support reaches its conclusion, the gains made will simply unravel.

## Characteristics of successful interventions

What, then, are the things that characterise a successful intervention?

- First, the maximum practicable *engagement of disadvantaged communities* in decisions of all kinds is a key to community strengthening. A local coordinating or 'steering' group needs to operate on a basis of authentic community participation and in accord with broad administrative and practice requirements that research and experience have shown to be associated with successful community outcomes. These include arrangements that link departments, resident groups, agencies, organisations (including businesses and business organisations), stakeholders and local government officers as elements of an integrated team to implement and monitor regeneration plans. Because it has been established by research as a key element of successful community practice, the local body should ensure there is someone to provide leadership and maintain direction at the local level. Effective evaluation must be built-in to the projects;

---

10 Sampson, R. J., (1997) "Neighbourhoods and Violent Crime: a multilevel study of collective efficacy," *Science*, V. 277, No. 5328, 918-925

11 Browning, C. R., Cagney, K. A., (2002) "Neighbourhood Structural Disadvantage, Collective Efficacy, and Self-Rated Physical Health in an Urban Setting," *Journal of Health and Social behaviour*, V. 43, (December), 383-399

12 See Chapter 7 of Vinson, T., (2007) *Dropping off the Edge*, Richmond, Jesuit Social Services/Catholic Social Services Australia

- *Cultivation of community capacity.* Such capacity is not a given but requires nurturing and the investment of time and resources. The more disadvantaged and run-down a community the less practised it frequently has become in working in a focused, collaborative way;
- *Adequate time.* Problems that have often been decades in the making cannot be reversed in a few short years. In Europe, projects nearer to ten years duration are the norm;
- *Attention to the characteristics that differentiate markedly disadvantaged from other areas.* An intervention plan would need to give priority consideration to:
  - Education and training/retraining,
  - Work opportunities and placement,
  - Health promotion and treatment,
  - Parenting skills,
  - ‘Problem solving’ law enforcement,
  - Developing local leadership capacities;
- *Attention to other specific needs of an area* identified either by formal indicators or residents;
- *Identifying possible sources of community strengthening funding.* Wherever practicable government contributions to meeting the varied costs of community strengthening projects needs to be facilitative investment to attract private sector funding, and ‘priming the pump’ to stimulate local initiatives. However, because of the limited private investment opportunities they present, the strengthening of disadvantaged areas inevitably requires substantial government outlays via a Community Strengthening Fund.

