



# sacoss factsheet

# Employment

South Australian Council of Social Service fact sheet prepared with the Australian Institute for Social Research, the University of Adelaide. Published November 2005.

**Secure and well-paid employment plays a vital role in helping to reduce poverty. Unemployment, underemployment and poorly paid work are major causes of poverty.**

Relatively strong economic growth in Australia and South Australia over the last few years has meant that employment opportunities have grown significantly. However, much of this growth has been in precarious forms of employment, such as part-time and casual employment. In 2000, around 22% of employees were employed casually. In 2005, around 28.2% of part-time employees, who are predominantly women, said they want to work more.

Another disturbing employment trend over the past decade has been a decline in male full-time employment. This reflects the decline in South Australia's manufacturing industries.

Other key employment trends in South Australia between 1995 and 2005 include:

- an increase in part-time employment as a proportion of total employment from 27% to 30.5% - this constitutes a growth in part-time employment of around 23%, while full-time employment grew only by around 6%;
- a growth in female full-time employment of around 13% and a decline in male full-time employment of 4.8%;
- a growth in female part-time employment of around 29% and in male part-time employment of 94%.

Unemployment, particularly long-term unemployment of 12 months or more, is a primary cause of poverty.

Employment has a direct relationship to income, and the longer a person is out of work the more difficult it becomes to find a job. In February 2005, 10,500 South Australians were unemployed for more than 12 months.

In November 2004, there were 7,500 job vacancies in South Australia<sup>1</sup>, and 36,900 South Australians looking for work.

Whilst official measures of unemployment show a significant decline, alternative indicators of unemployment, such as the hours rate of unemployment, suggest that the real rate of unemployment is much higher than commonly understood. The discrepancy is explained by the fact that in order to be considered 'employed' under the definition of employment used by the ABS, a person has to have worked for as little as one hour in a week.

Unemployment and poverty are often concentrated in particular areas and amongst certain population groups. Certain groups of people are particularly disadvantaged in the labour market, experiencing lower rates of labour force participation and higher rates of unemployment. These groups include women, Aboriginal and Torres Strait Islander people, people with a disability, young people, mature age job seekers, and people from culturally and linguistically diverse backgrounds (CALD), particularly those from new and emerging communities.

Barriers to work for people in these groups include lack of affordable childcare, lack of up-to-date skills, lack of education, lack of language skills, and discrimination. Analysis of the position of disadvantaged groups in the labour market by the Department of Further Education, Employment, Science and Technology indicates that Indigenous people, CALD groups and young people experience very high unemployment rates.

<sup>1</sup> ABS, *Job vacancies: Australia*, November 2004, accessed online 25 March 2005.

## Participation, unemployment and hidden employment rates

Source: DFEEST, *Disadvantaged groups in the South Australian labour market*, May 2004.

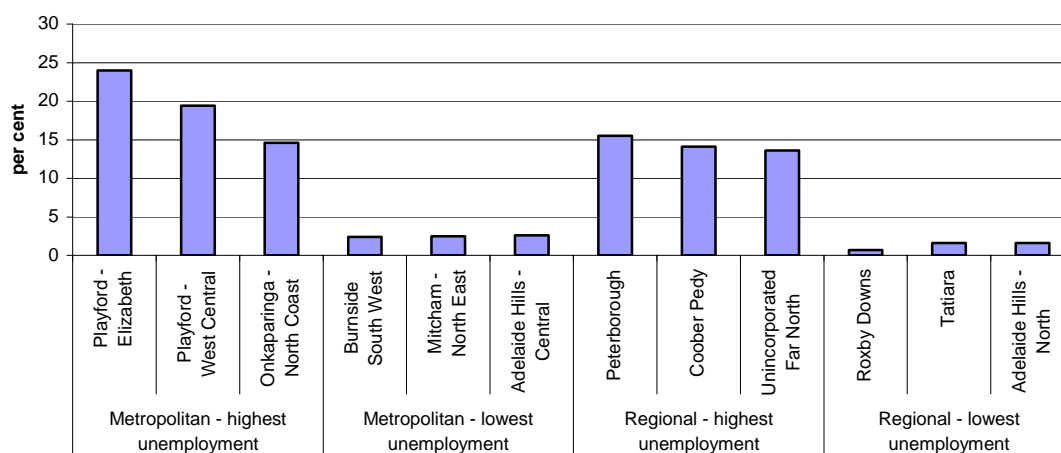
	Indigenous	15-24 year olds	Mature age (45+)	NESB	Women	Persons with a disability	Average - all persons
Recorded participation rate	47.9	39.8	44.2	44.1	54.2	46.8	61.8
Recorded unemployment rate	20.3	16.5	3.4	10.3	6	12.7	6.3
Hidden unemployment rate	18.4	13.6	12.2	24.8	17	36.6	12.6
Total unemployment rate	34.9	27.9	15.2	32.6	21.9	44.6	18.1

People with a disability and CALD groups show particularly high hidden unemployment rates. While the recorded unemployment rate for women is below the state average, women are more likely to hold part-time and casual positions. There is a high rate of hidden unemployment among women due to this, and other commitments such as child rearing. Mature age people show unemployment rates that are less than the state average, however long-term unemployment is a particular problem for this group. 38% of mature aged unemployed persons in South Australia were classified as long-term unemployed in the May quarter 2004.

Unemployment is also concentrated in specific geographic locations. As unemployment indicates poverty, it follows that areas that suffer from high unemployment rates are likely to display other indicators of poverty, including lower quality housing, fewer home-owners, fewer services and facilities, poorer health outcomes, more intergenerational unemployment, and a greater incidence of multiple unemployment within a household.

### Unemployment (highest and lowest) by location, September 2004

Source: Department of Employment and Workplace Relations (DEWR) *Small area labour markets: Australia*, September Quarter 2004.



In *Extending Opportunity to All*, SACOSS's blueprint for the elimination of poverty in South Australia, SACOSS sets a range of employment targets for achievement by 2015. The blueprint, and its companion document outlining strategies for reaching the blueprint targets, can be found at [www.sacoss.org.au](http://www.sacoss.org.au)

**For further information about this fact sheet contact SACOSS on 8226 4111.**

#### Sources and references

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# Health & Wellbeing

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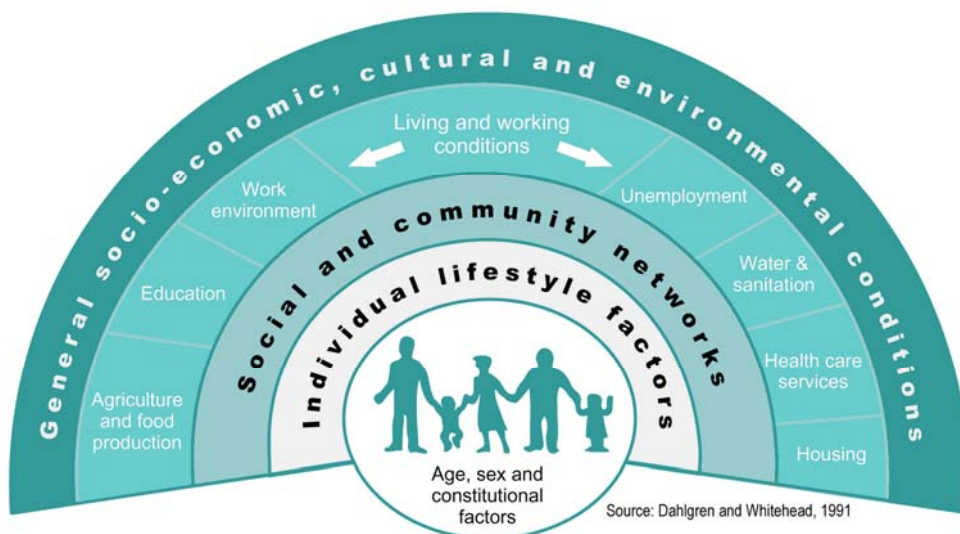
**Overall, South Australians enjoy a high level of health and wellbeing**, however there are differences, or 'inequalities' in the levels of health and wellbeing within different sections of the population. Inequalities occur as a result of differences in access to opportunities, resources, effective services, living conditions in childhood, discrimination, and so on. The population groups experiencing the greatest burden of this inequality are often referred to as socioeconomically disadvantaged.

Socioeconomic disadvantage can take a variety of forms, such as the inability to obtain the essentials of life such as shelter and adequate food, living on a low income, and experiencing discrimination and exclusion from opportunities in society. Such disadvantage contributes to inequality in health.

The impacts of poverty, poor housing and social security dependence affect the prevalence of physical illness, and behavioural and emotional problems in children. Low socioeconomic status for children is also associated with conditions

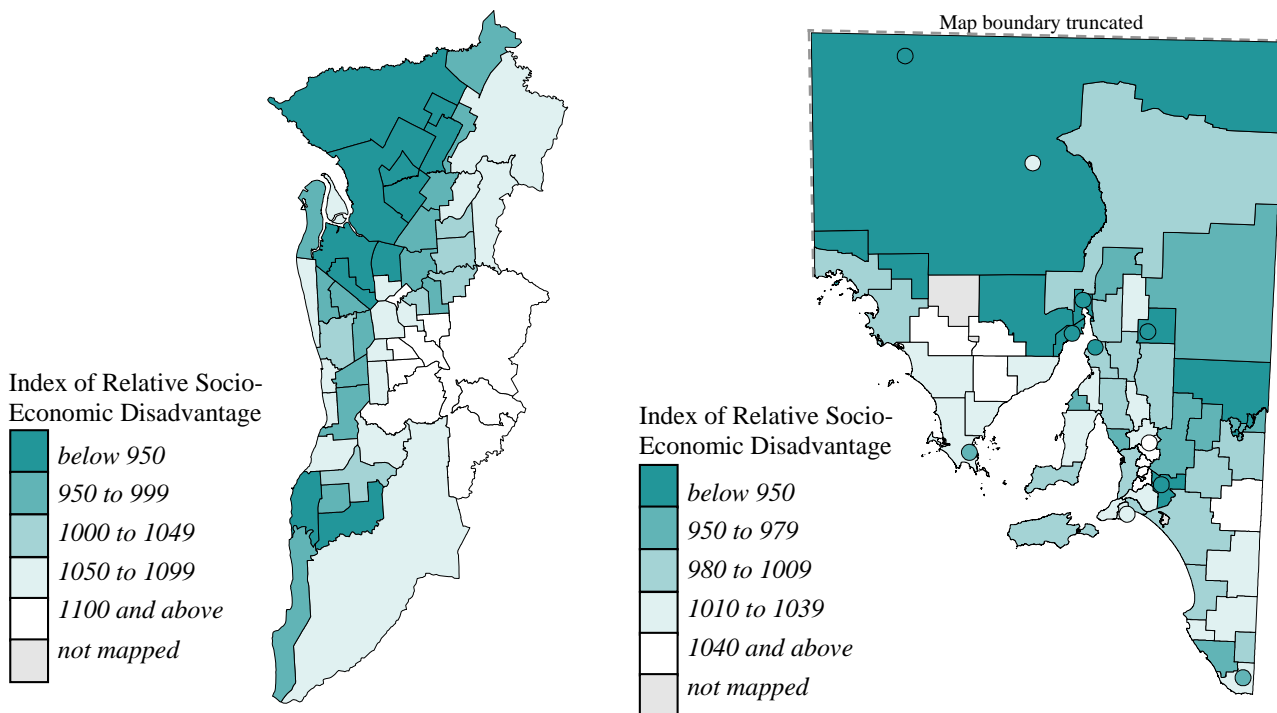
that predispose them towards poorer health in adulthood and premature death. Adverse prenatal and early childhood conditions can also impact on early development, school performance and employment opportunities, and subsequently, poor living conditions in adulthood.

The diagram below illustrates the factors that influence health and wellbeing. Key influences on health include biology and genetic endowment; healthy growth and development in childhood; health practices and coping skills; social support networks; health services; gender; spiritual beliefs and culture, income and social position; education; employment and working conditions; and the physical and social environments. Thus we see that the many determinants of our health and wellbeing are often outside of our control and relate to issues such as education, housing, employment and the environment.



**The key determinants of health and wellbeing**

In South Australia, life expectancy in the local government area of Port Adelaide Enfield is five years lower than it is in Mitcham. When asked to rate their own health, respondents living in disadvantaged areas in metropolitan Adelaide are 17% more likely than the state average to rate their health as fair or poor, and in country South Australia 10% more likely. Health status rises, in accordance with socioeconomic status.



The above maps show the difference in socioeconomic status between areas in South Australia. A score of less than 1000 on the Index of Relative Socio-Economic Disadvantage indicates relative disadvantage, and a score of more than 1000 indicates relative advantage. There is greater disadvantage in country regions with lower index values in country South Australia compared to Adelaide.

In *Extending Opportunity to All*, SACOSS's blueprint for the elimination of poverty in South Australia, SACOSS sets a range of health and wellbeing targets for achievement by 2015. The blueprint, and its companion document outlining strategies for reaching the blueprint targets, can be found at [www.sacoss.org.au](http://www.sacoss.org.au)

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Calculations comparing the most advantaged and disadvantaged population groups are based on the 20% of the population in each of these groups

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# Housing

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**Access to adequate housing is a basic human right** under the International Covenant on Economic, Social and Cultural Rights. Access to suitable housing is fundamental to enabling health and wellbeing, employment, education and training, social inclusion and stability for families and individuals.

According to the National Centre for Economic Modelling, a household suffers "housing stress" when 30% or more of its income goes to housing costs, such as rent or mortgage, and that household is in the bottom 40% of income distribution. Housing stress means having less than adequate income disposable for: food, clothing, essential services, healthcare, and education. At the time of the 2001 Census 47.2% of private renters were in low-income households and over 80% of low-income households renting in South Australia were in housing stress. In June 2004, NATSEM estimated that 8.2% of all South Australian households were suffering housing stress.

Shelter SA says that for every three low-income households in South Australia, there is only one affordable rental property. Diminishing social housing stock and inability to purchase a home leave many low-income earners competing with higher income households for the same rental

properties. Private renters are vulnerable to rent-rises and tend to have to move more often, largely involuntarily, which in itself is a financial drain.

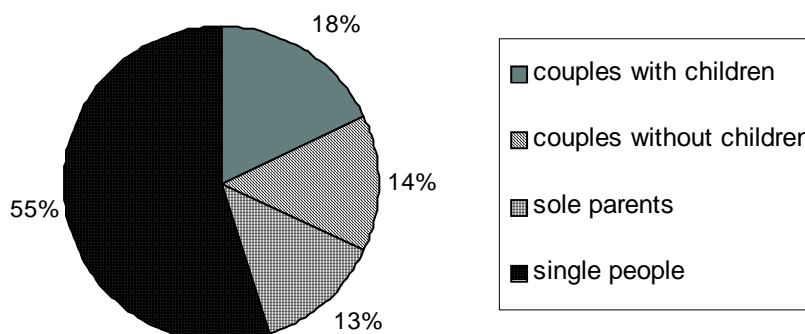
Low-income earners experience disadvantage when competing against other renters in the market.

Low-cost rental properties are often of low standard and are poorly maintained. Low-income renters are often forced into outer suburbs and cheaper properties, which can exacerbate the disadvantage these people may already be facing by forcing a move to areas of high disadvantage, low employment and poor services.

Unemployment, low levels of income and lack of access to affordable and appropriate housing are among the structural causes of homelessness. Discrimination, domestic or family violence or abuse, and gambling, place individuals and families at greater risk of homelessness. Homelessness creates instability in people's lives, leaves people vulnerable to chronic unemployment and ill health and makes it harder to find employment or participate in education or training. The risk of physical or sexual abuse, violence and emotional trauma is significantly higher for people without stable housing.

At the time of the 2001 Census, 7,586 South Australians were recorded as being homeless.

*Household types suffering from housing stress, 2004 (NATSEM estimates)*



Around 2,400 of these homeless people were estimated to be aged 12 to 18 years.

South Australia was the only state to experience an increase in the number of homeless people between the 1996 Census and the 2001 Census.

Increasingly, only the most disadvantaged members of the population are targeted for most public housing due to infrastructure changes in public housing authorities. This is changing the nature of public housing, and means that many low-income earners are not eligible for public housing.

In the 2003-04 financial year the South Australian Housing Trust delivered 4,089 new tenancies, taking the total number of tenancies to 45,451. It received 8,555 new applications for housing, taking the total waiting list to 25,584. 43.4% of new tenancies were people deemed to be in urgent need housing, which reflects the targeting of allocations to those most in need. The average income of new SAHT households was \$305 per week, which is 34% of the average state weekly earnings. In 2003-4 the Housing Trust purchased 12 properties and disposed of 800. The total housing stock amounted to 47,471 dwellings, down from 59,738 in 1995.

As of June 2003 the Aboriginal Housing Authority (AHA) had a rental stock of 1,812 tenable dwellings, and had 1,685 households on the waiting list. During the

2002-03 financial year the average weekly income of AHA households was \$322 per week, which represents 36% of average state weekly earnings.

Community housing comprises housing associations and housing cooperatives, both of which encourage self-help, self-management, volunteer involvement, and target special needs groups. Since 1992 community housing stock increased from 1,469 dwellings to 4216 in June 2004, yet at June 2003 there were 2,649 households on the community housing waiting list. Around 83% of applicants had an income of less than half the average weekly earnings and 75% of households received a government payment as their source of income. In 2003, 58% of households in community housing had at least one household member in at least one special needs group (SAHT 2004b).

Over the past decade rising house prices have increasingly acted as a barrier to many Australians wanting to buy a first home. In addition to this, saving a deposit to buy a home is not an option for low-income households that are paying rent. In 2001, almost 16% of low-income home purchasing households were paying more than 50% of their gross income in mortgage repayments.

In *Extending Opportunity to All*, SACOSS's blueprint for the elimination of poverty in South Australia, SACOSS sets a range of housing targets for achievement by 2015. The blueprint, and its companion document outlining strategies for reaching the blueprint targets, can be found at [www.sacoss.org.au](http://www.sacoss.org.au)

**For further information about this fact sheet contact SACOSS on 8226 4111.**

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# Income

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## **Income impacts directly on wellbeing.**

Individuals with higher incomes tend to experience better health, and live longer than those with lower incomes. Over the past decade the proportion of low-income families in both South Australia and Australia as a whole has steadily increased. In South Australia, the proportion of low-income families is above the national average. At the time of the 2001 Census, almost one quarter of families had incomes below \$26,000 per year (\$500 per week, an increase from less than one fifth of families in 1991.

While being in receipt of a government benefit or pension is the strongest indicator of poverty, being employed does not guarantee freedom from poverty. According to the Australian Bureau of Statistics, South Australians have the lowest weekly income from wage and salary of all Australian states and territories. Casual employees and those in part-time and intermittent contract employment are particularly at risk of experiencing poverty, as are those in a large family with only one breadwinner.

In 2001, more than half the children living in South Australia under the age of 16 years were living in families receiving government income support, an increase of almost 30% since 1992.

Poverty is often concentrated among certain groups and in certain areas. Households that rely on government benefits are most likely to experience poverty; As at the 2001 Census, the median weekly personal income of Indigenous South Australians was \$214, 62% of that for non-Indigenous South Australians. Indigenous income continues to fall further behind the average income. Sole parents are also particularly vulnerable to poverty, and single people experience the most poverty across all income units.

Young people are also highly vulnerable, with changes to government allowances over recent years enforcing a greater financial dependence on their parents.

Depth of poverty, or the poverty gap, refers to how far income falls short of the poverty line. Single people under the age of 25 record the deepest poverty before housing costs are taken into consideration.

Sole parents with two children experience the deepest poverty after housing costs are accounted for.

The 2001 Census recorded variations in the proportion of low-income families in specific geographic locations. Concentrations of low-income families were shown to exist largely in the inner northern and northwestern suburbs, as well as in the outer north and south of Adelaide. More than 30% of families living in Playford-Elizabeth, Playford-Central West, Port Adelaide Enfield-Port, Port Adelaide Enfield-Inner, and Onkaparinga-North Coast were receiving an income of below \$26,000 per year.

Yorke Peninsula and the State's far north and mid-north regions were the South Australian country regions shown to have the highest proportions of low-income families. Access to services and employment opportunities is often limited in country and outer metropolitan regions, thus perpetuating, or exacerbating the experience of poverty. These locations can be further disadvantaged by the cost of transport and accommodation when accessing specialist services only available in Adelaide.

In *Extending Opportunity to All*, SACOSS's blueprint for the elimination of poverty in South Australia, SACOSS sets a range of income targets for achievement by 2015. The blueprint, and its companion document outlining strategies for reaching the blueprint targets, can be found at [www.sacoss.org.au](http://www.sacoss.org.au)

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# Social Participation

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**When community members actively, emotionally and intellectually engage with their community, they create 'social capital' that benefits themselves, their families and their community.** Building social capital is seen as an important means by which members of communities can regain dignity and control in their lives.

Recent research measuring social capital identified networks of social relations as including:

- family within the household
- family beyond the household
- friends/intimates
- neighbours
- non-group based civic relations
- association/group based relations
- work based associations
- institutions.

The quality of social relations including reciprocity, trust and tolerance within communities are also common measures of social capital. Social capital has also been characterised to include 'social organisation' (for example trust of neighbours, sense of neighbourhood decline, feelings of isolation) and 'social order' (for example crime, drug dealing, noise, speeding cars, neighbour intimidation and aggression, unsupervised children, youth nuisance and stray dogs).

The recent emphasis on social capital in Australia arises from the relatively new way of looking at poverty through the prism of "social exclusion". Social exclusion sits alongside the traditional income-poverty approach that defines poverty as a question of lack of income. Social exclusion is more concerned with "tears in the social fabric" or "erosion of the social glue" – all features of the daily lives of many people who live in poor neighbourhoods.

Social capital has been described as the processes by which our social fabric is maintained. In this way, social capital (or the lack of it) is seen as the flip side of social exclusion – both as cause and effect – determining policy responses which include, but go beyond, income transfers to the poor.

Key to the concept of social exclusion are:

- lack of participation in socially valued activities such as paid stable work,
- lack of involvement in local or national decision-making; and
- lack of emotional support or integration with family, friends or community.

Research has found links between being 'poor' in social capital and other characteristics of disadvantage in families and communities. It has been observed that those with limited or low levels of social capital are: most likely to report having poor health outcomes; least likely to have high levels of educational attainment; significantly less likely to own a home; more likely to perceive their neighbourhoods as being unsafe; more likely to have experienced some form of family disruption such as separation or divorce; and more likely to live in economically disadvantaged areas.

The South Australian Government has expressed commitment to improving social capital in South Australia through programs that strengthen communities and families. While it is unclear how this objective will be implemented, this measure does complement the activities being undertaken by the South Australian Social Inclusion Board to increase social inclusion in South Australia, particularly in disadvantaged areas.

There is also much interest in local government in South Australia in fostering social participation and social capital. The Playford, Marion and Onkaparinga Councils are among several local government authorities in South Australia which have been particularly active in sponsoring community programs which encourage social participation in the rejuvenation of local areas.

In *Extending Opportunity to All*, SACOSS's blueprint for the elimination of poverty in South Australia, SACOSS sets a range of social participation targets for achievement by 2015. The blueprint, and its companion document outlining strategies for reaching the blueprint targets, can be found at [www.sacoss.org.au](http://www.sacoss.org.au)

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