Marginalised Australians and welfare reform: Better policy? For whom?

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Making social policy – for whom?

Defining types and sub-types of Australians

1. Identify major categories of Australians
   – For policy purposes for DSS
   – Family structure, relationship roles, belonging
   – Mental & physical health, disability
   – Psychosocial & socio-economic factors

2. Key characteristics of categories
   – Distinctive strengths & vulnerabilities

Berry, 2008a, b, c
The HILDA Survey


- 2 stage sampling: CCDs, households, all persons >15, tracked

- Annual data collection, W1 (2001) N~19,000; Wave 12 now

- Socioeconomic, demographic, psychosocial, health
  - ‘personal social capital’ Wave 6, 10, 14 ....
Defining ‘like types’ using cluster analysis

Range of factors included in the analysis

**Primary (define & describe)**
- Sex
- Age group
- Relationship status
- Family type
- No. children under 15
- Non-resident children
- Employment
- Equivalised disposable income
- Income support
- Education
- Physical functioning
- Mental health

**Secondary (describe)**
- Age
- Financial hardship (incl c/card)
- Financial satisfaction
- Housing tenure
- Marriage / defacto
- Life, partner satisfaction
- Social support
- Parents separated / divorced
- Age left home & school
- Time pressure / spare time
- Substance use (tobacco, alcohol)
- General health
Five Australian Archetypes
(slides courtesy of Tegan Cruwys, 2012)

1. Well-connected Retirees
2. Time-Pressured Couples with Kids
3. Financially Secure Couples
4. Dissatisfied Working Age Singles
5. Marginalised Australians
Five Archetypes, Twelve types of Australians

CONTEMPORARY AUSTRALIAN ARCHETYPES

- Connected Retirees
  - Single Elders
  - Retired Couples
- Financially Secure Working Age Couples
  - Baby Boomer Couples
  - GenXY Couples
- Time-Pressed Couples with Children
  - Partnered Dads
  - Partnered Mums
- Dissatisfied Working Age Singles
  - Separated Mid-Age Singles
  - Highly Educated Working Singles
  - Very Young, Still at Homes
- Marginalised Australians
  - Disadvantaged Mature Age Singles
  - Disadvantaged Couples with Kids
  - Disadvantaged Single Parents

Berry, 2008
What is marginalisation?

Marginalisation describes a state in which individuals are living on the fringes of society because of their compromised or severely limited access to the resources and opportunities needed to fully participate in society and to live a decent life. Marginalised people experience a complex, mutually reinforcing mix of economic, social, health and early-life disadvantage, as well as stigma (p.5).

70% of marginalised Australians are women
## Five domains of marginalisation

*Most have most or all domains, and multiple problems within each domain*

<table>
<thead>
<tr>
<th>Domain</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Stigmatisation</td>
<td>Membership of multiple highly stigmatised groups (e.g., being of Indigenous origin, being a welfare-reliant single parent, having a disability, not having paid employment)</td>
</tr>
<tr>
<td>Early-life disadvantage</td>
<td>Parental divorce, parental unemployment, incomplete schooling, early departure from childhood home</td>
</tr>
<tr>
<td>Financial Hardship</td>
<td>Reliance on government income support, little or no wealth, unfavourable forms of debt, low income, high financial stress</td>
</tr>
<tr>
<td>Poor Heath</td>
<td>Chronic health problems, poor physical functioning, poor mental health, adverse health behaviours</td>
</tr>
<tr>
<td>Social Isolation</td>
<td>Few social contacts, little social support, poor quality relationships</td>
</tr>
</tbody>
</table>
Early life and intergenerational disadvantage:
**Left home U18, school U16**

- **Left home U18:** solid
- **Left school U16:** checked

Bar chart showing the proportion (%) of Marginalised Australians in different categories. The categories include:
- Connected Retirees
- Fin secure couples
- Couples with Kids
- Dissatisfied singles
- Disadv Mature Singles
- Disadv Couples & Kids
- Disadv Single Parents

The chart illustrates the distribution of these categories across the proportion scale, highlighting the disadvantaged groups.
Physical & mental health (SF-36)

In order of physical health
(Lack of) participation & support

*In order of social support*

Community participation bars; social support line
Where are they now?
Marginalised Australians a decade later

1. Tracking Wave 1 HILDA Survey marginalised to Wave 10
2. Binary logistic regression equation → probablistic model of being marginalised (yes/no) at Waves 1 and 10
   - Identify marginalised people with 99% accuracy
3. Identify who exited, persisted
4. Predictors of exit
   - In 5 domains (financial, health, social, stigma, early life)
   - Controlling for degree of marginalisation at Wave 1

Funding: ACT Government Community Development Grants Program
Who Exits Marginalisation?

~ 60% exited marginalisation

To start out with, they were:
- Less marginalised
- Older
- Male
- Receiving income support

Mostly **not** modifiable

Then they ….
- Got an education
- Got a job
- Got a relationship
- Didn’t get pregnant (again)

All **modifiable**

Some examples ….
Not modifiable: More disadvantaged initially (e.g., left home under 18)
Modifiable (1): Obtained full-time employment

Persistently marginalised

Exit marginalisation

Never marginalised

Percentage Full-time Employed

2001

2010
Modifiable (2): Tertiary degree

Persistently marginalised

Exits marginalisation

Never marginalised

2001

2010

%
Modifiable (3): Better mental health

- Significant decline
- No change
- Significant recovery

Percentage chance of remaining marginalised
### Summary: 11 large & med predictors of exit

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Caveats</th>
<th>Effect</th>
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<tr>
<td>Receiving income support in 2001</td>
<td><strong>BUT NOT</strong> A payment associated with a long-term health condition</td>
<td>Large</td>
</tr>
<tr>
<td>Having no further children</td>
<td><strong>BUT ONLY</strong> For women</td>
<td>Large</td>
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<tr>
<td>Obtaining full-time employment</td>
<td><strong>BUT NOT</strong> Obtaining part-time employment</td>
<td>Large</td>
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<tr>
<td>Staying in childhood home until 18</td>
<td></td>
<td>Large</td>
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<tr>
<td>Being non-Indigenous ethnicity</td>
<td><strong>ESPECIALLY</strong> immigrants from English-speaking backgrounds</td>
<td>Large</td>
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<tr>
<td>Staying in school until 16+</td>
<td></td>
<td>Medium</td>
</tr>
<tr>
<td>Recovering from physical condition</td>
<td></td>
<td>Medium</td>
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<tr>
<td>Increased disposable income</td>
<td></td>
<td>Medium</td>
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<tr>
<td>Entering a relationship</td>
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<td>Better social connectedness in 2001</td>
<td></td>
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<tr>
<td>Gaining a tertiary degree</td>
<td><strong>BUT NOT</strong> a certificate or diploma</td>
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Recent reforms – examples for discussion

- Young people – more isolated? Less educated? MHealth?
  - 22-23 moved from Newstart to Youth
  - <30 no income support 6 months pa
  - with disability reassessed for DSP (<1/3rd MH diagnoses)

- No Pensioner Education Supplement & child care changes
  - mainly goes to sole parents, 90% of whom are women

- FTB B children <6 (vs 15); large family supplement 4+ kids
  - marginalised parents have more kids (at home and elsewhere)

- Age pension starts later, no indexation; housing (widows)

- Increase in GP, diagnostics, PBS co-payments, ED visits

- Indigenous Advancement Strategy (marg. risk 12-fold)
Impact on domains of marginalisation?

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- Young people
  - 22-23 Newstart to Youth
  - <30 no income support 6 months pa
  - with disability reassessed for DSP
- No Pensioner Ed Supp, child care down
  - mainly sole parents, 90% women
- FTB B children <6 (vs 15); large family supplement 4+ kids
  - marginalised parents more kids
- Age pension starts later, no indexation; housing (widows)
- Increase in GP, diagnostics, PBS co-payments, ED visits
- Indig Advance’t Strat (12-fold risk)
Some concluding thoughts

- ‘Marginalisation’: entrenched, complex disadvantage
  - Not (just) about money; stigma, exclusion, little chance in life

- Very hard to get out, but possible
  - Education, job, primary relationship, no (more) kids
  - #1 priority: support when it’s needed
  - Need backstop support

- Policy impact: ‘small’ savings now, big bill later

- Wider perspective: inequality is dangerous to society
  - Marginalisation is fertile ground for desperation
Two final comments

- Marginalisation need not be intractable and can resolve over time.
- There are trajectories out of marginalisation that might be promoted or reinforced through interventions.