



Commissioner for Children and Young People  
Western Australia

# VULNERABILITY SPEAKER SERIES



Understanding vulnerability in  
children and young people

20 March 2018

**RioTinto**



Commissioner for Children and Young People  
Western Australia

# VULNERABILITY SPEAKER SERIES

## Winthrop Professor Stephen Zubrick

Research Focus Area Head, Brain and Behaviour, Telethon Kids Institute



# Vulnerability: Risks, predictions and outcomes

Stephen R Zubrick

**Vulnerability Speaker Series**  
**Commissioner for Children and Young People, Western Australia**  
**Perth**  
**20 March 2018**



THE UNIVERSITY OF  
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AUSTRALIA**



lifecoursecentre

ARC Centre of Excellence for Children and Families over the Life Course



# Overview of talk

A story about:

Part 1: Vulnerability

Part 2: Developmental circumstances

Part 3: Risks and prediction

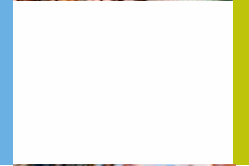
Part 4: Outcomes across time and in place



# Part 1

## Vulnerability

How has this concept been built upon since its inception in the 1980's?



## About vulnerability

A relatively modern notion – developed through the 1980's and 1990's

Large inputs from the child protection sector – how is statutory intervention legitimatised?

Gave rise to dis-satisfactions: Very negative, overly focussed on parental acts, ignored ecological/structural realities external to the parent and child

Gradual introduction of the notion of “adversities” through by 2000



About vulnerability

The challenge for CCYP

“A working definition of vulnerability”



About vulnerability

The challenge for CCYP

“A working definition of vulnerability”

Working for what or who?





## About vulnerability

Is vulnerability a status or a process?

Children in out-of-home care; with disability; in youth justice settings; experiencing homelessness

These children have a vulnerable status – now and into future

Focus of this talk is on the **processes** leading to vulnerability



# About vulnerability

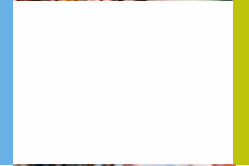
A focus on the *processes* that result in vulnerability

What are the *developmental circumstances* required to encourage or discourage such outcomes?



# Part 2

## Developmental circumstances



# Developmental circumstances

## Prompts — things that “drive” development (may be +’ive or –’ive)

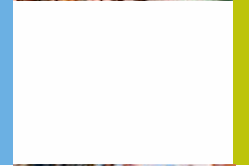
- ▶ Biology
- ▶ Expectations
- ▶ Opportunities

## Facilitators — things that protect development

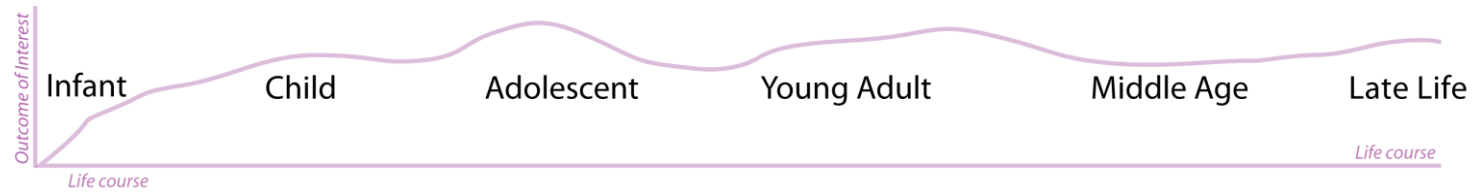
- ▶ Temperament plus “average” intellectual ability
- ▶ Good language development
- ▶ Emotional support

## Risk circumstances — things that “hinder” development

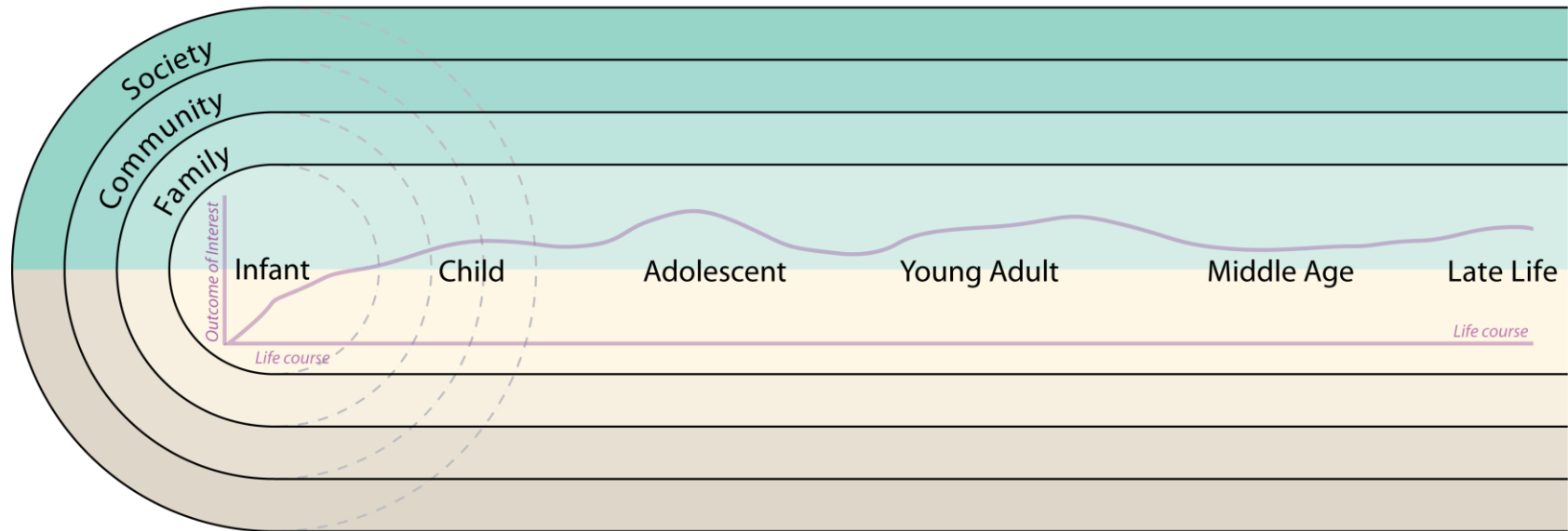
- ▶ Multiple, accumulative stress (allostatic load)
- ▶ Developmental chaos (frenetic activity, lack of structure, unpredictability)
- ▶ Social inequality (concentrates developmental resources for some, not others)
- ▶ Social exclusion (limits expectations and opportunities for some)



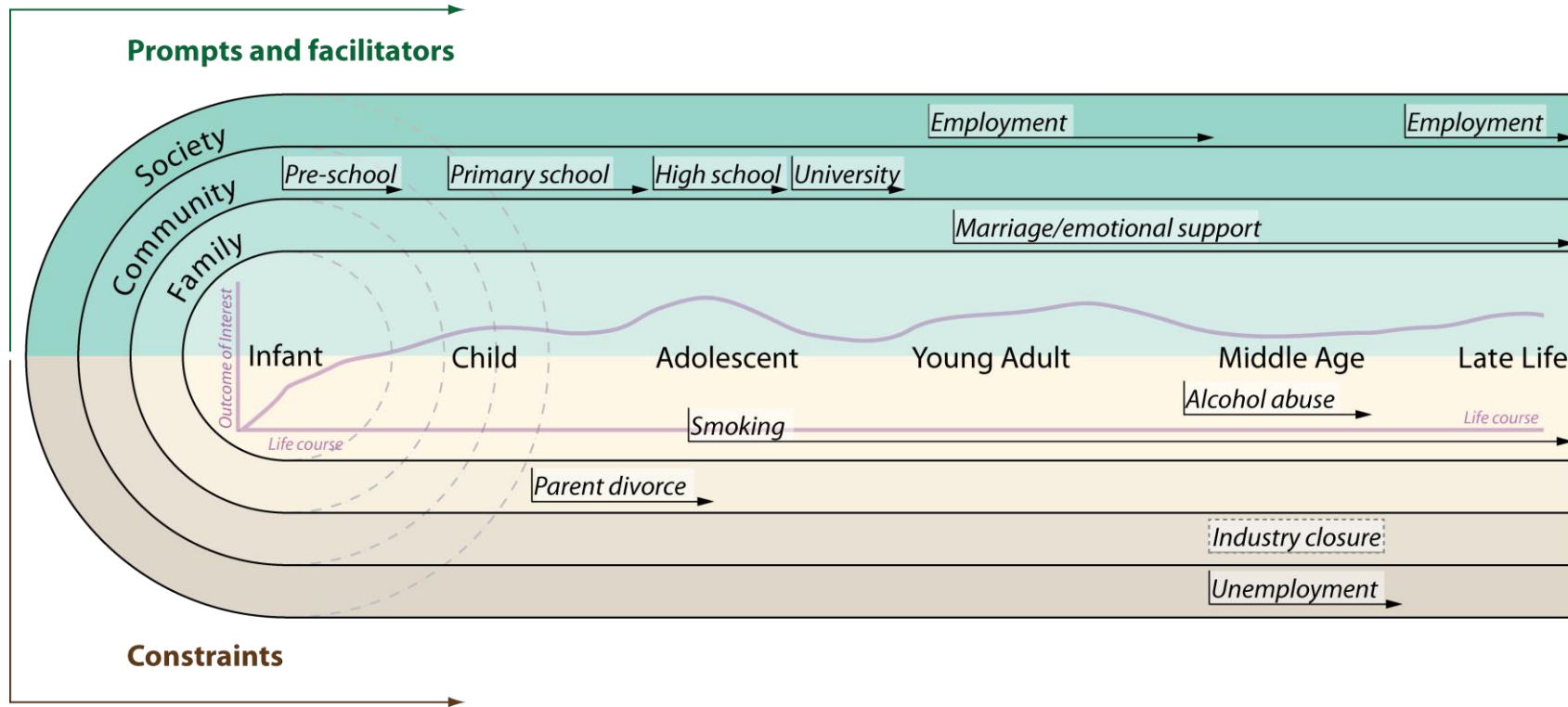
# Children develop, in place, in context through time



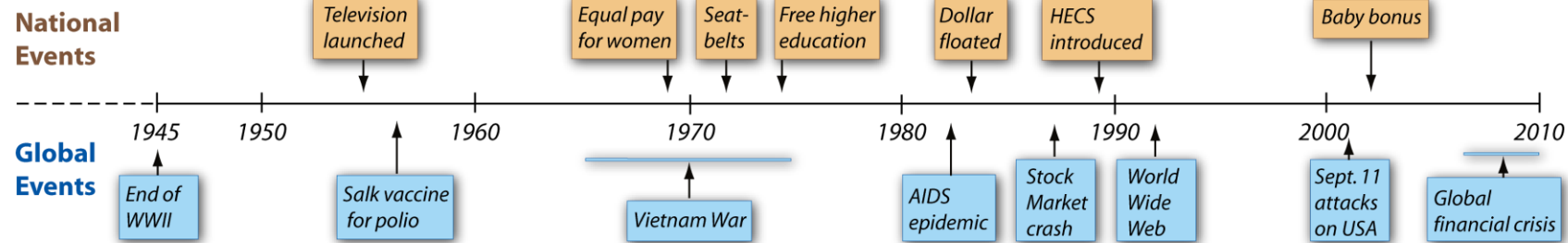
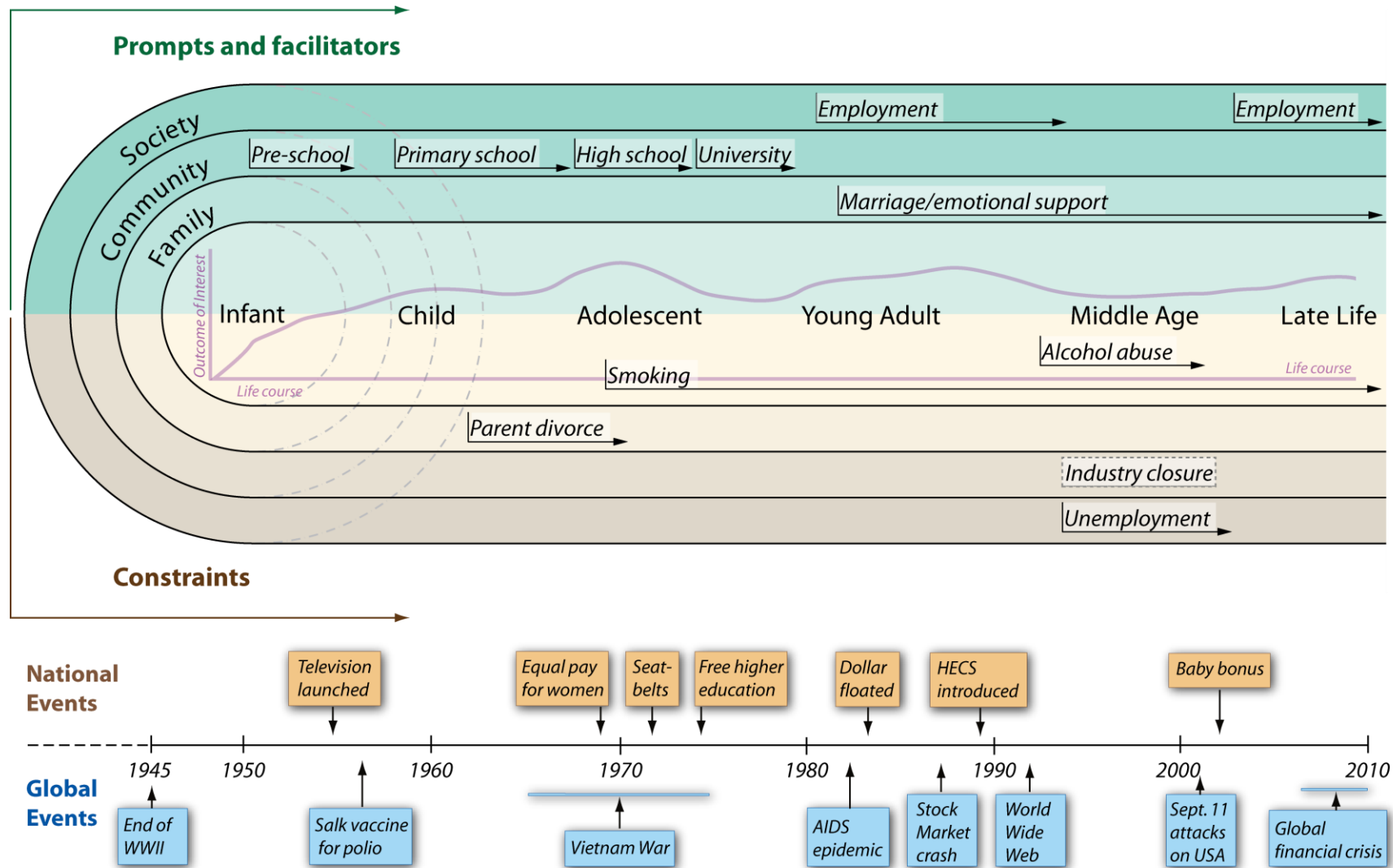
# Children develop, in place, in context through time



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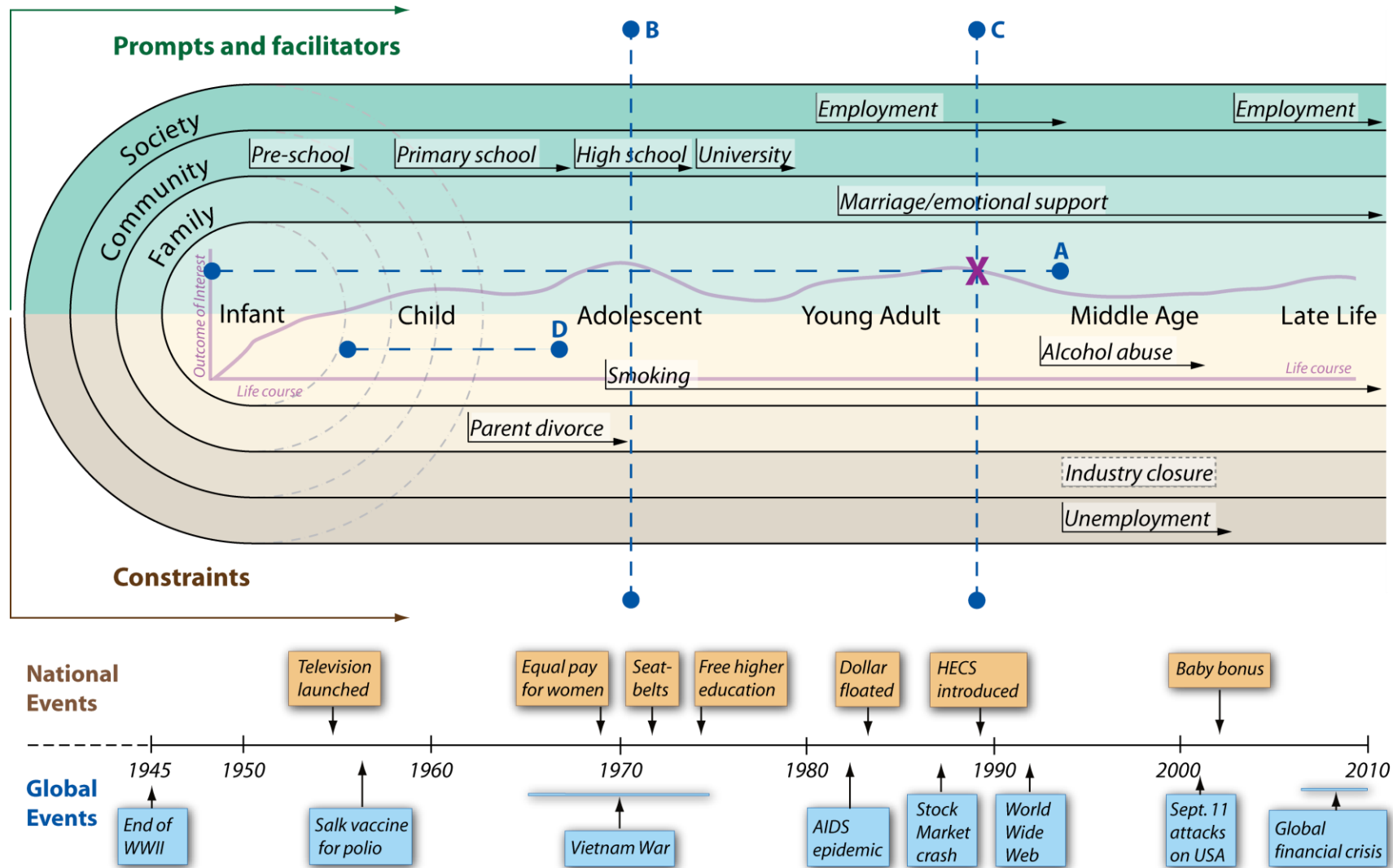


# Children develop, in place, in context through time





# Children develop, in place, in context through time



# Part 3

## Risks and prediction



# About risk

Do not get distracted by a list of *individual* risks

A risk is a probability: It is a chance that an exposure to an adversity will produce an outcome of interest



# About risk

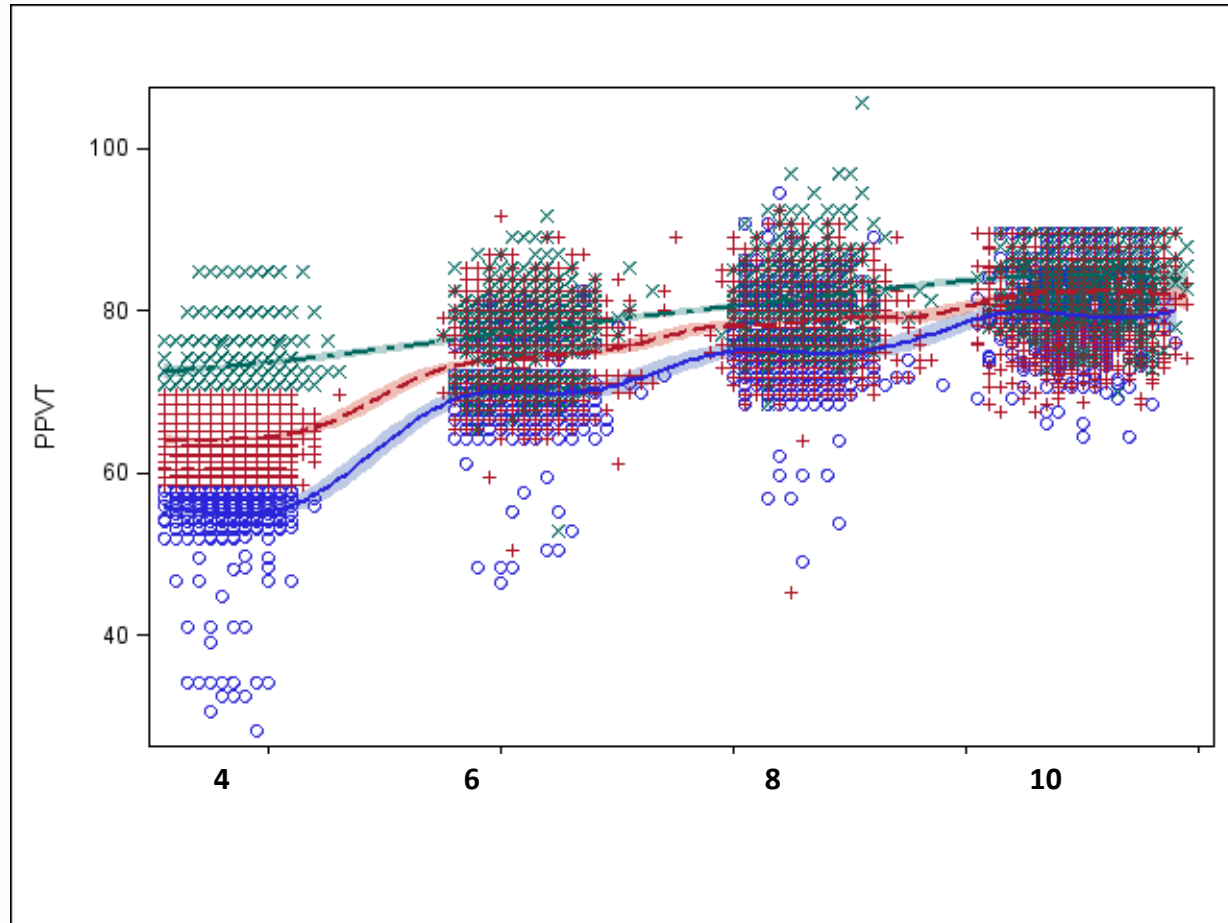
What happens when you focus on individual risks?

An example using the risk of poor language development



# Typical developmental growth

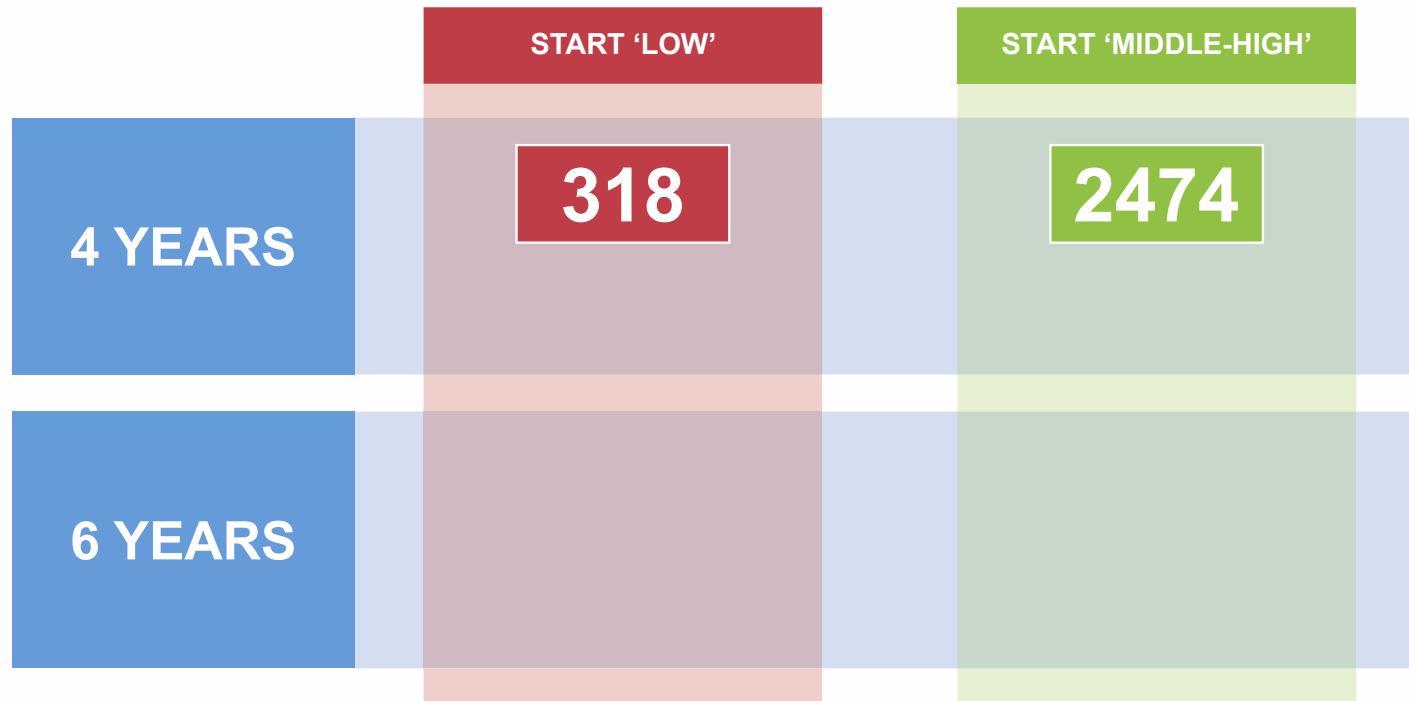
4-10 years (N = 4332)



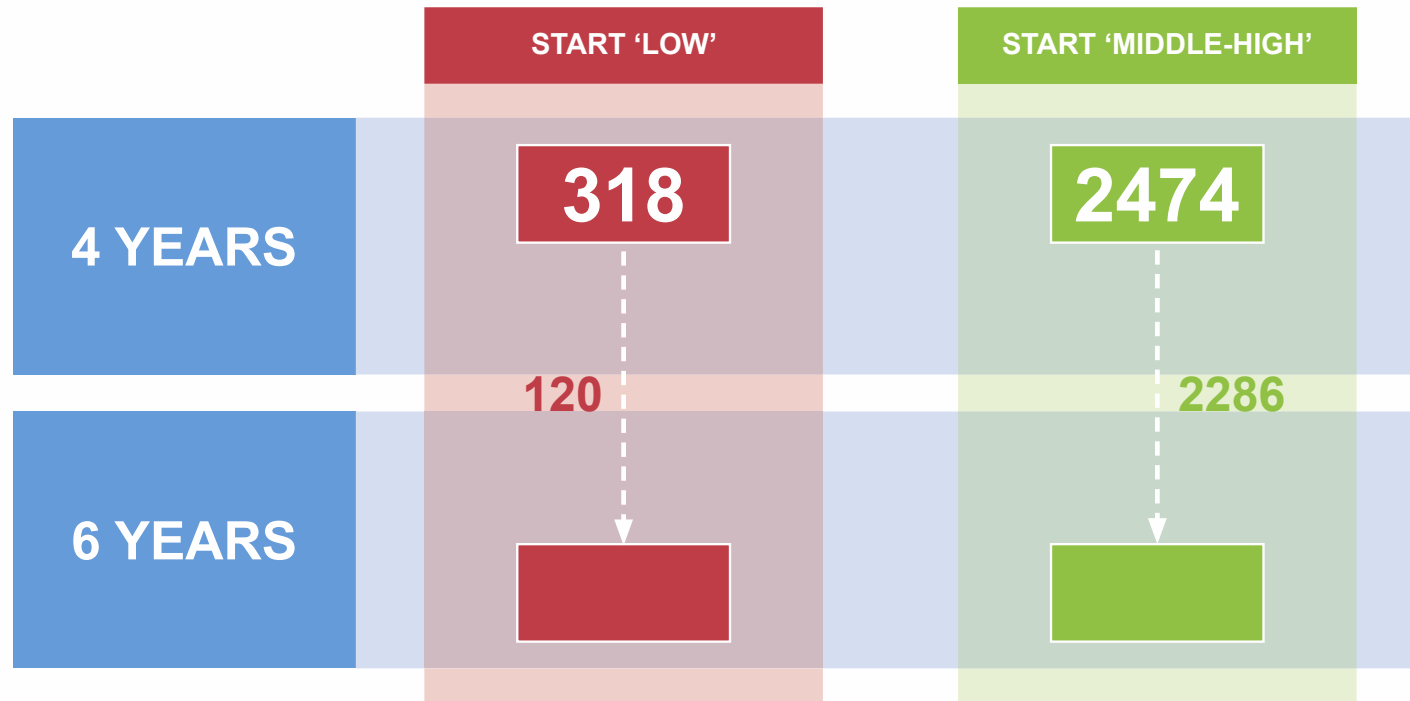
A typical pattern of change in child development over time – this uses growth in language



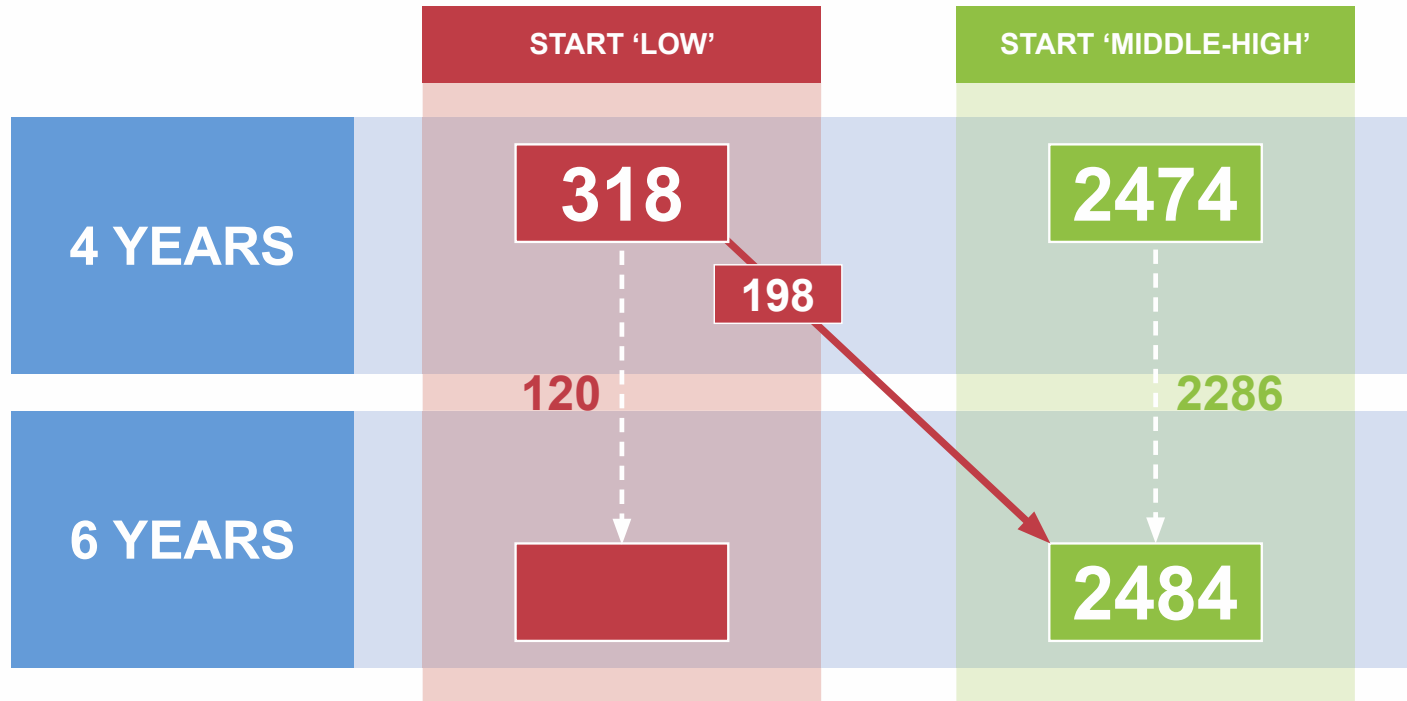
# Typical developmental growth 4-10 years (N =4332)



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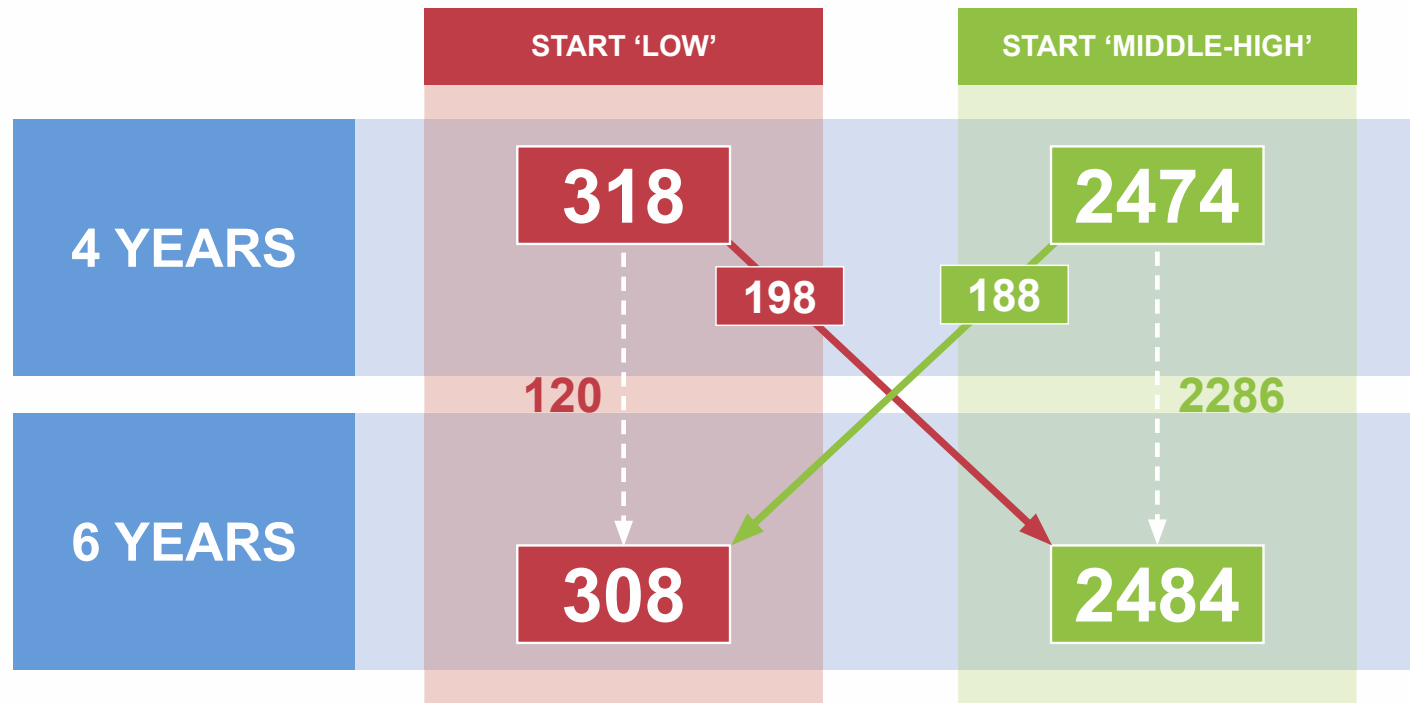


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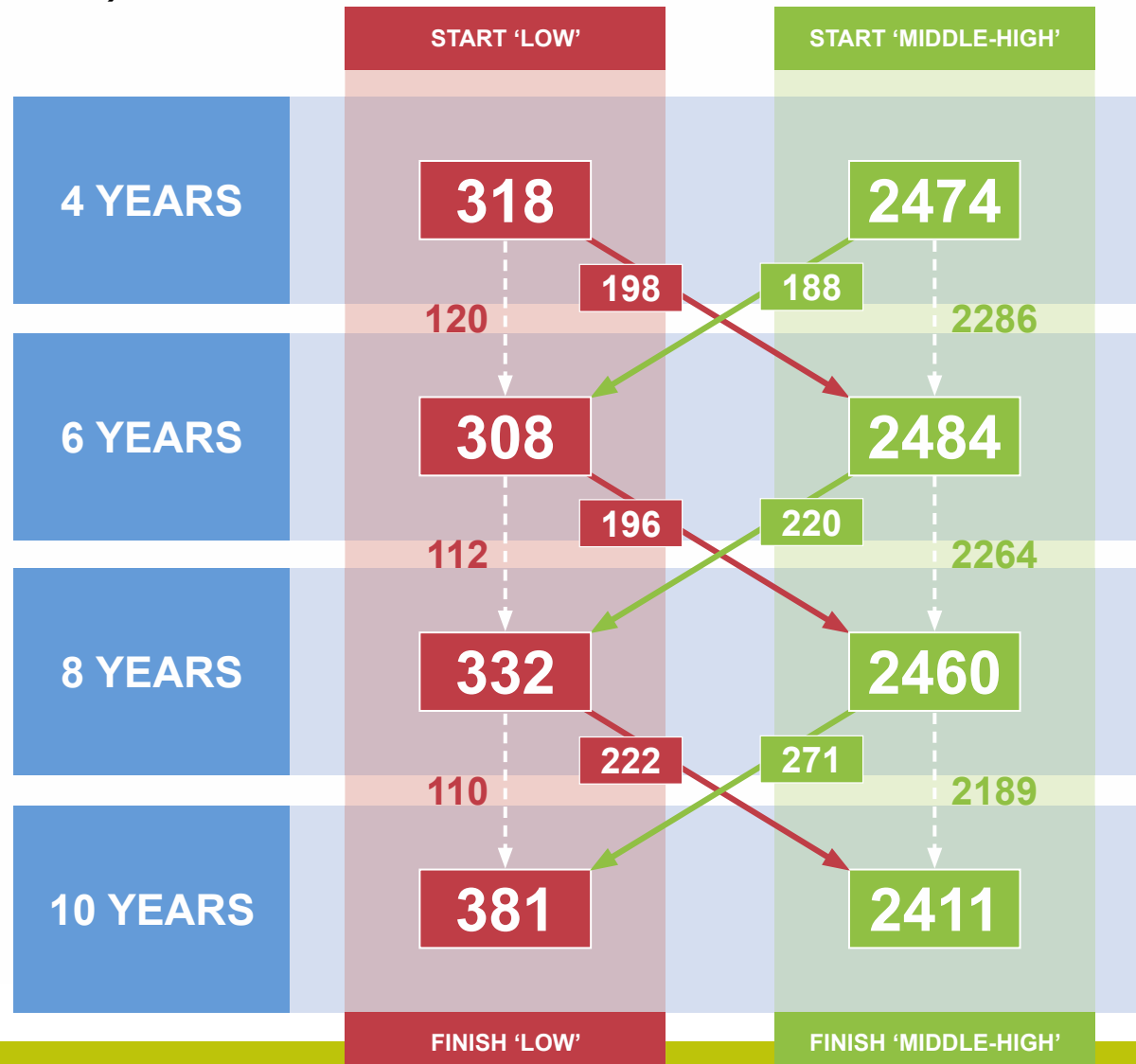




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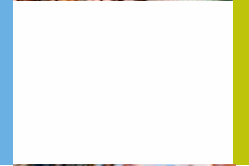


# What happens if you try to predict who will go on to be vulnerable to low language?



Risk factors	Age 4 Months behind in language growth	Age 8 Months behind in language growth
Maternal NESB	-16	-4
Low school readiness	-15	-6
Child not read to at all	-12	-7
Siblings 4+	-10	-8
Low family income	-7	-3
Low birthweight	-6	-4
Low maternal education	-6	-6
Maternal mental health distress	-5	-0.3
Low maternal parenting consistency	-5	-2
High child temperament reactivity	-3	-2
Area socio-economic disadvantage	0.30 ns	-8

# What happens if you try to predict who will go on to be vulnerable?



Predicted at age 8 to be:	Actual		Total
	Low PPVT at 8 years	Not Low PPVT at 8 years	
Low at 8 years	279 (true positives) 69.4% sensitivity	804	1083
Not Low at 8 years	123 (false negatives)	1975	2098
Total	402	2779	3181



What happens if you try to predict who will go on to be vulnerable?



There is no practical utility in this model

We cannot reliably predict at age 4 the children who will be behind in their development at age 8

25.8% positive predictive value



What happens if you try to predict who will go on to be vulnerable?



When we focus on individual risks of children *becoming* vulnerable:

It doesn't take you very far in policy terms!

It doesn't allow service design or redevelopment

It rarely matches what people experiencing adversity and poor outcomes actually talk about

It aims too firmly at individuals and leaves out "system" and structural approaches



# Part 4

Outcomes across time and in place



# Outcomes across time and in place

Children and their families are exposed to varying numbers of risks that affect the level and the rate of child development

These can produce higher rates of poorer development in children – this can lead to vulnerability outcomes





So . . . .

What happens when we look at risk as a  
*developmental circumstance?*

Across time

Place-based

In populations of children



# Developmental circumstances

There are known risks for poorer child development

They don't occur "one at a time"

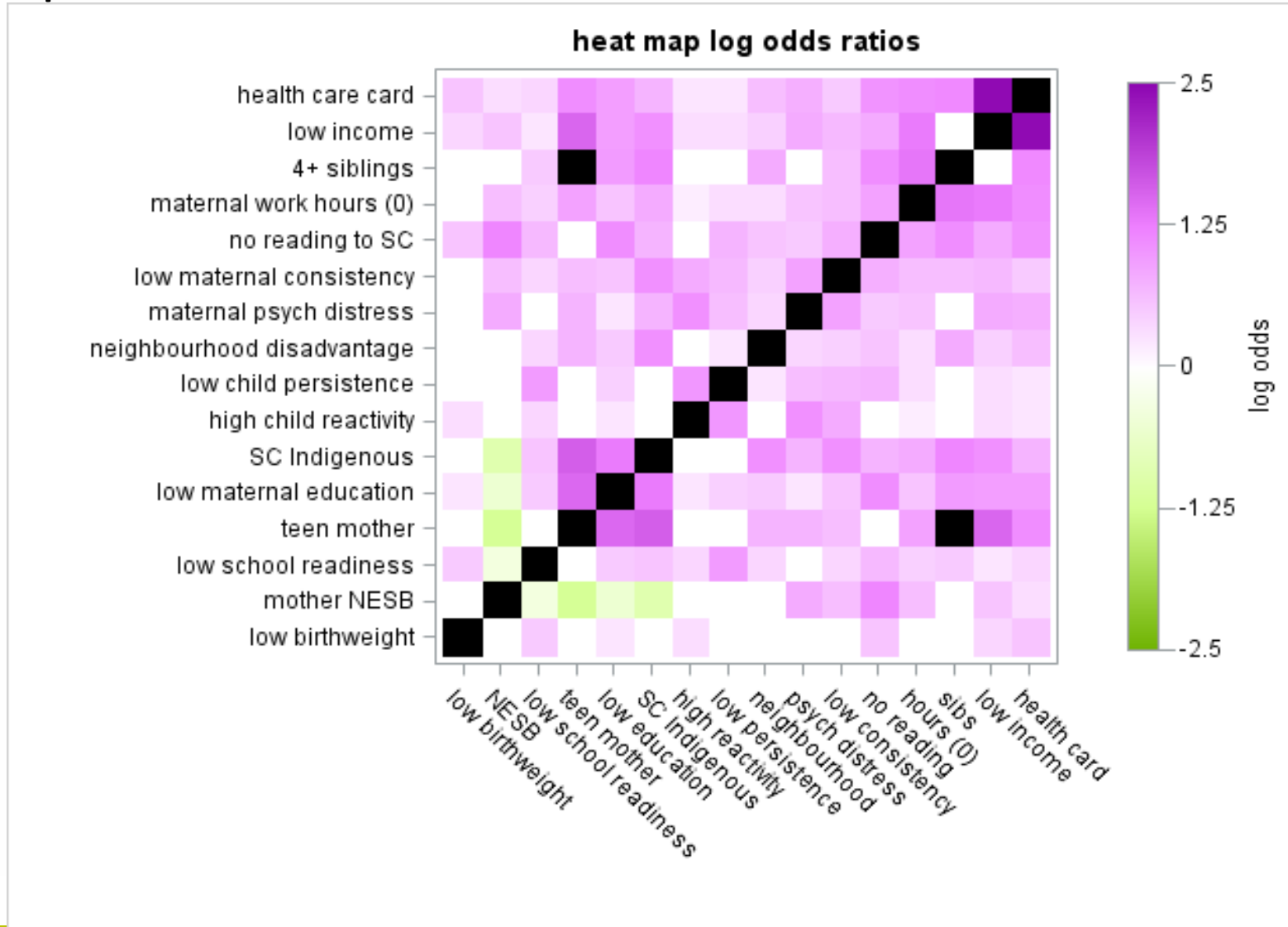
These risks occur in "batches"

They vary in length, intensity and duration

These circumstances may offer different ways of thinking about how to design intervention strategies



# Developmental circumstances



# Developmental circumstances

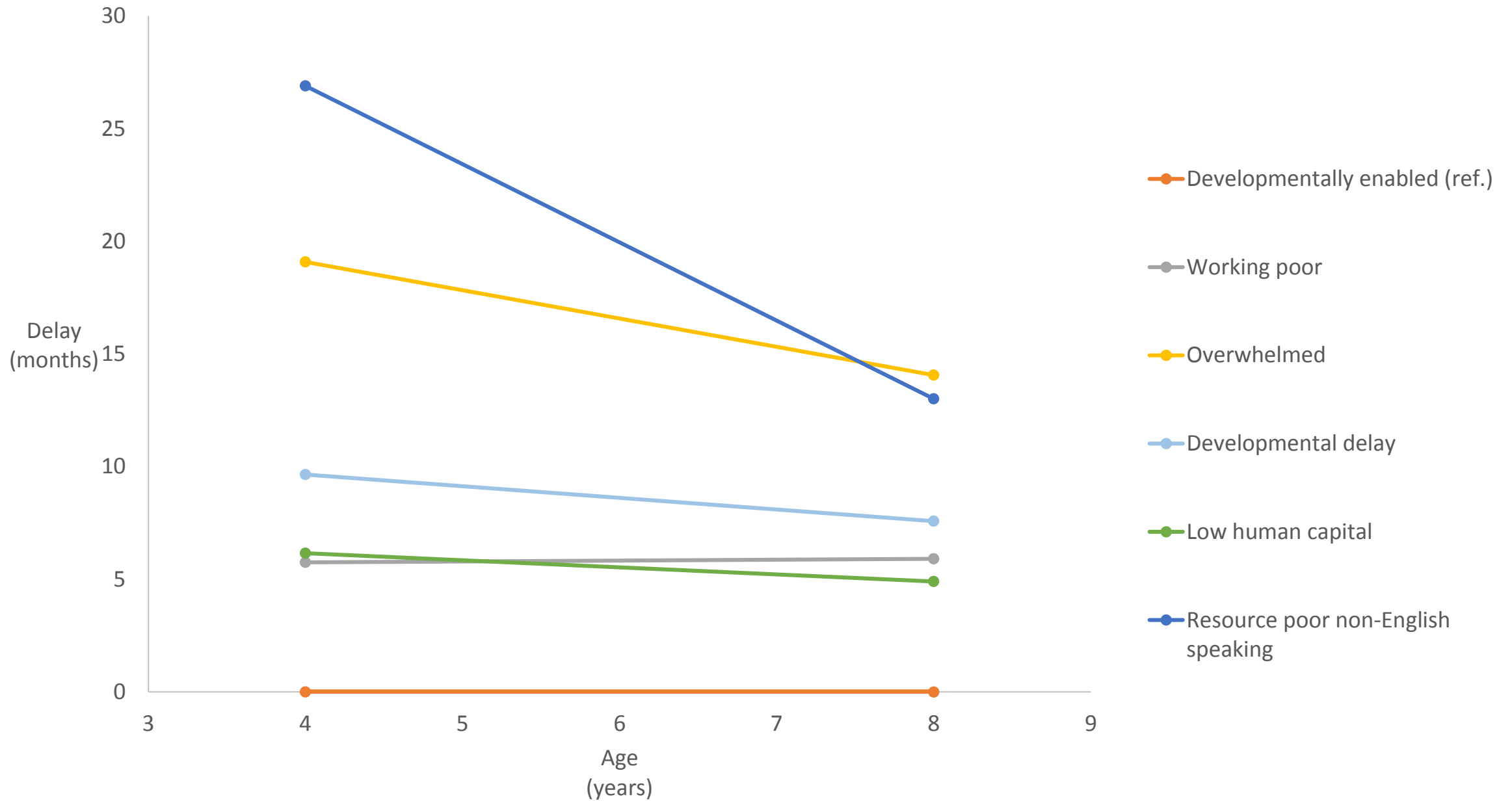
172,871 children in WA aged 0-4 as at 30 June 2016

- Developmentally enabled (ref.) 46% = 79,520
- Working poor 20% = 34,574
- Overwhelmed 10% = 17,288
- Developmental delay 9% = 15,558
- Low human capital 8% = 13,830
- Resource poor NESB 7% = 12,101

(~36,300 births per year)



# This is what their development looks like from age 4 to 8



# Developmental circumstances

46% of children are Developmentally Enabled

N = 79,520 WA children 0-4 years

## Typical circumstance

Older mothers, more educated, smaller families, no multiple stresses

Prevalent book reading

## Child development is on time and robust

## Policy prerogative

Maintain developmental encouragements and opportunities

Monitor population progress

Provide light-touch universal interventions



# Developmental circumstances

20% of children are in Working Poor families

N = 34,574 WA children 0-4 years

## Typical circumstance

Cash poor-time poor families, parent(s) are employed, 45% in 4<sup>th</sup> quintile of income (\$600-999 per week)

Larger families, Low maternal education, disadvantaged areas

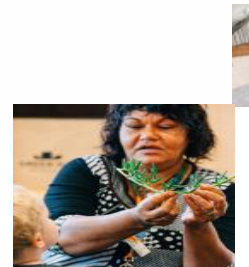
Child development is 6 months late and stays that way

## Policy prerogative

Family benefit increases/better pay/parent education, training

Enriched early education and child care

Family friendly workplace arrangements and services



# Developmental circumstances

10% of children are in Overwhelmed families

N = 17,288 WA children 0-4 years

## Typical circumstance

Very low school readiness

Maternal mental health distress, Very low maternal education, unemployment

Low income, health care card, area poverty

Child development is 19 months late closing to 14 months late

## Policy prerogative

These families are readily identifiable

They have diminished capabilities to use existing services

They require early, repeated, sustained developmental support – *delivered differently* (e.g. Child and Family Centres)





# Developmental circumstances

9% of children have Developmental Delay

N = 15,558 WA children 0-4 years

## Typical circumstance

low school readiness, high reactive temperament and low persistence

low parenting consistency, maternal psychological distress

low maternal education

Child development is 10 months late closing to 7 months late

## Policy prerogative

Will enter services at any age

Require regular monitoring, support services over extended time



# Developmental circumstances

8% of children in families with Low Human Capital

N = 13,830 WA children 0-4 years

## Typical circumstance

Lowest income quintile **exclusively** – deep, persistent disadvantage

Teenage mothers, low maternal education, unemployed

Healthcare card

Child development is 6 months late and stays that way

## Policy prerogative

Family planning

Maternal education/training opportunities linked with enriched early education and child care



# Developmental circumstances

7% of children in families in poorer NESB families

N = 12,101 WA children 0-4 years

## Typical circumstance

Migrant and refugee background

Maternal mental health distress, Low employment, low income,

Area disadvantage, low book reading

Child development is 27 months late and catch-up is rapid

## Policy prerogative

Monitor progress

Provide family support and pathways to child development services

Culturally appropriate services



# Developmental circumstances

What and for who



Policy prerogative	Enabled	Overwhelmed	Low human capital	Working poor	Child developmental delay	NESB
Provide and promote light-touch universal interventions <sup>a</sup>	*	*	*	*	*	*
Provide family support and navigation pathways to child development services	*	*	*	*	*	*
Monitor population progress <sup>b</sup>	*	*	*	*	*	*
Early, repeated, sustained developmental support – delivered differently (e.g. Child and Family Centres)		*				
Mental health treatment and support		*				*
Family planning			*	*		
Optimise maternal education			*	*		
Parental occupational training opportunities			*			
Family benefit increases/better pay				*		
Enriched early education and child care			*	*		
Family friendly workplace arrangements and services				*		
Maintain diagnostic, treatment, management, and support services: health, home, school, lifecourse					*	
Culturally appropriate support						*



- a. Parenting programs, local mother’s groups, play groups, community development aimed at quality opportunities for children/families, recreation facilities, safety and area enhancements, library programs (book sharing), uptake of preschool and K provision, social marketing
- b. Decennial child development surveys, broad-based child development report-card based on administrative data, census estimates, AEDC, NAPLAN



# Summing up

Some children are vulnerable by virtue of the status they occupy

Abused, homeless, in remand, etc.

Services for these children are taken up by demands and requirements for their management and treatment

There are challenges in devoting service time towards prevention



# Summing up

Reducing child vulnerability requires complimentary approach to treatment and management

Policies and practices that address:

- developmental characteristics of children (**who** we aim prevention at)
- applying a mix of policy prerogatives (**what** we actually do)
- governance for local priorities/action zones (**where** & **how** we do it)



# Summing up

Reducing child vulnerability requires deliberate focus:

Be sure people/agencies/leaders/users actually know the developmental circumstances of their **local child population** (how many children are in this area, zone, community, place?)

The **numbers of children** you are targeting really matter – scale, effort, impact!

Think about the **size of the population** of children 0-4 years before you design intervention strategies

**Universal services** are important – quality and reach



# Summing up

Reducing child vulnerability requires deliberate focus:

The research evidence firmly establishes what works in providing early prevention and child development opportunities –

Most intervention effects are very small – No silver bullets!

We don't know how to get these opportunities nearer to the individuals that want or need them – it's about effectiveness

**We talk too much about client access rather than service reach**

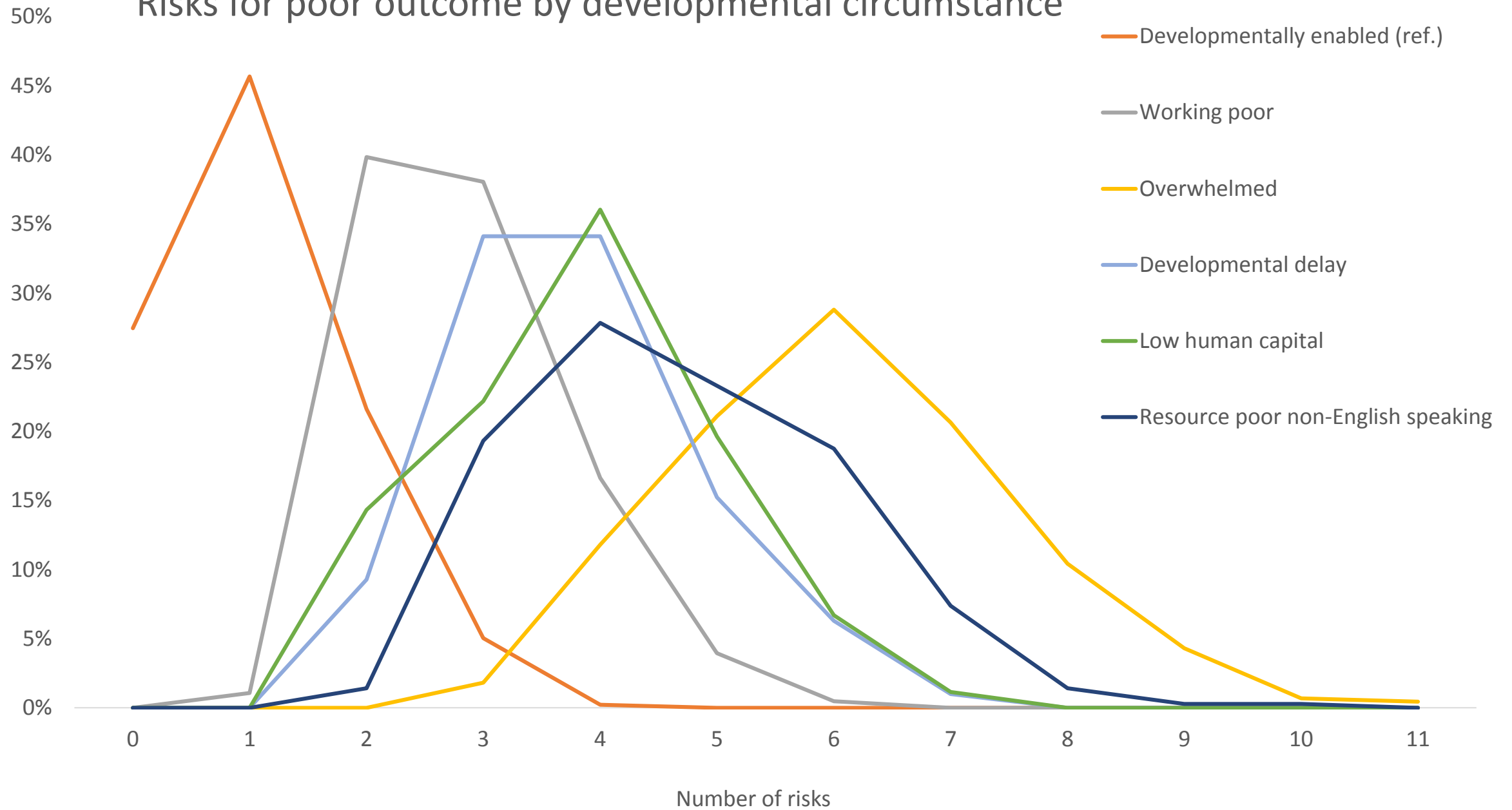
Place-based initiatives are intuitively sensible - can governance arrangements change how things get arranged, located, and close to “wants and needs”?



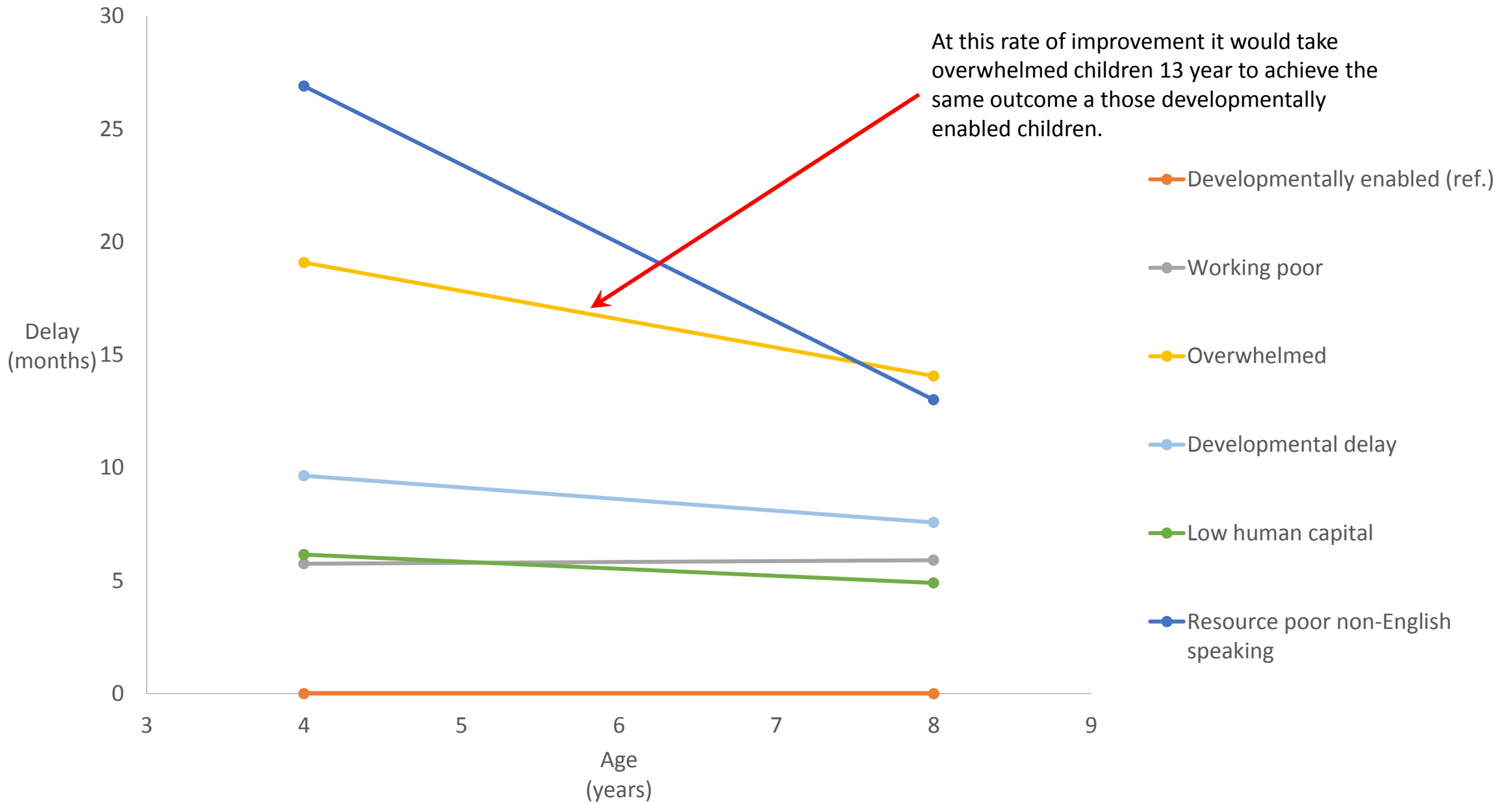




# Risks for poor outcome by developmental circumstance



# Child development delay (months) by developmental circumstance





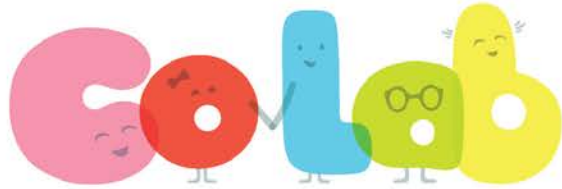
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# VULNERABILITY SPEAKER SERIES

## Winthrop Professor Donna Cross

Head, Health Promotion and Education Research; Director, Early Childhood Development and Learning Collaboration, Telethon Kids Institute





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# The Lived Experience of Poverty among Children



# Poverty and the developing child



- 2014 - child poverty rate in Australia was 17.4%, affecting > 730,000 children (ACOSS, 2016)
- **Poverty early in the life course can have far-reaching impacts** on children's
  - health
  - development and
  - educational success, well into adulthood.





# Poverty and educational trajectories

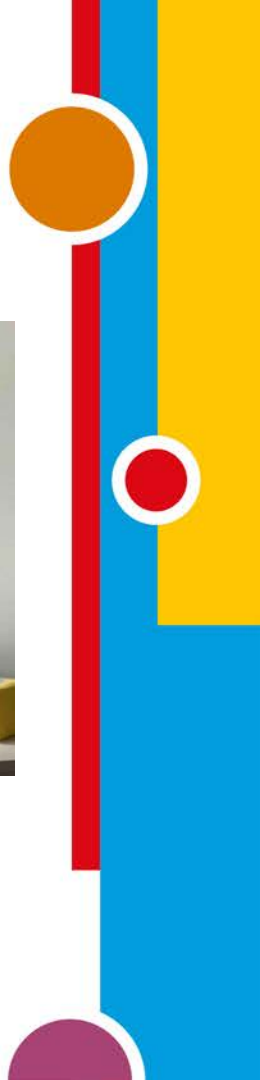
- The **learning and achievement gap** between poor children and their more advantaged peers first appears in early childhood, and can widen over time.
- Children from the most socio-economically disadvantaged areas in Australia are **over 4 times more likely to be developmentally vulnerable** compared to children in the least disadvantaged areas.





# Poverty and executive function skills

- Experiences of adversity can inhibit the brain's development of core capacities, known as **executive function**.
- This “**air traffic control system**” for the brain is the foundation for later skill development and enables children to:
  - remember and follow instructions
  - focus their attention
  - switch between tasks
  - solve problems
  - learn from mistakes
  - self-regulate emotions and behaviour.







# How poverty gets 'under the skin'

- **Elevated cortisol levels, high blood pressure and impaired immune function**, have all been reported among disadvantaged children compared to those children who aren't living in poverty.
- Higher risk of **adverse health outcomes for poor children in adulthood**, including CV disease, respiratory disease, diabetes, obesity, certain cancers, digestive system diseases and mental health disorders.





# Poverty and the family environment

- **It is not economic hardship per se but the accompanying poverty of relationships and experiences** in early childhood that dramatically shapes health and developmental outcomes.
- Poverty can **limit parents' ability to provide consistent and responsive care, and a stimulating learning environment** for their child.
- Less time or capacity for crucial “serve and return” activities.





## The value of understanding children's 'lived experience' of poverty



“Without a research agenda that is open to understanding and acknowledging children’s different perceptions and meanings, **we risk overlooking or obscuring the very real and subjective experience of what it is like to be poor as a child.**” (Ridge, 2003)





# The value of understanding children's 'lived experience' of poverty

- Going '**beyond the statistics**' of child poverty - greater appreciation of the complexities of the children's day-to-day experience.
- This **approach values children as competent social actors**, rather than just passive recipients of their experience.





# The value of understanding children's 'lived experience' of poverty

Central **themes of children's lived experience** of poverty include:

- economic insecurity
- emotional and psychological wellbeing
- friendships, leisure and social participation
- schooling and aspirations for the future
- family functioning
- housing, neighbourhood and community
- coping strategies and pathways out of poverty.





# Economic insecurity



- Children living in poverty can be **acutely aware of their family's struggle** to meet their basic needs.  
e.g. children report having to “go easy on everything” when money runs out towards the end of the month – the refrigerator being empty, and having to wait for new (or second-hand) clothes and shoes.





# Economic insecurity



As well as being deprived of life's basic necessities such as food and clothes, poverty can **restrict children's capacity to participate fully in important aspects of childhood** that are often taken for granted (e.g. holidays, toys, birthday celebrations, pocket money).





# VIDEO: My Name is Isha



**Source:** Poverty and Social Exclusion in the UK (PSE: UK) research project  
<http://www.poverty.ac.uk/>





# Emotional and psychological wellbeing

- Poverty can have **serious emotional and psychological effects**, including feelings of worthlessness, failure, and lack of belief in oneself.
- Children **experience considerable stigma** as related to their economic situation.





# Friendships, leisure and social participation



- Children from low-income families can have **difficulty fitting in, and are made to feel inferior and different** from others, being isolated from peers who wouldn't play with them because they were poor.
- Even at **preschool**, children can have the **cognitive capacity to be aware of social stereotypes about poor people**, and recognise that they are viewed as members of a stigmatised group.



## Friendships, leisure and social participation



- Children in poverty often **miss out on social opportunities** because they **can't afford to participate.**
- Some children keep their economic situation secret from friends to **avoid admitting they can't do things that cost money.**





# Schooling and aspirations for the future

- Growing up in poverty can **limit children's enjoyment of school and their ability to participate fully** in the various aspects of school life.
- Children can experience difficulty in school because they **can't afford the proper school uniform, essential items for school, such as technology**, internet, stationery and books, and school trips.





# VIDEO: Hopes and Dreams



**Source:** Poverty and Social Exclusion in the UK (PSE: UK) research project <http://www.poverty.ac.uk/>



# Schooling and aspirations for the future

- **Education is one of the key means of escaping poverty.**
- Children's **aspirations for the future remain high** - they want to earn enough to be able to give money to their parents to make their lives happier.
- Whilst children can identify **ways to escape** from poverty, such as education and employment, they also **recognise the substantial obstacles they will face** following these routes.





# Family functioning



- **Family relationships and conflicts** at home can be a **major source of stress** and unhappiness for children living in a low-income household.
- Even at a young age, children can **worry about their parents - witnessing their distress about making ends meet** and the need for extra expenditure like unexpected bills.



# Family functioning



- Children may **try to prevent their parents from worrying about money**, and offer money from their own piggy banks to help.
- Some children **avoid asking their parents for money** because they know the answer is likely to be 'no' or because they don't want to put extra pressure on their parents.







# Housing, neighbourhood and community

- For young people in **poor neighbourhoods** there can be a **lack of safe places to play**, violence and crime in the community, the risk of walking through dangerous areas, and intimidation by gangs.
- A **lack of affordable and accessible transport** can make young people **feel trapped and bored** due to the restricted space and resources available to them at home.





# Coping strategies and pathways out of poverty



- Children find different ways to cope with the challenges of living in poverty, for example they might **downplay their own needs** and wants so there is less financial pressure on their parents.
- Support from relatives and friends can also help. This can be in the form of second hand clothing or attending social outings courtesy of a friend's parents. (Ridge T 2003; Van der Hoek, T. 2005)



# Coping strategies and pathways out of poverty



- **Good friendships** can provide protection from being bullied.
- Some children believe a **lack of money helps them to value what is important in life and that it causes families and communities to pull together to support each other.**



# Coping strategies and pathways out of poverty

- Children believe **more should be done to help young people to believe in themselves and their capabilities to succeed**, and
- Provide **better opportunities and education, and more support for families, including creating 'decent' jobs** to help escape from poverty.





## Implications for policy and practice



- Children's **views on their experiences of poverty need to be listened to** and considered important in the **development of any policies** designed to address child poverty.

**How children experience poverty in their everyday lives has important implications for definitions, measurement and actions to address poverty.**



# Future research directions

- Much research on children's lived experience of poverty was conducted in the UK.
- **We know very little about how children in different communities of Australia experience poverty in their everyday lives.**
- We have limited understanding of **how children's lived experience of poverty intersects with other inequalities they may be facing related to race, gender and disability.**





# Engaging with children's voices on poverty



**Policy makers and practitioners need to initiate their own consultations with children and young people**, to recognise the valuable contribution of their perspective and engagement as partners in ongoing efforts to address the harmful impacts of child poverty.





# Engaging with children's voices on poverty

- **Consultations must be respectful and sensitive**, and include a range of methods, including innovative ways of communicating findings.
- Children and young people have the **capacity and the willingness to help find solutions to child poverty**.
- They want to be listened to, supported and have their **opinions taken seriously**.







# References

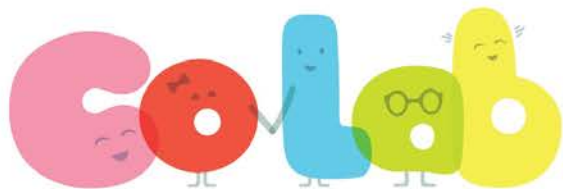
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**Website - [colab.telethonkids.org.au](http://colab.telethonkids.org.au)**

**Twitter - [@CoLabForKids](https://twitter.com/CoLabForKids)**

**Email - [CoLab@telethonkids.org.au](mailto:CoLab@telethonkids.org.au)**



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# VULNERABILITY SPEAKER SERIES

## Morning tea





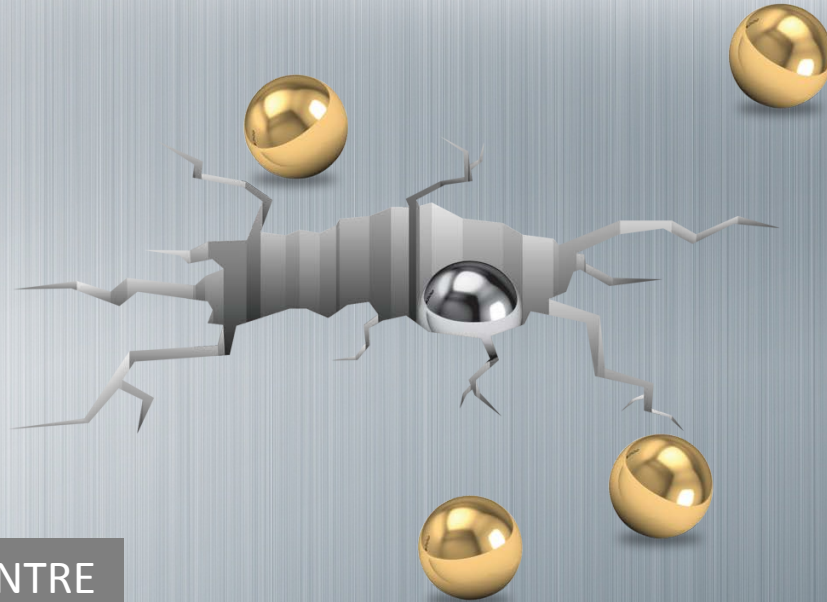
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# VULNERABILITY SPEAKER SERIES

## Professor Alan Duncan

Director of the Bankwest Curtin Economics Centre and Bankwest Professor  
of Economic Policy at Curtin Business School, Curtin University



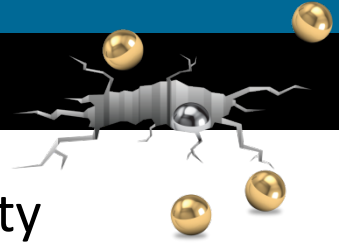


BANKWEST CURTIN ECONOMICS CENTRE

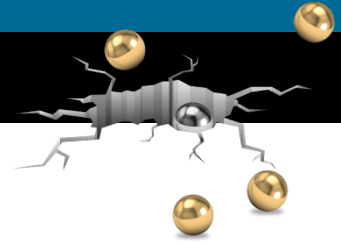
## EXPLORING THE ECONOMIC IMPACT OF VULNERABILITY TO SOCIETY

Presentation to Commissioner for Children and Young People Roundtable,  
Understanding vulnerability in children and young people  
20<sup>th</sup> March 2018

# “No child shall live in poverty” ...



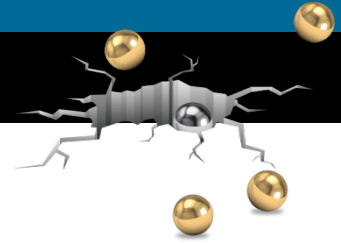
- Bob Hawke committed 30 years ago to eradicate child poverty by 1990
- A strong statement of intent to promote improved financial security and resilience for families, reduce vulnerability among children and young people, and support better life outcomes
- So how far has Australia travelled in meeting this ambition?
- If not met, where do we go from here?



- Incidence and depth of poverty among children and young people
- Prevalence of poverty and vulnerabilities – who is at highest risk?
- Do government transfers protect against poverty?
- Domains of vulnerability
- The economic and social impact of vulnerability
- The scarring effects of financial vulnerability in the family home

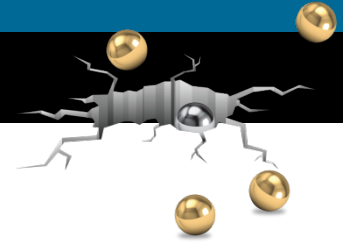


# What is income poverty?



- A measure of the deficiency of income relative to a benchmark.
- ‘Standard’ income poverty measure is 50% median.
- More severe measure – 30% median.
- Standardised to control for household needs, using *equivalised* disposable income *after housing costs*

# Depth of income poverty – Australia

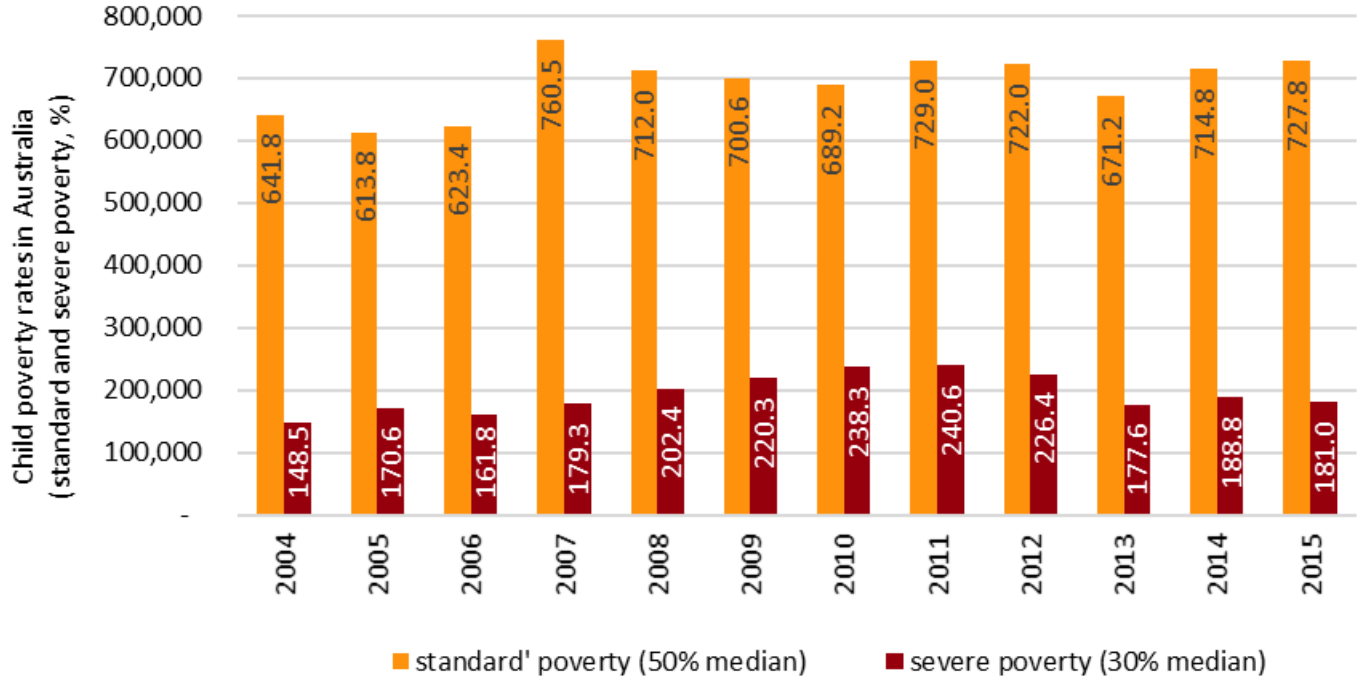
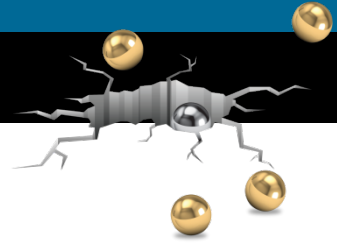


Poverty base	<i>Standard poverty (50% median income)</i>		<i>Deep poverty (30% median income)</i>	
	Rate	Count	Rate	Count
Households	14.1%	1,253,982	5.3%	475,662
People	11.1%	2,580,601	3.6%	833,486
Children	12.1%	727,822	3.0%	180,952

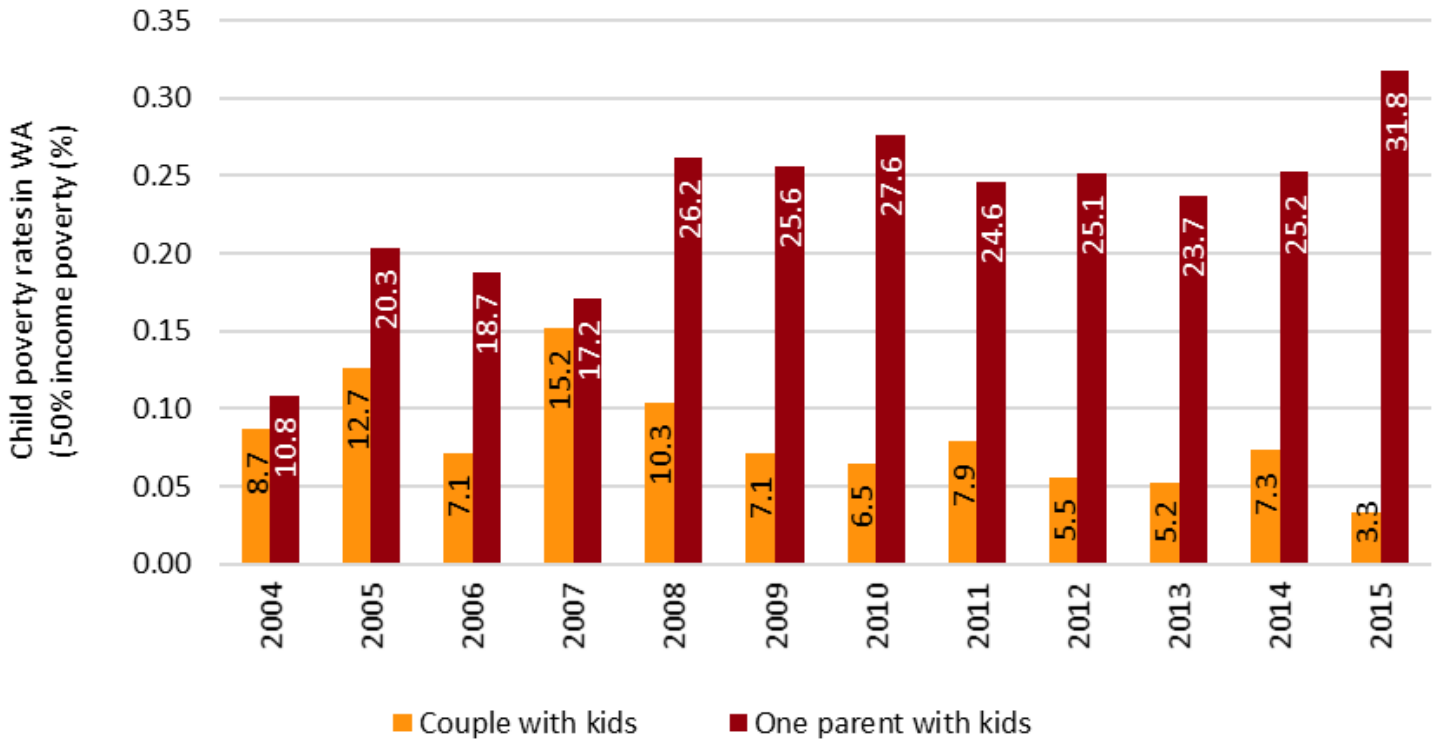
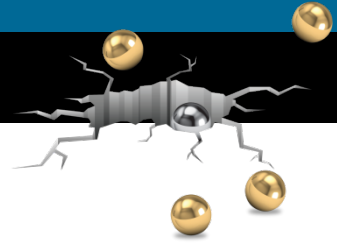
**Notes:** Poverty rates are calculated as the percentage of children in households where real equivalised household disposable incomes (after housing costs) fall below 50 per cent of the median. Nil and negative incomes are excluded from all poverty calculations. Data are re-based to 2017 prices. Housing costs included mortgage repayments, rent and property rates.

**Source:** BANKWEST CURTIN ECONOMICS CENTRE | Authors' calculations from HILDA longitudinal survey data, 2015

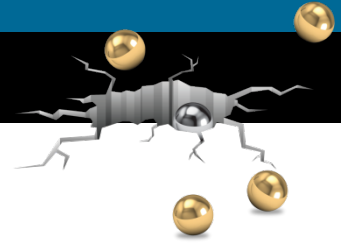
# Child poverty numbers over time - national trends



# Child poverty far more prevalent for single parents

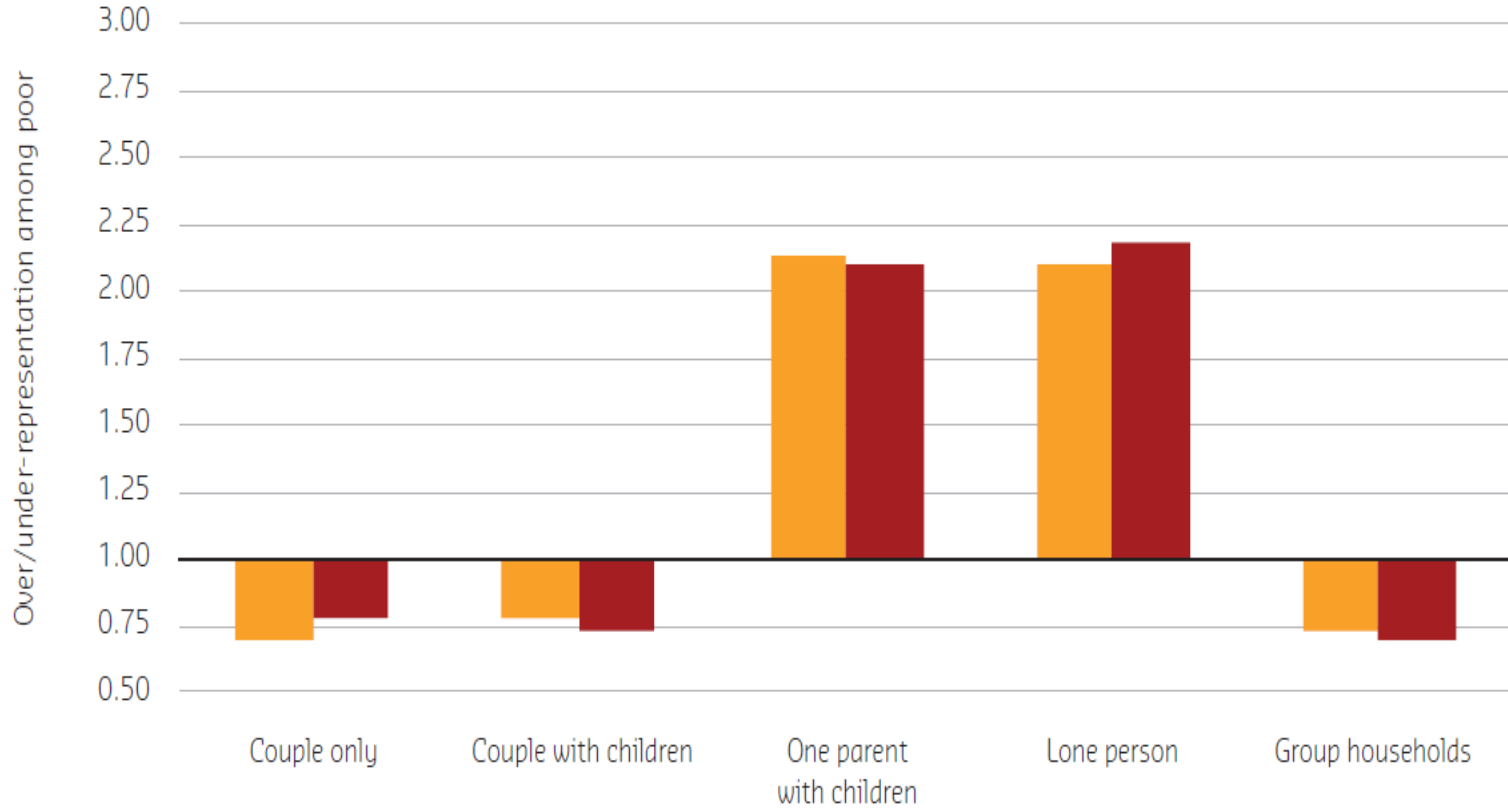
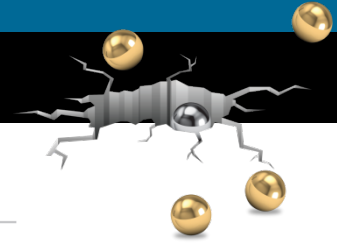


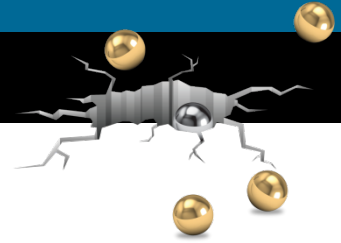
# Heightened risk of poverty among young single families....



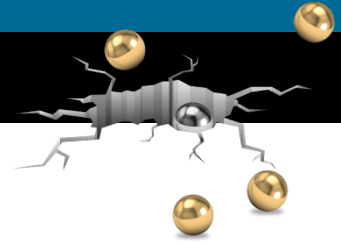
- Children in single parent families face a far higher risk of poverty
- More likely to experience financial hardship and material deprivation.
- Nearly **one in three** children in single parent households are in poverty and one in seven in severe poverty.
- Lone person - \$145; single parent - \$270 per week

# Heightened risk of poverty among young single families....





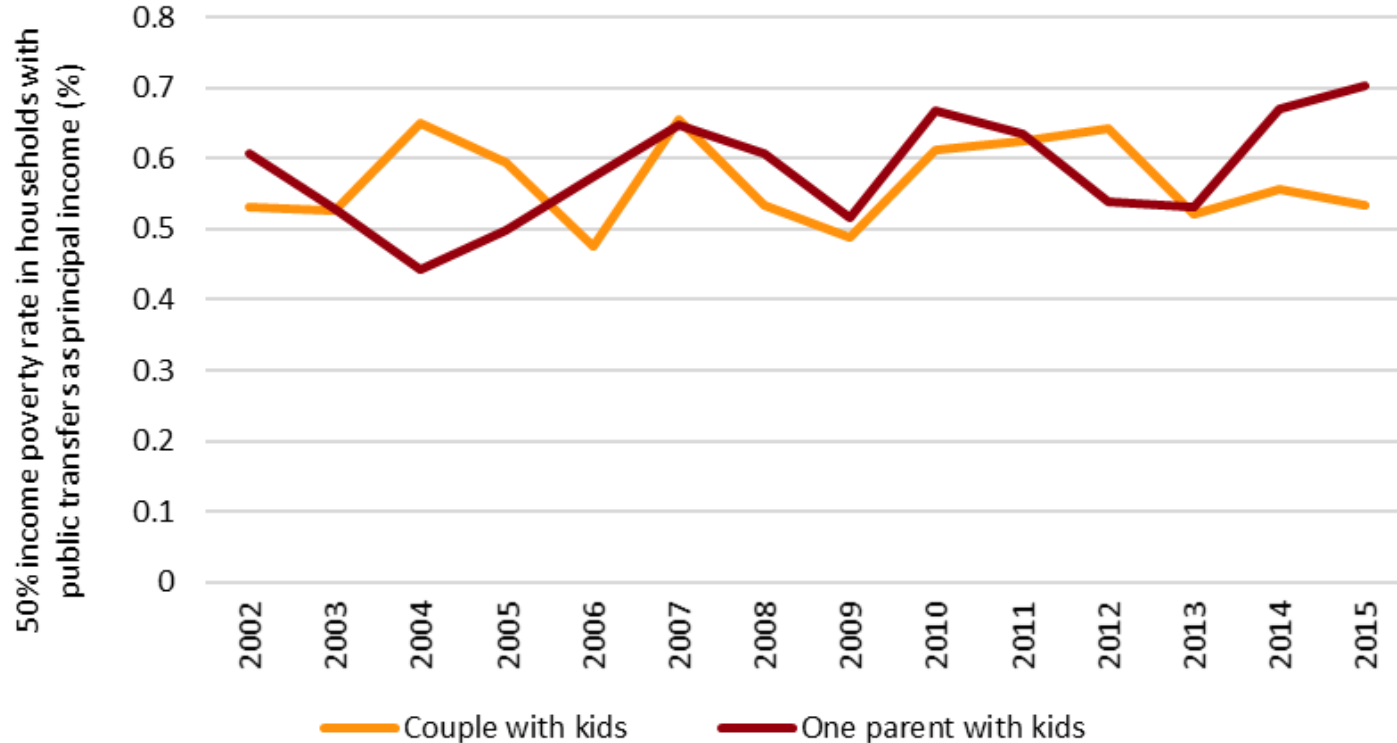
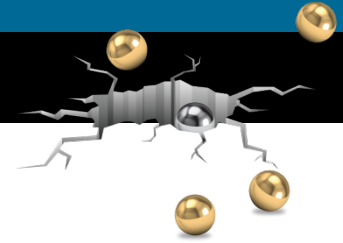
- Single parents are far more likely to be in poverty for longer
- A **quarter of a million** (242,000) single parent families have been in poverty for at least five of the last ten years.
- Poverty rate for renters in Australia more than **twice** that for mortgage holders and **three times** the rate for owners without mortgages.



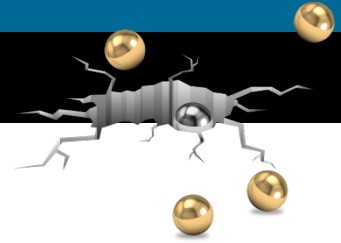
- ‘Typical’ disposable incomes in WA are higher than most other states and territories, **BUT**
- This has an effect on prices and the cost of living, which is demonstrably higher in WA than many other states.
- Government payments indexed to **national** CPI
- Hence, the real value of income for those on government payments or pensions is lower in WA than elsewhere.



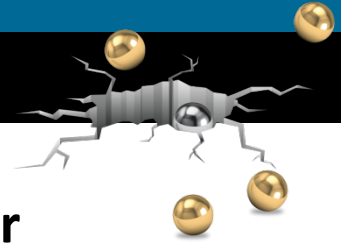
# Income poverty rates for those on welfare payments.....



# The link between poverty and vulnerability



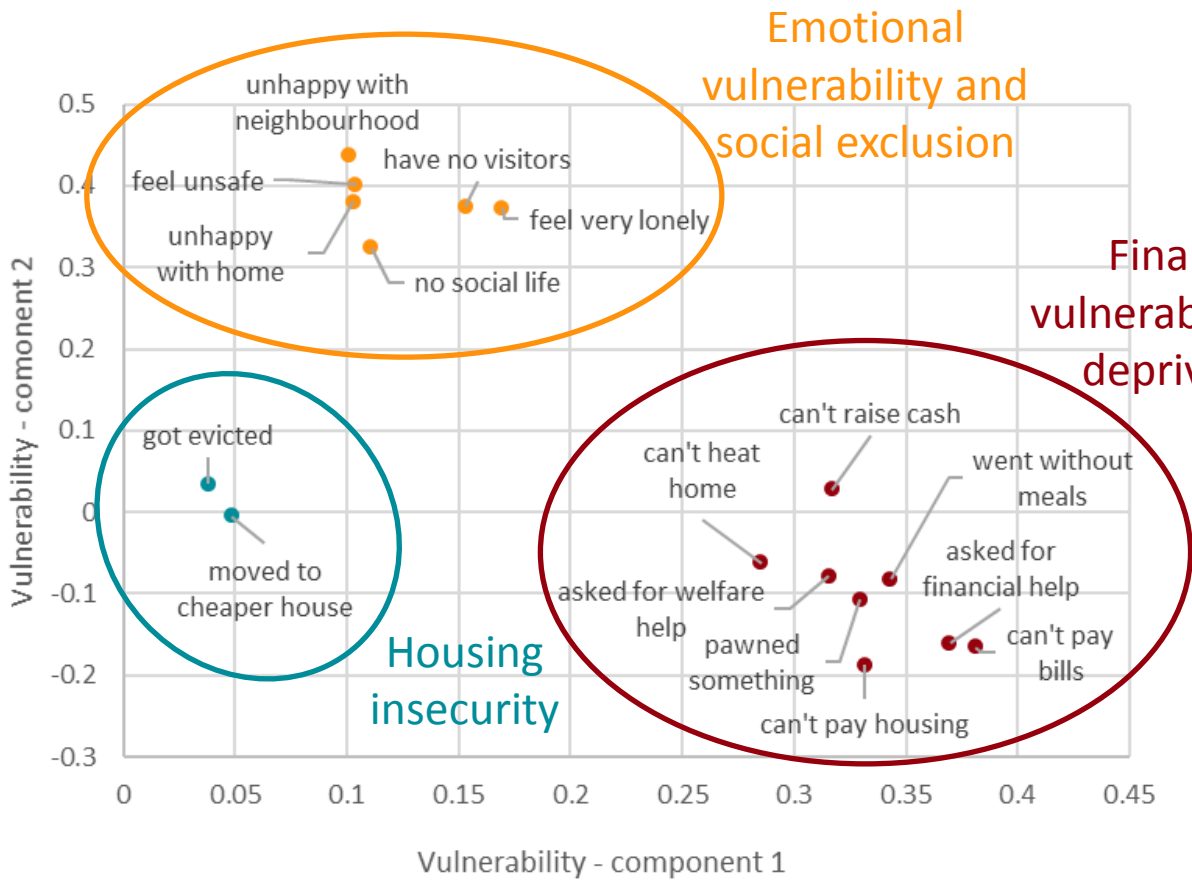
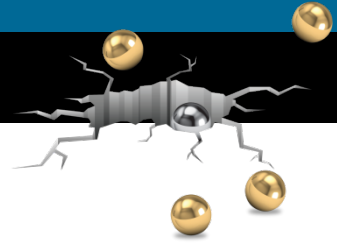
- Alan Tudge recently challenged the role of increased welfare payments in reducing poverty
- He also challenged the use of income poverty to judge hardship
- What is the link between poverty, vulnerability and hardship?
- What is the economic impact of vulnerability on children
- Is there a scarring effect of vulnerability on young people?



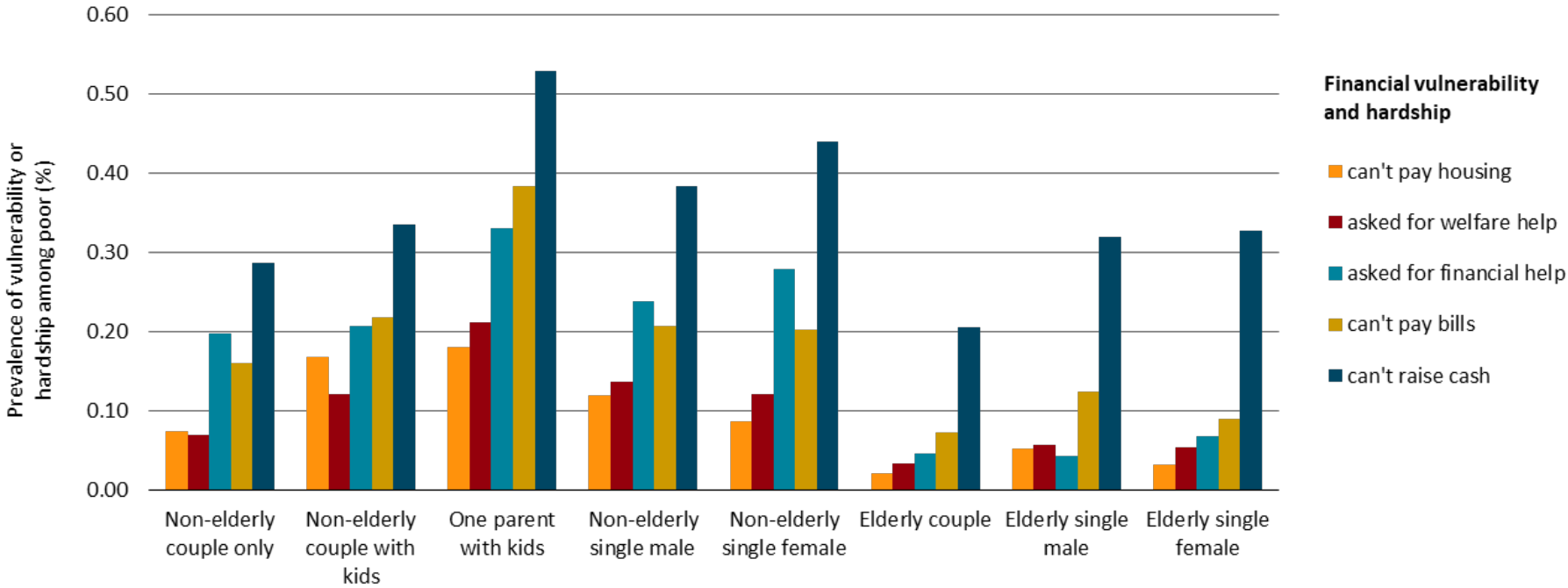
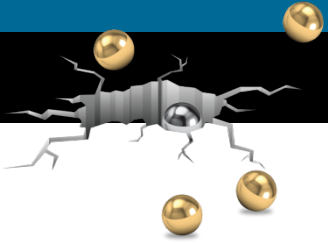
## Information available in the Household Income and Labour Dynamics in Australia (HILDA) longitudinal dataset

- can't pay bills
- can't pay housing
- can't raise cash
- pawned something
- went without meals
- can't heat home
- asked for financial help
- asked for welfare help
- moved to cheaper house
- got evicted from home
- feel very lonely
- feel unsafe
- have no visitors
- have no social life
- unhappy with home
- unhappy with neighbourhood

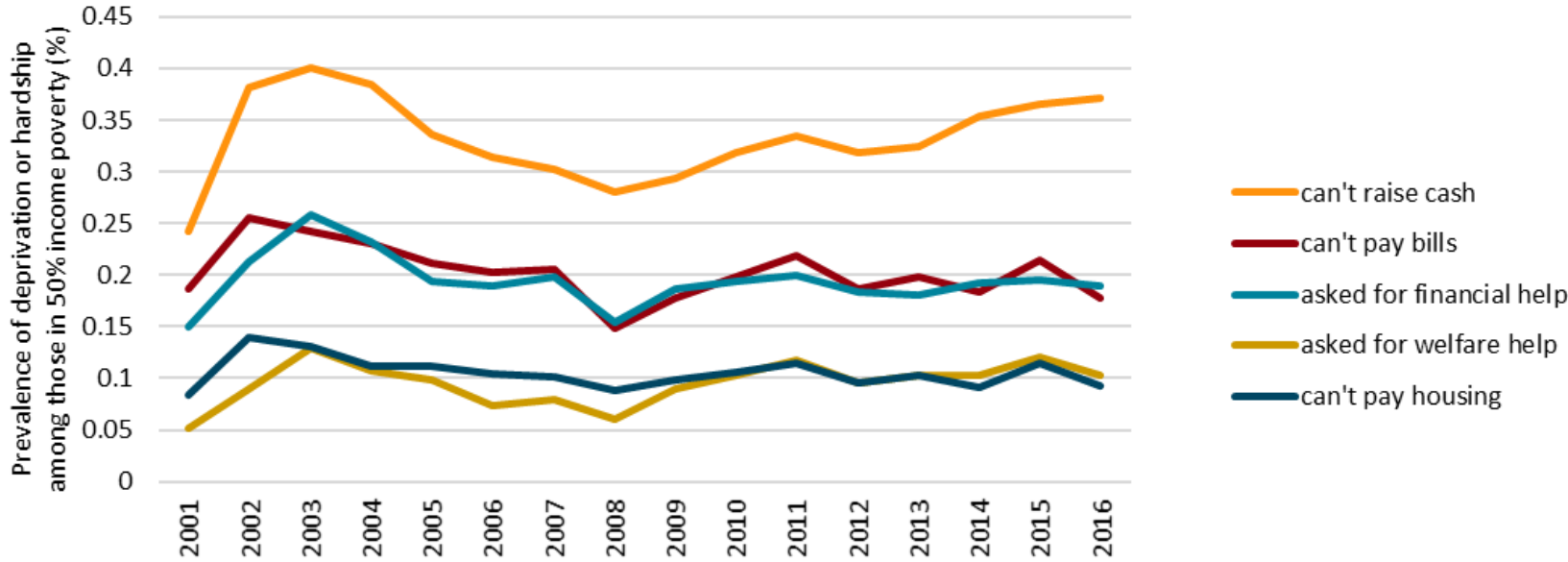
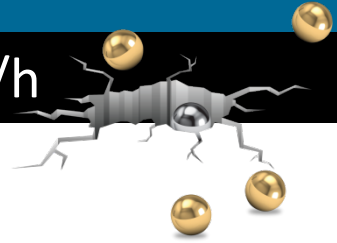
# Domains of vulnerability – empirical insights



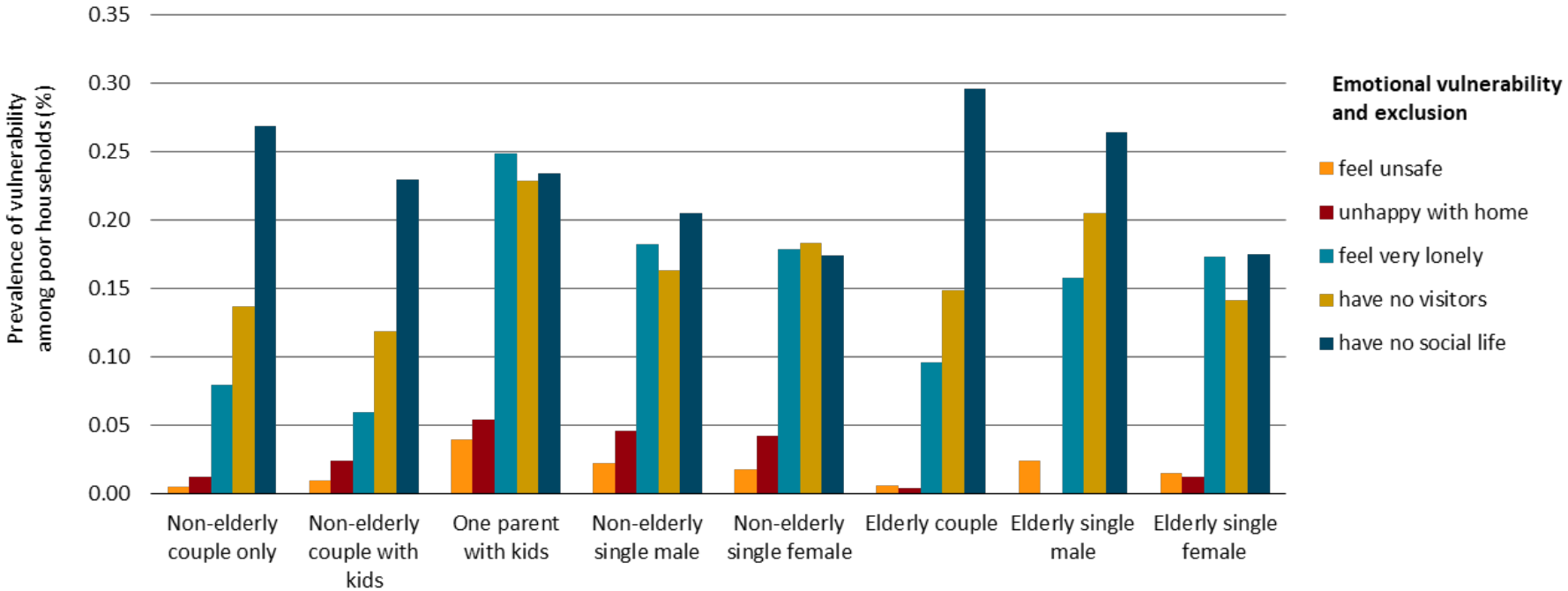
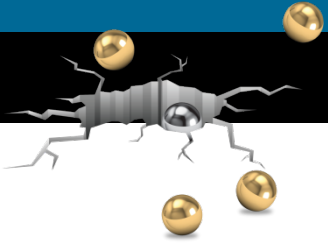
# Financial vulnerability & hardship among households in poverty



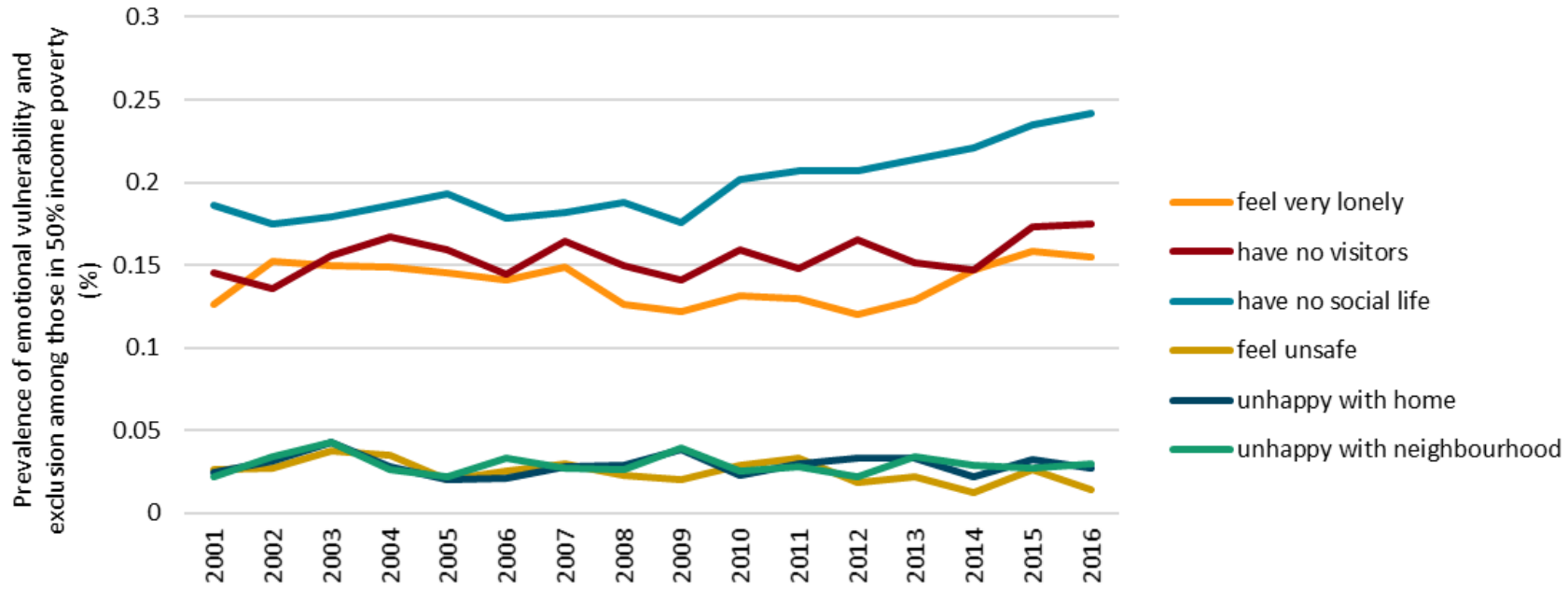
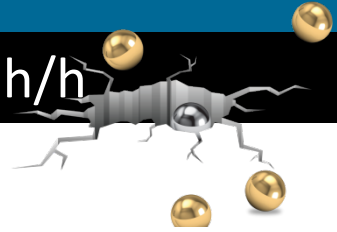
# Financial vulnerability & hardship over time among low income h/h



# Emotional vulnerability & exclusion among households in poverty

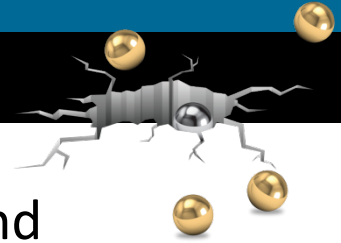


# Emotional vulnerability & exclusion over time among low income h/h



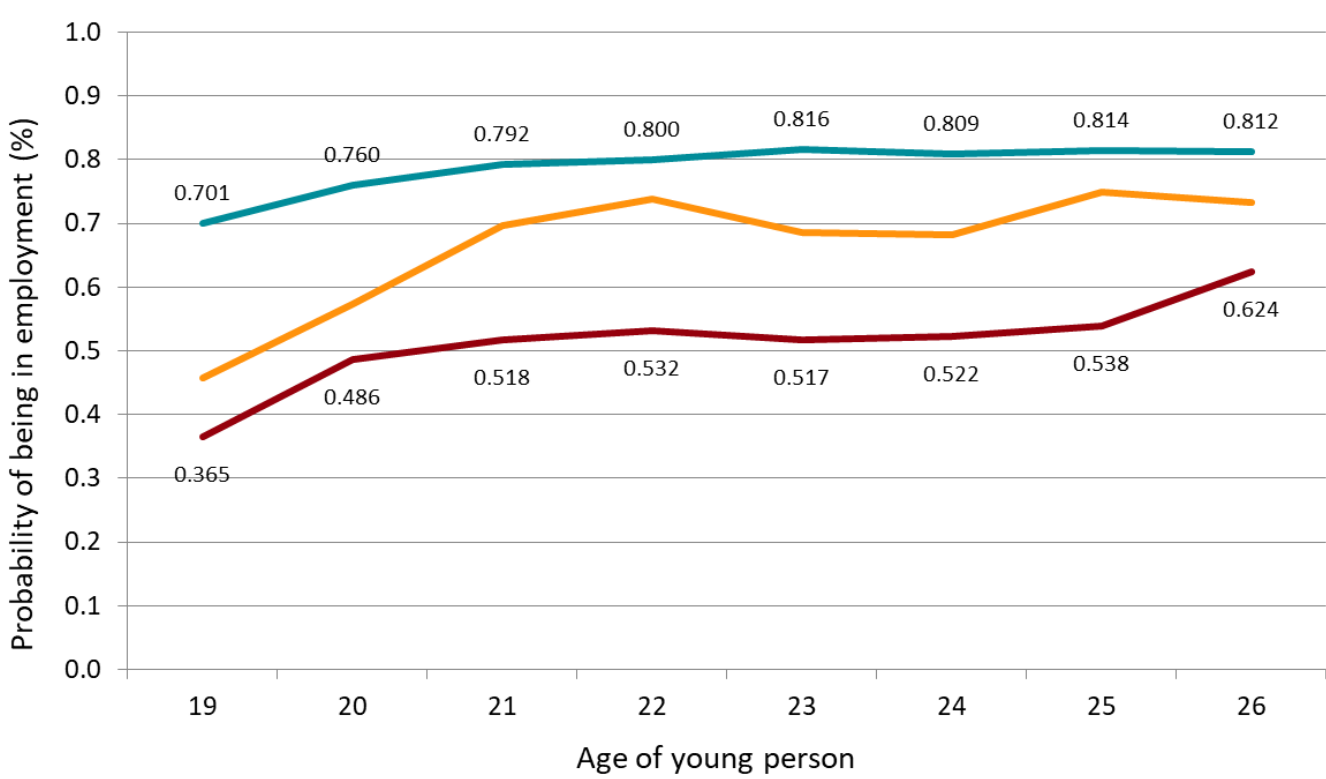
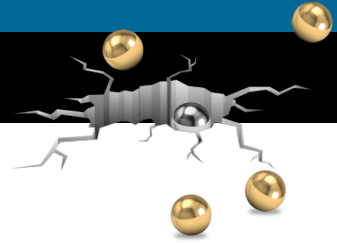


# The economic impact of vulnerability on young people



- What is the impact of financial vulnerability in childhood and adolescence on the future economic outcomes of young people?
- Use the HILDA survey to track young people after they leave the family home – select those observed for at least **three years before** and **three years** after leaving home
- Compare young people according to the degree of financial vulnerability faced **while in the family home**:
  - (i) no poverty at home
  - (ii) poverty at home
  - (iii) persistent poverty at home
- How do their future economic outcomes compare?

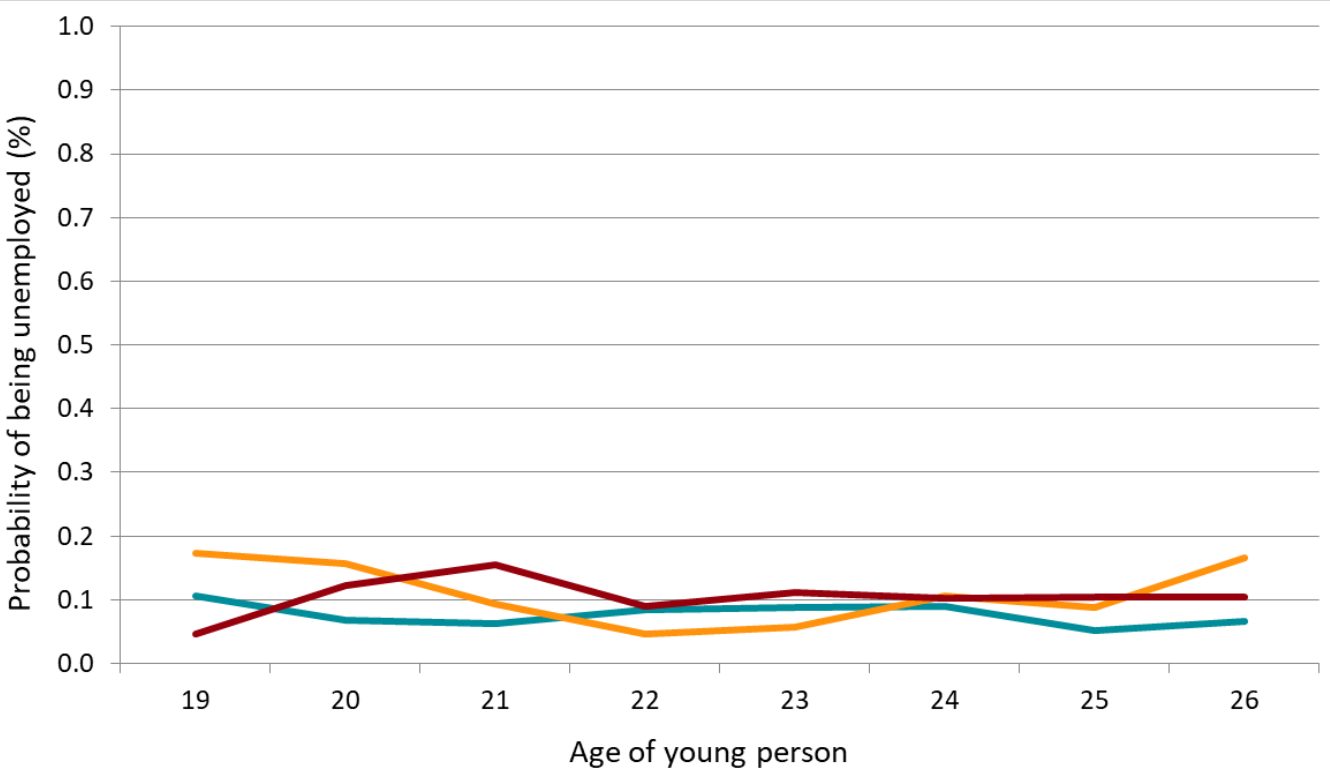
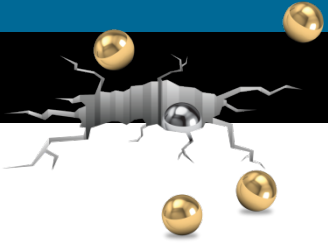
# Employment rates of young people after leaving home.....



— Not in child/youth poverty while in the family home  
— In child/youth poverty while in the family home  
— In persistent child/youth poverty while in the family home

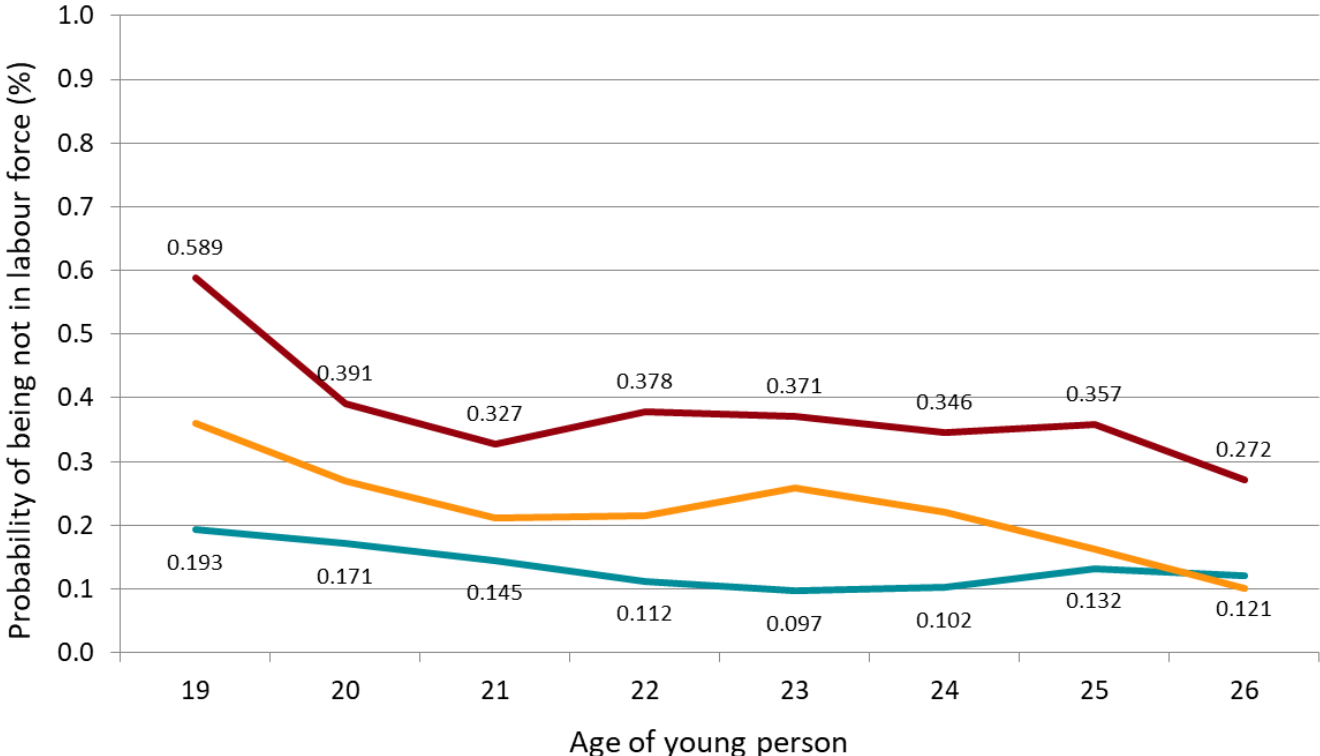
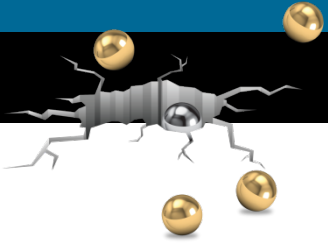


# Unemployment rates of young people after leaving home.....



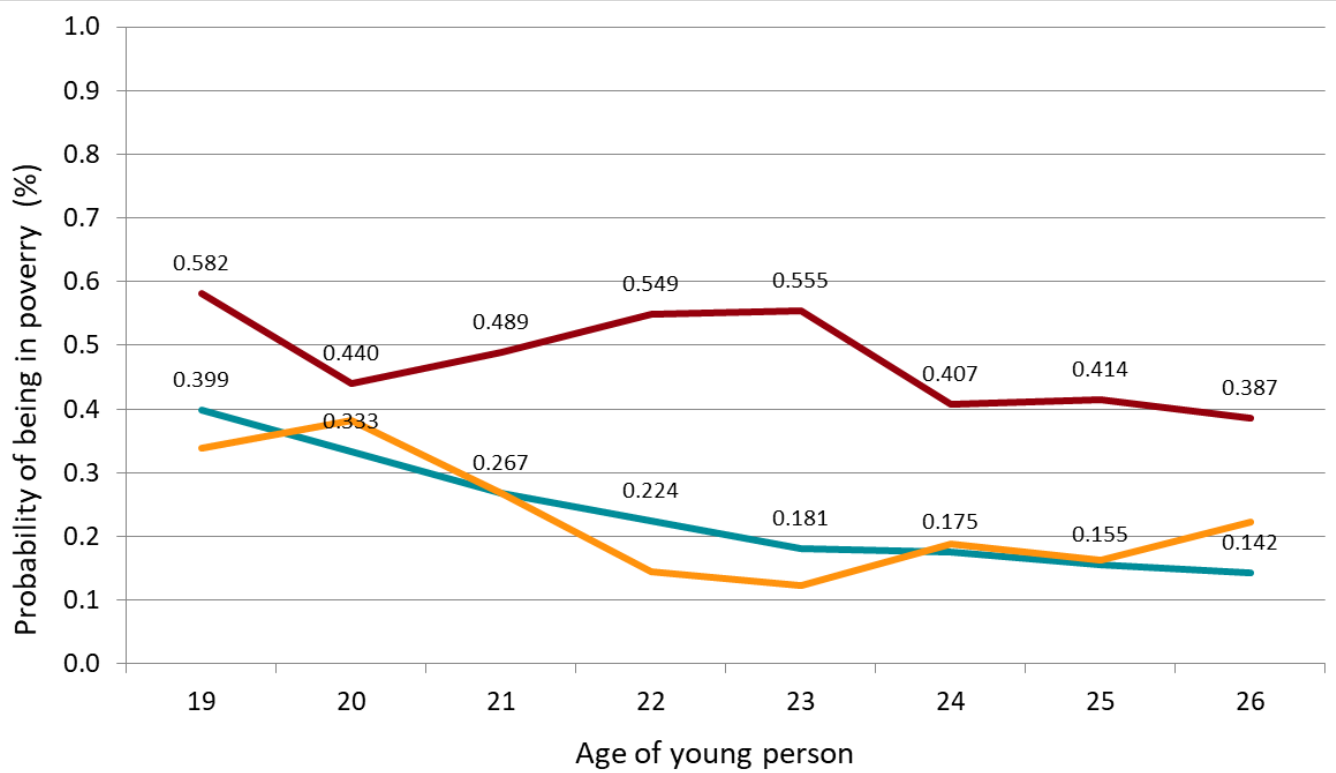
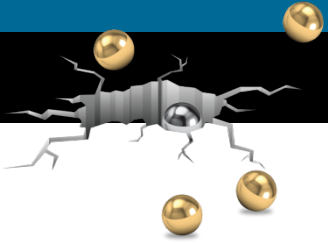
- Not in child/youth poverty while in the family home
- In child/youth poverty while in the family home
- In persistent child/youth poverty while in the family home

# Non-participation rates of young people after leaving home.....



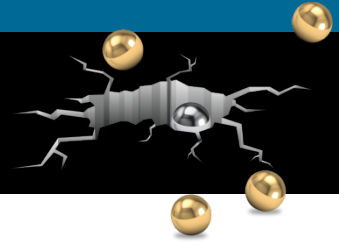
— Not in child/youth poverty while in the family home  
— In child/youth poverty while in the family home  
— In persistent child/youth poverty while in the family home

# Poverty rates of young people after leaving home.....



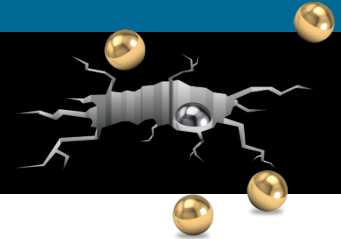
- Not in child/youth poverty while in the family home
- In child/youth poverty while in the family home
- In persistent child/youth poverty while in the family home

# The **scarring effect** of financial vulnerabilities at home on the future economic outcomes among young people



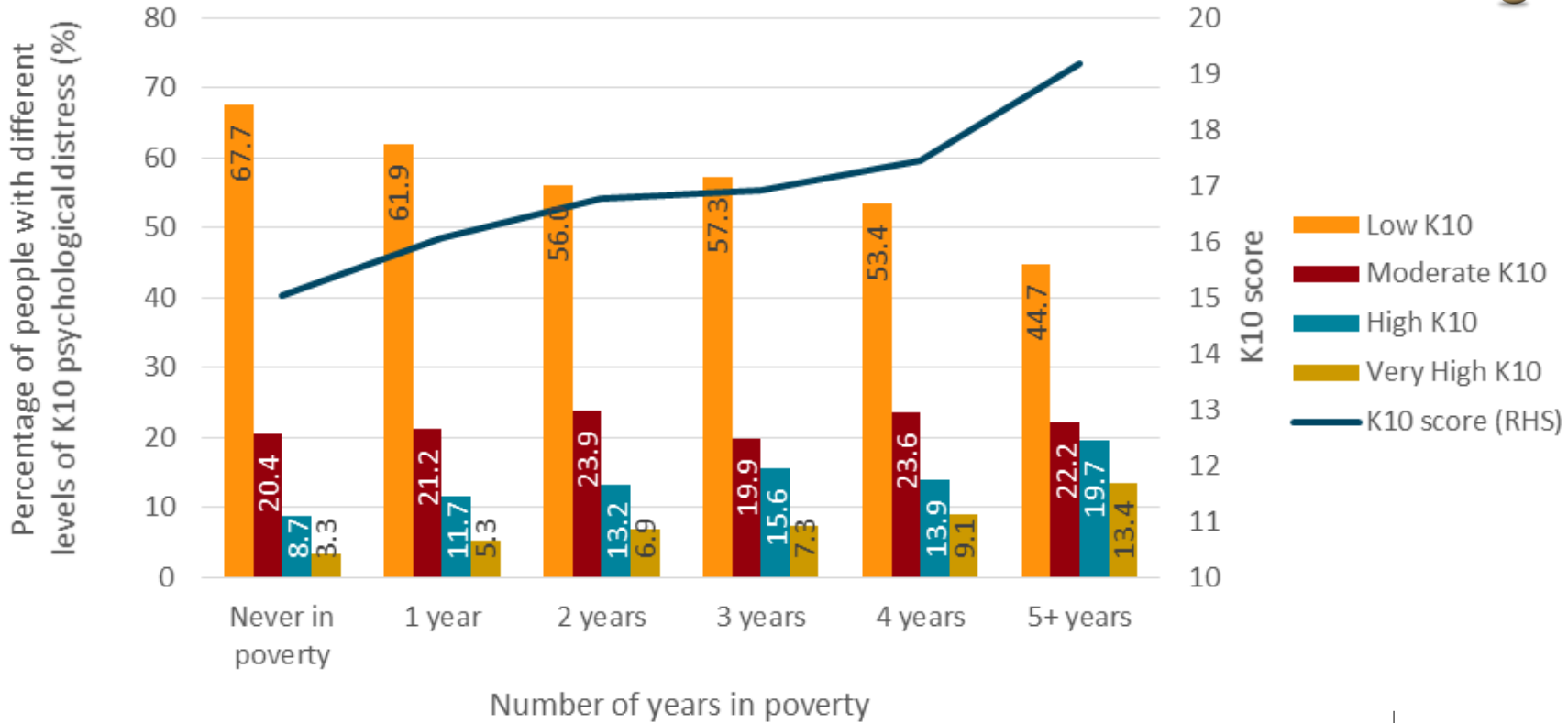
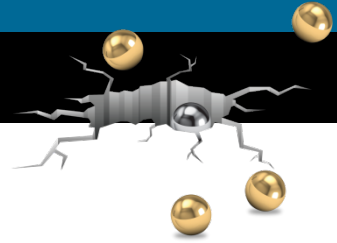
- Are future economic outcomes among young people after leaving the family home explained purely by compositional differences and personal characteristics?
- Use econometric methods to model the economic outcomes of young people after they leave the family home
- Again, select those observed for at least **three years before** and **three years** after leaving home
- Control for gender, socioeconomic status, educational achievement (of young people and their parents), labour market status, time
- Does the degree of financial vulnerability faced while in the family home **still affect outcomes?**

# The scarring effect of financial vulnerabilities at home on the future economic outcomes among young people



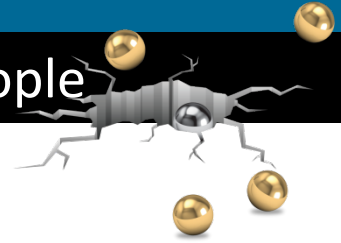
Percentage point difference in economic outcomes according to financial vulnerability in the family home	<i>Employed</i>		<i>Unemployed</i>		<i>Non-participation</i>	
	No controls	Full controls	No controls	Full controls	No controls	Full controls
	previously in poverty	-12.7 ***	-8.4 ***	+2.71	+1.6	+10.0 ***
previously in persistent poverty	-26.9 ***	-15.1 ***	+0.68	+0.7	+22.5 ***	+14.5 ***
	<i>Poverty</i>		<i>Feel nervous</i>		<i>Feel down</i>	
	No controls	Full controls	No controls	Full controls	No controls	Full controls
	previously in poverty	+0.16	-2.4	+7.39	+5.7	+8.1 ***
previously in persistent poverty	+19.02 ***	+13.6 ***	+7.91	+8.0	+6.4 **	+4.3 **

# Persistent poverty increases psychological distress...





# The economic impact of vulnerabilities on children and young people



- **Three quarters of a million** Australia children live in poverty
- Close to **200,000 children** live in severe poverty
- Nearly one third of children in single parent families face poverty, with a strong link to deprivation and hardship
- Poverty is a persistent state, and one that has a demonstrably adverse impact on health and wellbeing
- Emotional vulnerability, exclusion and financial hardship on the rise for families with children and young people
- Financial vulnerability in the family home has a scarring effect on future economic outcomes for young people
- Welfare payment are increasingly inadequate as a protection against poverty, and *have* to be part of the equation



Commissioner for Children and Young People  
Western Australia

# VULNERABILITY SPEAKER SERIES

## Q&A





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