When is it ok to leave a child in poverty?

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The <u>Poverty In Australia 2022 report</u>¹ by the Australian Council of Social Service and UNSW Sydney, shows that 16.6 per cent of Australian children (or 761,000 kids) lived in poverty in the 2019/2020 financial year.

This is well above the OECD average of 12.8%.

"In 11 other OECD countries (Austria, Belgium, the Czech Republic, Denmark, Finland, Hungary, Iceland, Ireland, Norway, Poland, Slovenia and Sweden), less than 10% of children live in poverty. In Denmark and Finland, the child poverty rate is only around 4%."

Source: (OECD FAMILY DATABASE, August 2021)

<u>Foodbank's Hunger Report²</u> released today shows that 116,000 West Australian children live in severe food insecurity. This is consistent with the estimate that 100,000 WA children live in poverty.

There is mounting evidence from a myriad of highly reliable research that demonstrates how poverty can compromise a child's development and her/his future opportunities. The <u>2015 Australian Early</u> <u>Development Sensis</u>³ showed that children living in poor circumstances were over four times more likely to be developmentally challenged than those living in better socio-economic conditions. A lack of adequate nurture and insufficient protection and stimulation between birth and age three negatively impacts on brain development. The research evidence supports the view that poverty in the early years of a child's life has a greater developmental impact than for children who experience it at a later stage. Poor living conditions impacts negatively on a children's mental health, development of motor skills and sense of security.

The result of experiences largely created by poverty, can have tragic, long-term outcomes for many children who often face an adult life of poor educational achievement, unemployment, homelessness and other personal problems. For some children, their poverty is a matter of life and death. In a paper published in a <u>2005 Medical Journal of Australia</u>⁴, researchers Karen Zwi and Richard Henry wrote:

"There is a growing body of literature both in Australia and internationally documenting the association between socioeconomic status and mortality, with disadvantaged groups experiencing higher death rates for most major causes of death at all ages, and mortality rates rising stepwise as children's level of disadvantage worsens."

Entrenched poverty that continues for extended periods creates experiences that become habitual and difficult to escape. Given the demonstrated negative impact of poverty on children, both in the short and long-term, a strong case exists for minimising child poverty.

Despite the mounting evidence of the extent of poverty in Australia and the significant impact this has on children, the response by successive Australian governments over the last 20 years has been imperceptible. In effect the general thrust of Australian policy in this area has been to rewind the social benefits that had successfully reduced poverty before the mid 1990's.

In the last decade alone, there has been reduction in Family Tax Benefit (FTB) for many families at risk of poverty. Large numbers of single parents have been moved to JobSeeker, thereby substantially reducing their income. In 2017, Family Tax Benefits rates were frozen for two years. An Analysis by the Parliamentary Library for the current 47th Parliament confirms that real expenditure on family

¹ https://povertyandinequality.acoss.org.au/a-snapshot-of-poverty-in-australia-2022/

² https://reports.foodbank.org.au/foodbank-hunger-report-2022/

³ https://www.aedc.gov.au/resources/detail/2015-aedc-national-report

⁴ https://www.mja.com.au/journal/2005/183/3/13-children-australian-society

payments in 2020-21 is the same as it was in 2000- 2001. This is even though there's been a 20% increase in the number of children aged 0-14 during that same period.

Since the mid 1990's, the general position of Australian governments has been to largely ignore the issue of child poverty.

This lack of focus on reducing poverty is not limited to government as it is rarely discussed in the broader society. Of the many social issues that are debated in Australia today, child poverty is rarely mentioned. It never receives the media or political attention of such issues as homelessness, domestic violence, housing, racism, gender bias and inequality to name but a few. There are no rallies and protests to highlight its effects and to demand change.

So, why are we so reluctant to address child poverty meaningfully and effectively? There are many reasons. To name a few:

- The belief that child poverty is intractable. This is based on the view that there will always be the poor so why bother doing anything about them. Attempting to resolve child poverty is seen by some as largely impossible and largely a waste of effort and money.
- There is the view that **the poor are responsible for their poverty**. Such a view undermines any concept of collective responsibility and largely releases government and society as whole of meaningful involvement in its resolution.
- The idea that incompetent, inconsiderate and lazy parents create child poverty. Such a view denies the reality that much of poverty is caused by ill-health, mental difficulties, disability and a myriad of life events outside of a person's control.
- The marginalisation and denigration of the poor through public discourse, media and political debates. The poor are publicly shamed as spendthrifts, "dole bludgers", "lazy", "leaners" etc. Such labels, too often used by some community and political leaders, form the view that such people don't deserve public sympathy or assistance.
- The concept of "small government" has led governments to withdraw from addressing the structural causes of poverty. Small government is the idea that government should not interfere in people's lives and play a minimalist role in structuring society.
- The view that we can't afford it. Expenditure targeted towards alleviating deprivation is seen as a cost rather than an investment that reduces costs in the long term. It also doesn't recognise the economic and social contribution that healthy, functioning individuals make to society when their deprivation is averted.
- **Most poverty is hidden** which reduces the general public's awareness and interest in its resolution. The outpouring of support by Australians towards those impacted by natural disasters or unexpected circumstances demonstrates a generosity that is less evident to strangers and when we speak of the poor in general terms.
- There is **little political advantage to addressing child poverty** given the public's general disinterest and sympathy on the issue and the perceived electoral cost of any failed attempt to resolve it.

These considerations partly provide an explanation as to why there is in Australia such little action to effectively deal with child poverty.

However, given the negative impact that child poverty has on children, society cannot but take an interest in its resolution. It could only withdraw from this responsibility if it believed that it was acceptable for children to remain living in poverty and to suffer its inevitable, negative consequences.

This raises a significant moral issue. On what grounds can leaving children in poverty be justified? The mental, physical and emotional needs of children in poverty cannot be consciously and conscientiously ignored. Children in poverty have a right to expect that, just as with their physical health, their developmental and emotional wellbeing is safeguarded. <u>Article 27 of the United Nation's</u> <u>Declaration on the Rights of Child⁵</u>, expects signatories, of which Australia is one, to

"...recognize the right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral and social development."

The UN's concern for the protection of such a right is based on the self-evident vulnerability of children and their dependence on the actions of the adults in their lives. Children rely on their parents, community members and governments to provide for and protect them. They don't have the power or the means to provide for their own unmet needs. They are the innocent victims of their circumstance. Their parents and their society have a responsibility and a moral obligation to ensure their wellbeing.

Discussions on child poverty necessarily need to include challenging questions on ethical principles and morality if such discussions are to have a humanitarian dimension. This may avoid limiting child poverty to issues of money and process. In a 2014 book on child poverty Jonathan Boston and Simon Chapple⁶ write:

"... however, we do the maths, ultimately the choice is a moral one. Is it ethically justifiable to let children suffer because of their parent's misfortune or misdeeds? Should we simply leave them to endure a particular fate?"

It is difficult to argue that Australia doesn't have the financial means to deal with child poverty given its undoubted wealth and position as one of the richest nations on the planet. Its Gross Domestic Product (GDP) in 2021 was estimated at A\$ 2.5 trillion. It is ranked by the World Bank as the 13th largest national economy. According to <u>Credit Suisse's annual Global Wealth Report</u>⁷, Australia topped the global rankings for median wealth per adult, at A\$442,006 (US\$273,900) per person.

Australia's lack of a clear commitment to reducing child poverty is not just about affordability. <u>Societal attitudes and values also contribute to the reasons why over 700,000 children remain in poverty</u>⁸. The judgemental and dispassionate attitudes towards the poor mentioned earlier and the increasing self-interest in Australian society are at the heart of the inaction.

Child poverty is unlikely to be resolved in Australia while it is seen primarily as an economic and political issue devoid of moral considerations. Unless economic factors are encapsulated within moral imperatives, responses to child poverty will lack the passion, commitment and purposeful drive essential to its significant reduction, if not elimination. This ethical dimension is an essential element of any serious discussion, debate and proposed action on child poverty.

Ethical considerations lie at the heart of the political will that is so vital to effectively address child poverty. The significant funds and policies needed to deal with child poverty is largely dependent on Australian political representatives. Their leadership and societal power make them central to the issue

⁵ https://humanrights.gov.au/human_rights/fingertips/child.html

⁶ Boston, Jonathan. & Chapple, Simon. 2014, Child poverty in New Zealand / Jonathan Boston & Simon Chapple Bridget Williams Books Limited Wellington, New Zealand

⁷ Credit Suisse Annual Global Wealth Report 2022

⁸ https://www.globalcitizen.org/en/content/poverty-australia-acoss-report-2020/

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of Australian poverty. It has already been mentioned above how in the last 20 years political decisions have resulted in policies that have done little to address poverty, and child poverty in particular.

The previous federal government stated in a <u>submission to a Senate inquiry on Newstart⁹ (now</u> JobSeeker) that its priority was to "... *focus on strengthening the balance sheet and reducing debt*". This makes the stress and suffering created by highly inadequate social benefits subservient to the government's budget concerns. Raising the importance of economic results above human needs has become a core aspect of Australian politics, especially regarding social matters.

This view of government was not prevalent when former Prime Minister, Bob Hawke committed his administration to better support struggling families. At that time, government still believed that it had a responsibility to make changes to those societal systems that created and maintained poverty. A healthy economy was important only in so far as it improved the living conditions of all Australians. The Hawke, Labor government reduced child poverty from 14% in 1983 to 8% in 1990. Child poverty can be reduced once we accept the reality that poverty is not simply the result of inadequate personality traits but also from the organisation of society.

The last 30 years has seen an abandonment of this view and the adoption of a position that lays the blame for poverty on the poor as exemplified by <u>British Prime Minister</u>, <u>Margaret Thatcher who</u> believed that poverty in the western world was caused by a person's 'personality defect'¹⁰.

An individualised view of poverty takes the burden for its resolution away from governments and diminishes collective responsibility. It also minimises the structural aspects of poverty. It underplays the significance of tax systems, industrial/employment practices, education, the role of social supports and benefits. Poverty flourishes when societal structures work to enhance the material success of some while diminishing that of others. The increase in child poverty from 8% in 1990 to approximately 17% today, suggests that the structural choices made over three decades have contributed to this outcome. Those of us who are not poor have an obligation to ensure that our good fortune is not maintained through an economic and social system that is unfair and unjust. Australia is wealthy enough to minimise poverty while retaining a high standard of living for its citizens.

To effect change, those interested in reducing child poverty must not only bring their substantial evidence and arguments to the attention of government but to the general public as well. Large scale public expressions of care and concern is fundamental to creating substantial reductions in child poverty. It is not easy to change the public mind on issues like this. Decades of neoliberal individualism has largely expunged any notion of collective responsibility for child poverty. Nevertheless, there is power in social networks that provide an opportunity for change towards a more informed, sensitive and humanitarian approach to this significant social issue.

New Zealand has chosen to make the reduction of child poverty a very serious matter for its legislators, public servants and the community as a whole. Its <u>Child Poverty Reduction Act</u>¹¹ commits the nation to this important task. Crucially, the Act was passed with 'near unanimous parliamentary support'. The Act establishes measure and targets that are both short and medium term with the legislation required to be updated every three years. The NZ governments Budget 2022, <u>Child Poverty Report</u>¹² shows that actions taken have already had a positive and consequential impact on the reduction of child poverty.

Australia has the professional knowledge and financial capacity to substantially reduce child poverty. What it requires is a determined will and a belief that it is possible to effectively deal with child poverty. It needs to be convinced that it makes both humanitarian and economic sense to address it.

⁹ https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/Newstartrelatedpayments

¹⁰ https://www.margaretthatcher.org/document/103793

 $^{^{11}} https://www.childyouthwellbeing.govt.nz/our-aspirations/context/child-poverty-reduction-and-wellbeing-legislation and the second secon$

¹² https://budget.govt.nz/budget/2022/wellbeing/child-poverty-report/index.htm

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Australia needs to believe that child poverty harms children and that this is unacceptable. In the words of Alison McClelland in her <u>Report</u>¹³ in 2000 on child poverty in Australia we need to

"...reassert the importance of another set of values—which emphasise the dignity and worth of all people and their connectedness."

Australia cannot just leave it up to individual parents to resolve child poverty. There is a societal responsibility as well. And to quote Boston and Chapple again:

"... children are owed a special care. This duty rests first and foremost with their parents and guardians. But it is also shaped by society as a whole ... There is a broad community agreement that all people, including children, are of equal moral worth and dignity."

In the end this is the point, poverty causes harm to children that has significant long-term and, at times, even fatal consequences. There is a moral duty to respond and end the harm, especially since children are some of the most vulnerable in our society. Australia cannot avoid its responsibilities by claiming ignorance, blaming children's parents, asserting it is unaffordable or that there's not enough evidence. Such barriers are mere smokescreens used to justify the inaction that punishes children and demeans Australian society.

It is the responsibility of each Australian, especially those in positions of power and influence, to seriously respond to child poverty given the traumatic and tragic impact that it has on hundreds of thousands of the nation's children. Addressing child poverty provides an opportunity to create a meaningful purpose and vision for all Australians.

Anti-Poverty Week's call to all parliamentarians to commit to halving child poverty by 2030 is realistic and achievable. Those who are serious about creating an Australia with significantly reduced or no child poverty, need to pursue courageously and tirelessly, whether singly or together, the creation of the attitudes, actions and political will necessary to realise it.

End.

¹³ https://library.bsl.org.au/jspui/bitstream/1/1671/1/No%20child%20AMcClelland%20Apr00.pdf