

DEEP DIVE



Learn more about poverty and how it looks here in Western Australia.

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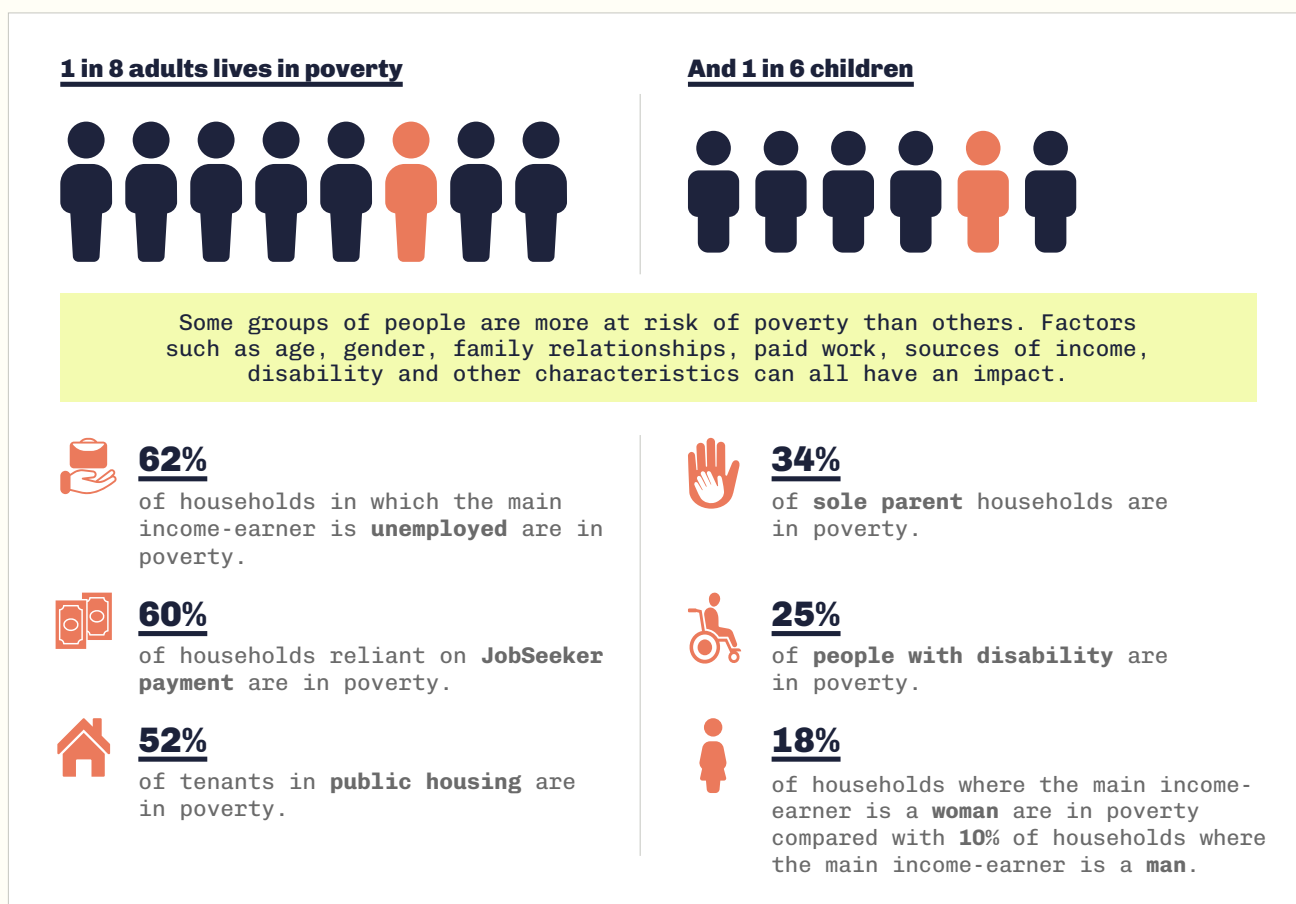
**NO PLACE FOR
POVERTY**

No Place for Poverty in Western Australia: A Deeper Dive

In 2015, Australia adopted the United Nations Sustainable Development Goals (SDGs) which includes “Goal 1: No poverty.” This goal recognises the need to eradicate poverty in all its forms and dimensions.

Since this time, the poverty rate around Australia, including here in WA, has increased from 8.7 percent in 2014 to 12.8 per cent in 2022. That’s the equivalent of filling Optus Stadium 3.7 times in 2012 with 223,000 adults and children to 6 times over in 2022 with 358,000 adults and children.

Experts predict that this number will continue to grow unless significant changes are made.



[Source: Australian Council of Social Service and UNSW Sydney](#)

Why should we care about this? Poverty restricts access to resources and limits choice and opportunity in our lives.

People living in poverty often face significant barriers to adequate housing, education, healthcare, and employment, which can hinder an ability to improve circumstances. The lack of financial stability not only affects immediate well-being but also perpetuates a cycle of disadvantage that can span generations. **This has knock on effects for our broader community.**

Poverty is also a systemic economic issue because it is deeply rooted in the structural inequalities and barriers within society. These barriers include economic inequality, where wealth (material and non-material assets) and income (money brought in regularly) are disproportionately concentrated, limiting opportunities for those at the bottom of the socio-economic ladder.

Structural drivers include:

- **Inadequate social security payments** (e.g. JobSeeker) provide insufficient support for those of us facing economic hardships, making it difficult to escape poverty.
- **Insecure work, low wages and wage growth** and fewer entry-level low-skill jobs.
- **Inflation and cost of living** dragging more of people towards and below the poverty line.
- **Housing costs** as the single biggest expenditure for most households. Long-term underinvestment in social housing means more of people having to pay soaring rents in the private market.
- **Being born into poverty** and so lacking opportunity.
- **Often discrimination and marginalisation** based on race, gender or other social characteristics act to further limit opportunity.

These systemic factors can create a cycle of poverty that can be perpetuated across generations.

But poverty is a trap that anyone can fall into due to changes in circumstances - divorce, ageing and retirement, experiencing illness or disability, losing a loved one or a job, family violence, mental ill-health - has the potential to create disadvantage and push towards, and for some, into poverty.

Poverty prevents a person from living a full life of dignity and being socially included. People often have to stop going out with friends or family because they can't afford to. A child might not want to go to school because they don't have the 'right' clothes to fit in.

Because of this, poverty can quickly lead people into social isolation where they find it difficult to participate fully in economic, social, political and cultural life. For many, this turns into a 'poverty trap' (something an individual cannot escape from).

By understanding the multifaceted ways in which poverty constrains people's choices and opportunities, we can better identify the root causes and make the necessary changes to create a more fair and equitable society.

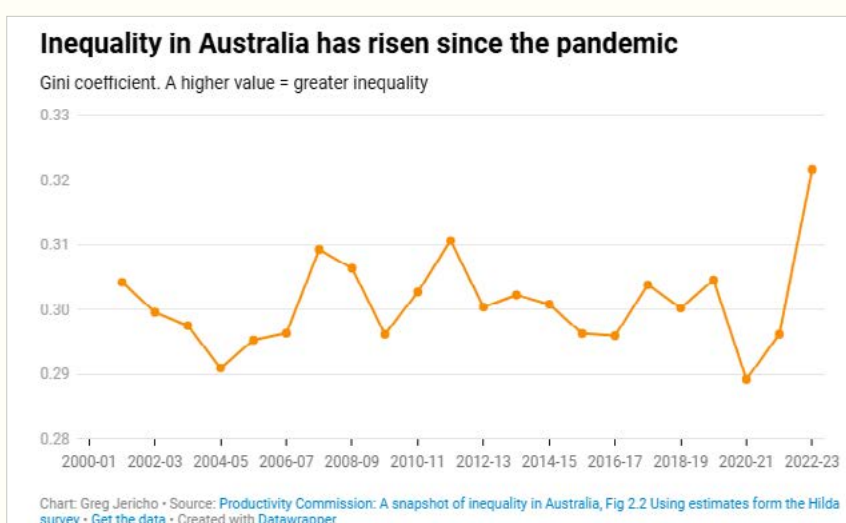
Our starting point is for everyone to have access to basic needs that underpin the foundation of a good life e.g. health, education, food and housing.

This movement makes the case that we have all the 'ingredients' to create a fair system that allows everyone the opportunity to thrive. Many of us believe that WA is No Place for Poverty. Not in our economy, not in our hearts, and not in our potential, as individuals or as a community.

There's No Place for Poverty... In Our Economy

Overall, we are a wealthy country. As of 2023, Australia's gross domestic product (GDP) per capita² is approximately A\$98,000. This places Australia among the higher-ranking countries globally in terms of GDP per capita.

But this wealth is not distributed very equally. We see this in the economic measure of inequality known as the Gini coefficient. Gini coefficients are a measure of income equality in a community or country that give a number between 0 and 1, where a higher value represents less income equality. As the Gini Coefficient details in the graph above, Australia's income inequality is now at its greatest since 2000-01.



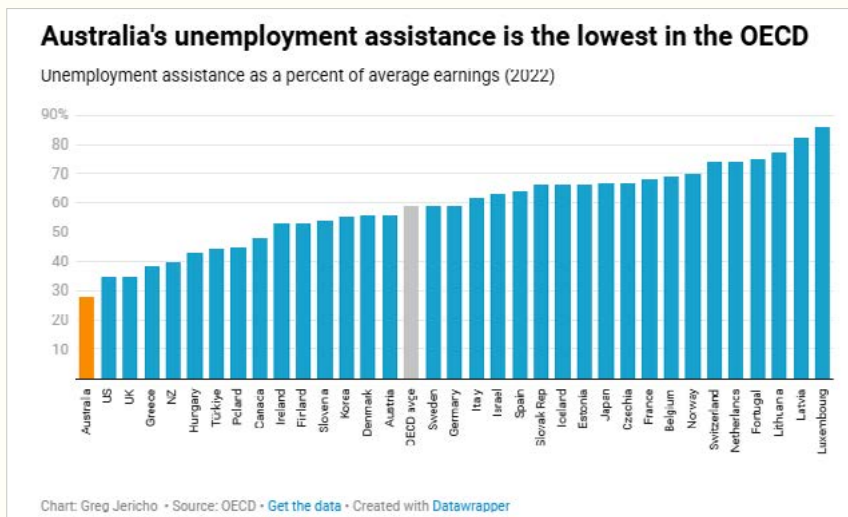
[Source: Greg Jericho, The Australia Institute](#)

The simplest and single biggest step to address poverty is to raise income support payments.

Poverty in Australia is largely driven by inadequate income, which includes income support payments. Income support payments are so inadequate that they become a significant barrier to things like getting a job, being healthy, having secure housing, and pursuing training and education. These payments cover things like unemployment assistance (JobSeeker payment), Disability Support payments, Age Pension and Parenting Support payments.

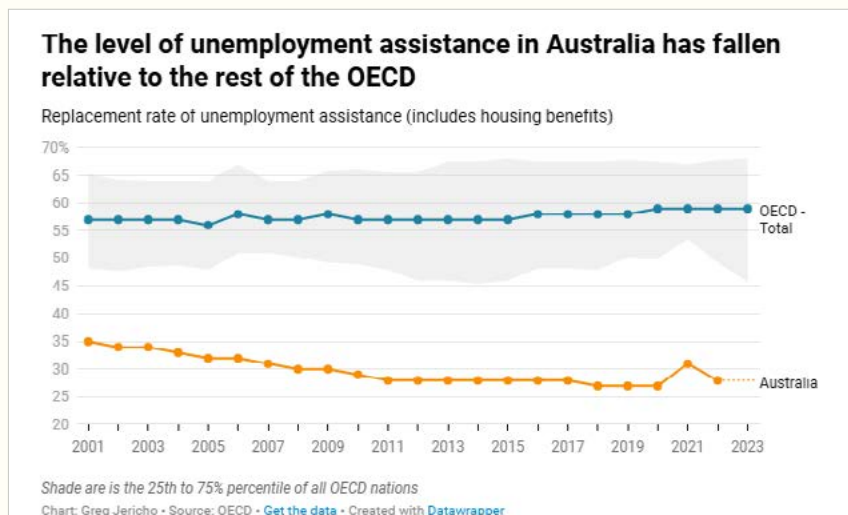
Taking the example of unemployment assistance (JobSeeker), Australia has the lowest rate of unemployment assistance in the Organisation for Economic Co-operation and Development (OECD). This is at a rate well below the OECD poverty line being 50% of the median income (see the section below on how poverty can be defined and measured). As a typical example, 50% of the 2022 median income in Western Australia was \$657.50 per week while the Jobseeker Payment for a single person was \$321 per week. This is a massive poverty gap that often leads to the earlier mentioned 'poverty trap'.

²Gross Domestic Product (GDP) per capita is an economic metric that measures the average economic output per person in a country. It is calculated by dividing the total GDP of a country by its population. This metric helps to gauge the prosperity and economic performance of a nation on a per-person basis, making it easier to compare the economic well-being of different countries. However, GDP per capita is an average and does not reflect income inequality within a country. A high GDP per capita can mask significant disparities in income distribution.



[Source: Greg Jericho, The Australia Institute](#)

And this rate has been falling for the past 20 years (apart from the brief 6 month Coronavirus supplement period in 2020 discussed below).



[Source: Greg Jericho, The Australia Institute](#)

We can afford it... Poverty is a policy choice by government.

Successive governments claim we cannot afford to raise unemployment assistance. Let's do some comparisons with other forms of government assistance like tax concessions (that overwhelmingly favour the wealthiest amongst us and the poorest among us get the least benefit from) to see how true this is.

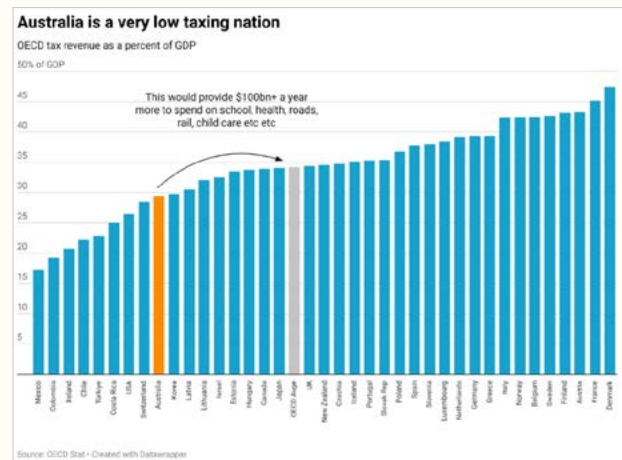
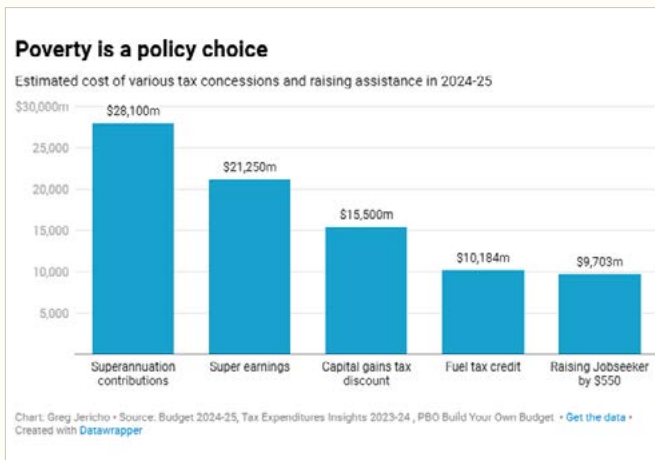
In 2024-25, the government is estimated to forgo the following tax revenue:

- **\$28bn** in revenue because of **tax concessions** on superannuation contributions.
- **\$21.3bn** through **tax concessions** for superannuation earnings.
- **\$15.5bn** to provide a **50% capital gains discount**.
- **\$10.2bn** in **fuel tax credits**, (the vast majority of which goes to mining companies not households or small business).

[Hutchens, G. \(2024, December 22\). Do Australia's super tax concessions take from the poor and give to the rich? ABC News.](#)

So, how much would it cost to raise JobSeeker by \$550 a fortnight?

Using the Parliamentary Budget Office 'Build Your Own Budget' tool, The Australia Institute calculated that it would cost about \$9.7bn next year



Source: Greg Jericho, The Australia Institute

It is also worth noting that Australia is a low taxing nation. If we taxed at the OECD average, then this would provide an extra \$100bn per year to reduce poverty and inequality.

Supporting the Local Economy

There is evidence that given such low incomes, income support payments are largely spent in the local economy providing a local multiplier effect. For example, when a person spends money at a local grocery store, the store owner can then use that money to pay employees, who in turn spend their earnings locally.

Savings to the Government and Taxpayer

And an important final point, once people can cover the basics and get a chance to move forward, the demand for other government funded services drops away. This results in savings to the government budget.

To us that seems like a good investment for both individuals and the broader community, on both an economic and moral basis.

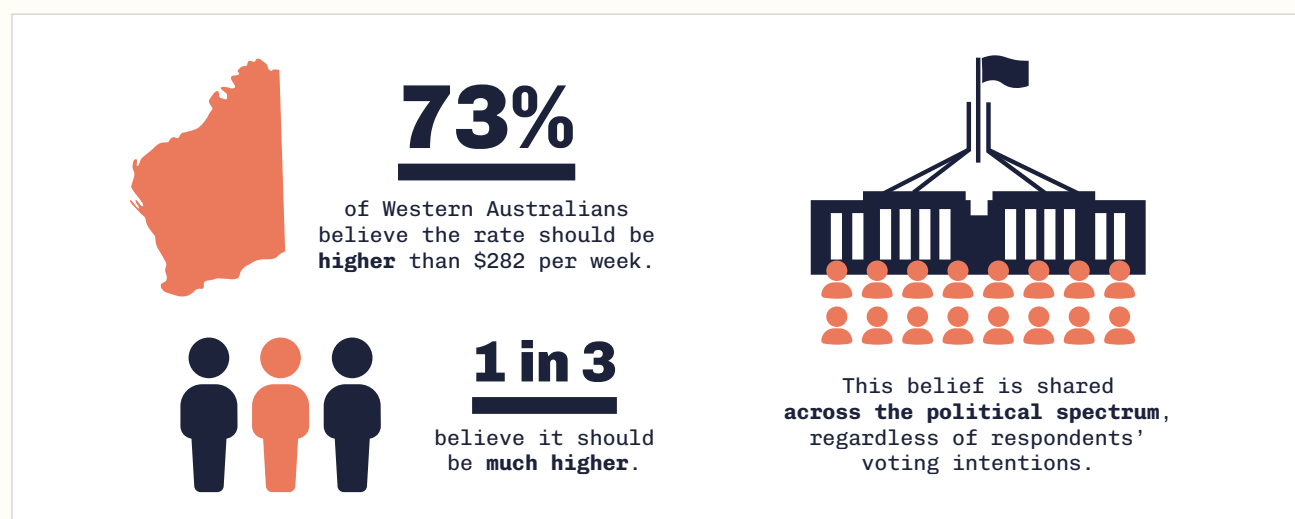


There's No Place for Poverty... In Our Hearts

Beyond the economic case, poverty and the related issue of homelessness is a growing concern for Western Australians. Recent surveys tell us what we implicitly all know, WA is a compassionate community that would like to see positive policy change that fairly helps those who need it. This has been consistent over the last five years since the pandemic.

In 2020, a group of charities conducted the Above the Line⁷ survey of Western Australians to measure their concern and support for raising income support payments. They found the following results:

- **Nearly all Western Australians agreed** that poverty in Australia was unacceptable in any form.
- **More than 4 in 5 agreed** we should look after people in need.
- **Almost 3 in 5 strongly agreed** this should be the case.
- **73% of Western Australians believed** the rate of JobSeeker should be higher than what it was.
- This **belief was shared across the political spectrum** regardless of respondents' voting intentions.



[Source: Painted Dog Research and Uniting WA](#)

Also in 2024, the WA Council of Social Service commissioned a Cost of Living Survey⁸ of the WA community:

- **55% consider the Federal Government primarily responsible** for addressing cost of living issues.
- Despite people generally thinking it's a Federal responsibility, **87% think the State Government** should be doing more to help with cost of living pressures.
- Of those who think they should be doing more, **people on low incomes** (53%), **pensioners and retirees** (44%) and **families with young children** (41%) were the most frequently cited as the **most important to target**.

The data consistently shows that most Western Australians care about reducing economic hardship for those with the least.

⁷[Above the Line - Perceptions of Poverty in WA: Summary Findings from Research Report](#)

⁸[WACOSS - Cost of Living Survey Report](#)

Below are some comments gathered from everyday Western Australians that highlight the desire for a fairer system:

“As a community we need to keep showing up. It’s that simple. When our young people test us, they are really saying help, we need to know you care. Every yarn is important and every day matters. We all have a role in breaking the cycle of poverty.”

– **DESIREE, BROOME**

“It’s heartbreaking to see families struggling with the basics - food, housing, and dignity. Everyone deserves a chance to thrive, not just survive. Poverty isn’t just an economic issue; it’s a matter of justice and humanity.”

– **MICHAEL, BROOME**



“For such a rich state, the levels of poverty and food insecurity in WA are unconscionable. I think I read that 120,000 children in WA regularly go hungry. How do those children stand even half a chance of focusing and learning effectively when they don’t have enough to eat?”

– **KATIE, PERTH**



“It’s extremely disappointing that in a country as wealthy as Australia we have increasing homelessness and people going without food to keep a roof over their head. Telethon is clear proof that there are many people in our community who will help. However, this requires leadership and sadly it’s questionable whether Government will provide it.”

– **KIM, PERTH**

“I am really concerned about the inequality in WA. Low rent homes are rare, while small 3 x 2 houses are selling for a million dollars in suburban Perth. I am also concerned that there is not a widespread understanding of this wealth gap.”

– **BEC, PERTH**

“In a state that generates so much wealth, it is awful to see so many people in poverty for no fault of their own. I worry for the children living in poverty and the lifelong impact it will have on their lives.”

– **KATE, GERALDTON**

“Young people are struggling so much more than the previous generation. It’s frightening to imagine how our lives will unfold if Australia continues down this path, especially for those who are worse off.”

– **FATIMA, PERTH**

“In a wealthy state like WA, I think we have the resources to support those who are struggling. That’s a place I would like to see WA be.”

– **DANE, GERALDTON**



There's No Place for Poverty... In Our Potential

Poverty can significantly limit both choice and opportunity in several ways:

- 1. Limited Access to Education:** Children from low-income families often have fewer educational resources and opportunities, which can affect their academic performance and future career prospects.
- 2. Restricted Career Choices:** In order to gain employment, people's basic needs have to be covered first. This allows people the necessary capacity required to actively search for work, travel to interviews, undertake training and maintain a positive and productive state. For those who are living in poverty and unable to attain employment, they often must take low-paying or casual jobs with little room for advancement, limiting career growth and financial stability.
- 3. Health and Well-being:** Poor health due to inadequate access to healthcare can limit a person's ability to work and pursue opportunities.
- 4. Social Exclusion:** Poverty can lead to social isolation, as individuals may not be able to afford to participate in social activities, leading to a lack of social networks and support.
- 5. Decision-Making Under Stress:** Living in poverty often means making decisions under constant stress, which can lead to choices that prioritise immediate survival over long-term benefits.
- 6. Limited Financial Resources:** Without sufficient financial resources, people in poverty may struggle to invest in opportunities that could improve their situation, such as education, training, or starting a business.
- 7. The Poverty Premium:** It costs more to be poor. The poverty premium refers to the extra costs that people on low incomes often have to pay for essential goods and services compared to those who are better off. This happens because of various factors, such as the inability to pay upfront for cheaper deals, reliance on more expensive payment methods, and living in areas with higher costs for certain services.

Examples include people on low incomes spending⁹:

- 10% more on fuel for inefficient cars
- 20% more on energy
- 23% more on public transport
- 45% more on credit and loans
- 61% more on insurance
- 93% more on groceries
- 142% more on phone data

These factors create a cycle where poverty perpetuates itself, making it difficult for those experiencing poverty to break free and improve their circumstances.

⁹[Anglicare Australia - Australia Fair Series - The Poverty Premium](#)

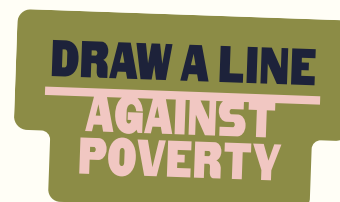
Change is Possible! The COVID-19 ‘Experiment’ in Poverty Reduction

In March 2020, during the COVID-19 pandemic, the Federal Government introduced a Coronavirus Supplement for people on JobSeeker or the Parenting Payment. Initially, the Supplement was \$550 per fortnight on top of the base payment, which was later reduced in stages to \$150 per fortnight before being withdrawn completely in March 2021.

The initial additional payments increased household income to allow families to better meet financial commitments¹⁰, reducing financial stress in a time of uncertainty and high unemployment. In effect, the increase lifted many households out of poverty for a short period.

To explore the material and non-material impact of the additional payments, 100 Families WA asked 158 families about the impact the Coronavirus Supplement was having on their lives.

- **52%** reported an **improved quality of life**.
- **46%** reported they could **repay debts**.
- **43%** reported they could **pay overdue bills**.



Comments included:

Bills

“Helped me get up to date with rent, bills, gave me a breather from everything else that’s happening.”

Savings

“It has been really helpful, as I was [able] to pay rent and save up for a car.”

Food

“Well it’s made it a lot easier, I can feed the girls a lot better, I have been able to supply more balanced meals.”

Improved Quality of Life

“Not under the poverty line anymore, able to go out. Lasts two weeks.”

Other Essentials

“It has been amazing. It has been a liveable income. It has enabled me to pay for the things that I need that I usually can’t. It has taken a load of stress off and I’m terrified of what is going to happen when this is all over.”

¹⁰Porter, E & Bowman, D. (2021). [Shocks and safety nets: financial well-being during the COVID-19 crisis](#). Brotherhood of St. Laurence, Fitzroy, Vic

Similarly, Anglicare WA asked 55 parents about the impact the increased payment was having on them and their family.

- **65%** said the Supplement was helping them **catch up on bills** including rent, utilities, paying off fines, and reducing credit card debt.
- **45%** citing a **reduction in stress** and fear because of receiving the Supplement.
- **Almost half** (49%) mentioned being able to purchase **more and better quality food**. Prior to receiving the Supplement some parents had to skip meals so that their children could eat.

Comments included:

Basic Necessities

“I have not eaten 2-minute noodles since receiving the new payment.”

“I have been able to afford warm clothing and blankets.”

“Feeling more comfortable to stock the cupboards and fridges with groceries, being able to afford healthy food, especially with the children.”

Ability to Job Search

“It helps me achieve a reasonable state of ‘job-preparedness’ with regards to clothing, makeup, transport and lunches.”

“This enables me to be ready to seek employment knowing that at home everything is in order and I can go job hunting without the main stress factor, which is the stresses at home.”

Health Care

“I have not had to decide which of my medications I can afford each month. I have been able to save for medical appointments.”

“I will finally be able to both afford basic survival plus medications, medical appointments, and maintenance treatments.”

Payments of Bills and Debts

“I put this completely on rent and water - and the rest to pay off an old Alinta bill from another residence.”

“Ensure home and vehicle payments are maintained until I can return to work once my injury is healed.”

Parenting and Family Life

“It’s been easier to... take the kids on an outing and feed the family for the whole fortnight... We can now also afford birthday presents for our kids.”

“Being able to afford a couple of things for the children ...and afford to look at moving from the area to escape domestic violence.”

Mental Health and Well-being

“Some people are worried about a second wave of an outbreak. I’m worried about a second wave of financial problems.”

“I can now afford to do some things that are essential to keep my depression and anxiety manageable.”

The Federal Government withdrew the Coronavirus Supplement in March 2021 and replaced it with a \$50 per fortnight increase to the base rate, keeping the base rate of JobSeeker well below the poverty line. By April 2021, 85% of households who rely on income support payments were living in poverty¹¹.

Though the additional COVID-related financial support was temporary, it demonstrated that raising income support payments is achievable and can quickly improve the lives of adults and children across Australia.

¹¹Phillips, B & Narayanan, V. (2021). *Financial stress and social security settings in Australia*. ANU Centre for Social Research and Methods, Canberra.

Imagine a Western Australia where no one is left behind—where every person has access to the opportunities and resources they need to thrive. A place where poverty no longer holds people back, but where the system is designed to lift people up, creating a stronger, fairer society for all.

Right now, too many are trapped by a system that denies them fair access to basic human needs like housing, education, healthcare, and stable employment. When people are excluded from opportunities, we all suffer. Poverty is not inevitable, it's a policy choice, and it is solvable.

No Place for Poverty believes Western Australia has so much to offer, and we are fortunate to get to call this place home. We also believe that with the good fortune that many of us benefit from, comes a shared responsibility to ensure everyone is taken care of. To create that fairer future for all, we must address the weaknesses within our economic system - low wages, insecure work, high housing costs, and inadequate social security payments, to name a few. We also need to be mindful in the way we think, talk and act towards people who are struggling, choosing compassion over criticism.

By creating a fair system, we unlock the potential of our people and our place. We provide opportunity for everyone to contribute to society, raise families, build careers, and live with dignity. This in turn creates a more prosperous society for everyone strengthening communities, boosting economies, and reducing inequality.

Ending poverty in WA isn't just the right thing to do—it's a smart investment in our collective future.



Scan to
TAKE ACTION

What next?

You can help push for fairer systems and build stronger community in a number of ways. Here are some ways you can take action. Visit our website's [TAKE ACTION](#) page to learn about our key partner advocacy campaigns, local solutions to share your time, skills and passion, or get in touch with an idea of your own.

For more information or to get involved, reach out to our team by emailing contact@noplacementforpoverty.org.au or visit our website noplacementforpoverty.org.au.

02

APPENDIX

There's No Place for Poverty... But How is Poverty Defined and Measured?

The Australian Government does not have an official definition or measure of poverty. This can make it difficult to hold government to account for their part in structural and systemic disadvantage.

The University of New South Wales and the Australian Council of Social Service (ACOSS) run an excellent data analysis project and website, Poverty and Inequality in Australia¹², that explains and illustrates poverty. No Place for Poverty uses the project to inform much of our work including the following definitions that are helpful in understanding the complexity of defining poverty.

Absolute Vs. Relative Poverty

An absolute measure of poverty is the lack of goods and services below a minimum global standard (i.e. the World Bank refers to the international poverty line as living on US\$1.90 a day) whereas a relative measure of poverty is based on a comparison to the income of others in a country or community to cover the costs of what would reasonably be considered the essentials of life. In more expensive developed economies we generally use measures of relative poverty.

OECD Poverty Line - 50% of Median Income

The most widely used definition of relative poverty in OECD countries is 50% of median household income adjusted for household size and composition. This is a relative measure of poverty, like the Henderson poverty line (see below). It provides an estimate of the number of people who are living below what is considered a basic living standard.

Some measures using the OECD definition take into account housing costs while others do not. Using a measure of 50% of median income, after housing costs, more than 358,000 Western Australians (12%) are living in poverty, including 94,000 children¹³.

Poverty lines shift for a household depending on their household composition. For example a single person on the minimum wage will more likely be above the poverty line (meaning they can cover the basics of life) than a household where a minimum wage earner includes a second dependant adult and three children. The poverty line is adjusted up because the expenditure needs of those individuals all have to come out of the one wage.

This adjustment to the single person household poverty line is usually calculated by multiplying the poverty line figure by 0.5 for each extra adult and 0.3 for each extra child under 14.

¹²[Poverty and Inequality - Australian Poverty and Inequality Research](#)

¹³[Duncan A, Twomey C Child Poverty in Australia 2024 . Bankwest Curtin Economics Centre](#)

Despite a percentage of median income providing a relatively straightforward poverty line that can be adjusted for household composition, there are some limitations on such a blunt instrument because it doesn't account for the variation in people's living conditions, location or expenses.

Progressive OECD Poverty Lines: 30%, 40% 50%, 60% of Median Income

The Bankwest Curtin Economics Centre (BCEC) published a report entitled "Behind the Lines: Poverty and Disadvantage in Australia 2022"¹⁴. Their argument is that only measuring one income indicator can conceal factors which are critical to understanding severe poverty.

The report calculates gradations of poverty using different levels of standardised per capita household income: 30, 40, 50 and 60%. This allows an exploration of the depth of poverty, where people in deep poverty are defined as existing on 30% of median income. The report also examines the data by gender, single, couple, family, private or social housing, joblessness and age.

BCEC analysis is based on the 2020 Household Income and Labour Dynamics in Australia (HILDA) survey. It results in a poverty line of \$453.50 per person per week once housing costs have been paid (housing costs include mortgage repayments, rent and property rates). Using this measure, 325,700 people in WA (12.8%) are living in poverty on less than 50% of the median income, this includes people on government payments as JobSeeker and the maximum rate of Commonwealth Rent Assistance, when combined only provide a total of \$386.15 per week. In WA 86,514 people (3.4%) live in severe poverty on less than 30% of median income.

Henderson Poverty Line

In Australia, the Henderson poverty inquiry in 1973 set an alternative relative poverty line, based on an income level, below which the standard of living would be 'austere'. The poverty line was benchmarked at \$62.70 for a family with two parents and two children. This was equivalent to the basic wage plus child endowment payment (family allowance).

The Melbourne Institute use the Henderson income benchmarks to calculate the poverty line every quarter. First quarter 2022 for a couple with 2 children is \$1032.53 before housing costs and \$773.16 after paying for housing¹⁵.

While the Melbourne Institute of Applied Economic and Social Research continues to update the Henderson poverty line quarterly, it acknowledges that changing demographics and household formation, moving away from a traditional male breadwinner model, as well as challenges updating the poverty line, have contributed to an increased use of alternative income- and consumption-based poverty lines¹⁶.

¹⁴Duncan A, 'Behind the Line: Poverty and disadvantage in Australia 2022', Bankwest Curtin Economics Centre Focus on the States Series, #9, March 2022

¹⁵Melbourne Institute: Applied Economic & Social Research POVERTY LINES: AUSTRALIA ISSN 1448-0530 MARCH QUARTER 2022. University of Melbourne.

¹⁶Melbourne Institute, (2022) Beyond the Poverty Line

Material Deprivation

Relative income poverty provides an indication of disadvantage, however not all households with low incomes experience the same level of hardship. Material deprivation exists when someone is unable to buy goods or services that are widely accepted as community norms. Measuring material deprivation considers that people with access to the same level of income may have vastly different experiences in life.

While those experiencing material deprivation may overlap with people living in relative income poverty, people can experience one without the other. For example, high rates of people over 65 are found to be in relative income poverty, but low levels of material deprivation. This is likely due to access to housing wealth or other non-income-based assets. The Productivity Commission, drawing on work by the Social Policy Research Centre, reports that material deprivation affects a slightly higher proportion of Australians (a little under 12%) than income poverty¹⁷.

Multi-Dimensional Aspects of Poverty

It is often acknowledged that poverty is more than an absence of material income or wealth. Non-material aspects include inadequate education, chronic health conditions, social exclusion, living in unsafe conditions or under the threat of violence. These factors are all intertwined and can be understood to have a compounding effect as contributors to poverty, as well as being exacerbated by living in poverty.

Recognising that poverty isn't the only indicator measuring disadvantage, the ABS first published a summary index of disadvantage using a number of indicators like housing, occupation and education. The first Socio-Economic Index for Areas was published in 1988 using data from the 1986 Census.

If we want to improve outcomes for the most highly disadvantaged communities, we must look at what forms of disadvantage are most over-represented in those locations.

The Dropping Off The Edge (DOTE) Study and Report¹⁸ uses six main domains of disadvantage: Social distress, Health, Community Safety, Economic, Education and Environment. These domains each have indicators, up to about 38 in total across the six domains.

The indicators that contributed most to the index in Western Australia were the proportion of young people not in employment, education or training; with air quality (particulate matter) being a close second. Particulate matter can be high in remote desert areas as well as other areas that may have high levels of pollution due to industry and mining. This DOTE report can serve as a guide to not only 'what' issues need attention but also 'where' the people are who we need to pay attention to.

¹⁷[Australian Government Productivity Commission, Rising inequality? A stocktake of the Evidence - Commission Research Paper 28/08/2018.](#)

¹⁸[Tanton, R., Dare, L., Miranti, R., Vidyattama, Y., Yule, A. and McCabe, M. \(2021\), Dropping Off the Edge 2021: Persistent and multilayered disadvantage in Australia, Jesuit Social Services: Melbourne](#)

Wealth Vs. Income Inequality

It is also worth detailing the difference between wealth inequality and income inequality.

Income inequality refers to the uneven distribution of income within a population. Income includes wages, salaries, and other earnings from work or investments. It's often measured using metrics like the Gini coefficient or income quintiles. High income inequality can lead to reduced social mobility, where individuals find it harder to improve their economic status over time.

Wealth inequality, on the other hand, refers to the unequal distribution of assets and net worth. Wealth includes savings, property, stocks, and other forms of financial and non-financial assets. It's measured by looking at the distribution of assets and debts across different segments of the population. Wealth inequality can have long-term effects on economic stability and social cohesion, as wealth can be passed down through generations, perpetuating inequality.

In discussions about poverty, home ownership is often viewed as a key indicator of wealth and plays a significant role in determining how disadvantaged someone is perceived to be. If someone owns their home outright, then they would need much less income to be considered in poverty.

Social Exclusion

Another approach to examining disadvantage is to measure the extent to which people face exclusion from participation in economic and social activities of a community. The Social Exclusion Monitor (SEM), developed by the Brotherhood of St Laurence and the Melbourne Institute of Applied Economic and Social Research, captures multiple dimensions that marginalise and exclude people from parts of society. The SEM includes 30 indicators across seven domains: material resources, employment, education and skills, health and disability, social connection, community and personal safety.

A person is considered to be experiencing deep social exclusion if they experience disadvantage in two or more domains. Very deep exclusion exists when someone is disadvantaged in three or more domains. Based on the 2018 HILDA data, the SEM found that of the population nationwide more than 1.2 million people are experiencing deep social exclusion; equating to approximately 132,000 people in WA.

Entrenched Disadvantage

Entrenched disadvantage exists where poverty, material deprivation and social exclusion overlap. Based on a survey of 6,000 people, Saunders and Wong (2012) found that those identified as poor, deprived or excluded were generally not the same people, and that the three approaches captured different aspects of disadvantage. They found that 3.9% experienced poverty, material deprivation and social exclusion¹⁹. If the same percentage applied to the WA population, this would equate to approximately 110,000 people.

¹⁹[Saunders, P. \(2013\). Researching poverty: Methods, results and impact. The Economic and Labour Relations Review.](#)

Deprivation Measure of Poverty

Saunders argues that a measure of deprivation is more accurate or meaningful than an income measure alone to ascertain levels of poverty²⁰. Estimates of consistent poverty that combine a measure of low income with deprivation, yield a different result from measures of low income alone. Some countries are now incorporating deprivation into their poverty measures whilst still recognising the importance of income measures when governments have programs of income re-distribution.

No Place for Poverty takes a similar approach and recognises the central importance of the lack of income in defining poverty, but we also acknowledge the interaction with social exclusion and other aspects of material and non-material deprivation.

We consider there are seven life domains to adequately define and describe poverty:

1. Adequate income
2. A place to call home
3. A good start to life for all children
4. Ongoing health and well-being into adulthood
5. A sense of belonging and inclusion
6. Community perceptions about what constitutes poverty
7. Opportunity and choice - essentially poverty limits what is available to us and hinders our ability to choose what is best for ourselves.



Figure 8: Poverty Framework developed by No Place for Poverty

²⁰Saunders, Peter & Naidoo, Yuvisthi. (2009). Poverty, Deprivation and Consistent Poverty. The Economic Record. 85. 417-432. 10.1111/j.1475-4932.2009.00565.x.