What is community disadvantage?
Understanding the issues, overcoming the problem

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This Resource Sheet briefly summarises a number of influential recent approaches to conceptualising and measuring disadvantage. It aims to provide practitioners, service providers and policy-makers with a background on some of the key theoretical and practical tools that currently exist to better understand, and more effectively address, the difficulties faced by many children and families living in disadvantaged Australian communities.

Key messages
- Community disadvantage comes about as a result of the complex interplay between the characteristics of residents living in a community (e.g., unemployment, low income) and the effects of the social and environmental context within the community (e.g., weak social networks, relative lack of opportunities).
- The idea that economic factors alone are the foundation for advantage and disadvantage undermines the complexity and scope of disadvantage. This view also erroneously implies that economic solutions alone are an adequate response to disadvantage.
- A number of new perspectives have recently emerged that highlight the multifaceted nature of disadvantage and demand a more sophisticated response to it.
- In addition to theoretical advances, there have also been advances in the measurement of community advantage and disadvantage.
- Advances in theoretical understandings and means to measure community disadvantage increase the potential for policy-makers to develop effective public policy. For practitioners, these advances have the potential to enable more in-depth understandings of clients’ needs and experiences.
Why is it important to understand community disadvantage?

Disadvantage is not as simple as it was once assumed to be. There is much more to disadvantage than low incomes and high levels of unemployment, as important as these indicators are. In this Resource Sheet, the term “community disadvantage” is used to denote the complex cluster of factors that make it difficult for people living in certain areas to achieve positive life outcomes. Community disadvantage emerges out of the interplay between the characteristics of the residents in a community (e.g., employment, education levels, drug and alcohol use) and, over and above this, the effects of the social and environmental context in which they exist (i.e., “place effects” or “neighbourhood effects”, such as weak social networks, poor role models and a relative lack of opportunity) (Edwards, 2005; Vinson, 2007).

Service providers and policy-makers can make a difference in disadvantaged communities. They can improve the lives of children and families who are negatively affected by the area in which they live. There are numerous examples of Australian programs and policies that have effectively ameliorated many of the causes and effects of community disadvantage (for examples, see: Soriano, Clark, & Wise, 2008). The most effective of these responses are built upon a sound and sophisticated understanding of disadvantage. In order to successfully address the problem of community disadvantage, it is first necessary to properly understand it.

Box 1: What’s in a postcode?

Not all Australian postcodes are equal. Socially and economically, the postcodes 3142 and 2308, for example, are poles apart. The former represents an area of great affluence and opportunity, while the latter belongs to one of this country’s most disadvantaged locations. Vinson (2007) found that disadvantage is highly concentrated in a small number of areas; just 1.7% of Australian postcodes and communities account for over seven times their share of the main factors that entrench disadvantage, such as low income, limited access to computers and the Internet, early school leaving, prison admissions and confirmed child maltreatment.

The traditional conception of disadvantage

Traditionally, advantage and disadvantage have been equated almost solely with economic factors such as income and levels of unemployment. In this conception, a disadvantaged community is usually seen as one in which a comparatively large proportion of the population falls below the poverty line, which is calculated based on the national median income (Saunders, 2008). Similarly, at the international level, nations’ overall economic output—their Gross Domestic Product (GDP)—is often used as a rough measure of disadvantage.

There are certainly benefits to this general approach. Often policy-makers and social scientists have very limited information with which to measure levels of disadvantage, and data on income are relatively easy to obtain and are perhaps the most effective single proxy for overall levels of disadvantage. However, the traditional conception of disadvantage is also subject to a number of serious limitations. For example, Saunders (2005) argued that because economic measures do not connect with the lived experiences of those identified as poor, they fail to distinguish between those who have an unacceptable low standard of living and those who have a low income but are still doing well in their lives. Perhaps the most significant problem, however, is that poverty line measures tend to belie the complexity and scope of disadvantage,
and imply that economic or redistributive solutions alone are adequate responses (Wolff & De-Shalit, 2007). Increasing awareness of this problem has prompted a number of social scientists to develop new, richer conceptualisations of disadvantage.

Recent approaches to disadvantage

In recent years, a number of new perspectives on advantage and disadvantage have emerged. Some of the most influential of these are briefly outlined in this section. Although the following approaches differ in their scope and emphasis, they are united in that they view disadvantage as a multifaceted problem that demands a sophisticated response. They also all operate—explicitly or implicitly—as critiques of the traditional conception of disadvantage and traditional welfare economics. Each of the following approaches has inspired extensive literatures; the purpose here is not to compare different definitions or to concentrate on contested points, but rather to offer a very general outline and direct the reader to further resources.

Social capital

The 1990s saw a rapid burgeoning of interest—among researchers, policy-makers and governments alike—in the concept of “social capital”. At the community level, social capital generally refers to strong and healthy social norms and networks, and the numerous benefits that they engender. More specifically, Putnam (1995) defined social capital as “features of social organization such as networks, norms, and social trust that facilitate coordination and cooperation for mutual benefit” (p. 67).

As an example, imagine two communities, both of which meet the traditional economic criteria for being labelled “disadvantaged”. The first community is marked by a general feeling of isolation and mistrust: many neighbours do not know each other, children are encouraged to stay indoors or in the yard rather than to play with friends on the street or in parks, and most community members rarely gather to discuss matters of collective importance. This community is low in social capital. The second community, on the other hand, is relatively high in social capital: neighbours enjoy reciprocal relationships in which they look out for each other and each other’s children, the local football club and school are popular meeting spots and occasionally host town meetings, and community members generally have a shared understanding of how they should behave towards one another. This community is much more easily able to draw together in difficult times or to offer help and protection to its members if they are struggling in their lives. Despite the fact that both communities have the same level of disadvantage in a purely economic sense, they are, in fact, very different. The strength of the concept of social capital is that it offers a framework with which to tease out and understand such differences.

Further reading


Social inclusion and social exclusion

In recent years, the concepts of “social inclusion” and “social exclusion” have had a strong influence on social policy both in Australia and internationally. The Australian Government’s social inclusion policy approach views social inclusion as having the opportunity to:
- participate in society through employment and access to services;
- connect with family, friends and the local community;
- deal with personal crises (e.g., ill health, bereavement); and
- be heard (Gillard, 2008).

Social exclusion, on the other hand, has been defined as:

a shorthand label for what can happen when individuals or areas suffer from a combination of linked problems such as unemployment, poor skills, poor housing, high crime environments, bad health and family breakdown. (UK Social Exclusion Unit, 1997)

Although a number of authors and organisations have offered slightly different definitions than the one above, most agree that social exclusion is a multidimensional problem, and include reference to: a restriction of life opportunities; limitations on people’s ability to capitalise on existent opportunities; as well as the social and economic dimensions of exclusion (e.g., unemployment) (Hayes, Gray, & Edwards, 2008).

There are a number of similarities between the concepts of social inclusion/exclusion and social capital. For example, both acknowledge that positive social connections strongly contribute to overall wellbeing, and that a lack of such relationships contributes to disadvantage. However, the social inclusion/exclusion model tends to be broader and places a stronger emphasis on the characteristics of community members (e.g., employment), while the social capital literature tends to concentrate more on “place effects” and social norms.

Further reading


For an exploration of how the concept of social exclusion can be used in the planning and delivery of child and family services, see: McDonald, M. (2011). What role can child and family services play in enhancing opportunities for parents and families? Exploring the concepts of social exclusion and social inclusion (CAFCA Practice Sheet). Melbourne: Australian Institute of Family Studies.

For an overview of the Australian Government’s Social Inclusion Agenda, visit the website: <www.socialinclusion.gov.au/Pages/default.aspx>.

The capabilities approach

The capabilities approach of Amartya Sen (e.g., 1999) and Martha Nussbaum (e.g., 2000) offers a unique way of conceptualising disadvantage and wellbeing, which has been highly influential in diverse fields: from international development and economics to philosophy and public policy. At the most basic level, this approach is concerned with people’s ability to engage in actions and activities that have value and meaning to them. It seeks to provide all people with the “substantive freedoms—the capabilities—to choose a life one has reason to value” (Sen, 1999, p. 74). One of the defining characteristics of this approach is its scope; the whole realm of human experience is included in its conceptions of advantage and disadvantage. For
example, Nussbaum (1999) proposed the following list of basic capabilities, which, she argued, are relevant to all peoples and provide the “central constitutional principles that citizens have a right to demand from their government” (Nussbaum, 2000, p. 12):

- **Life.** Being able to live to the end of a human life of normal length; not dying prematurely.
- **Bodily health.** Being able to have good health, including reproductive health and adequate nourishment and shelter.
- **Bodily integrity.** Being able to move freely from place to place, safe from physical and sexual assault. Having opportunities for sexual satisfaction and for choice in matters of reproduction.
- **Senses, imagination, thought.** Being able to use the senses to imagine, think, and reason, and to do these things in a way informed and cultivated by an adequate education; freedom of expression.
- **Emotions.** Being able to have attachments to things and persons outside of oneself; not having one’s emotional developing blighted by overwhelming fear and anxiety, or by traumatic events of abuse or neglect.
- **Practical reason.** Being able to form a conception of the good and to engage in critical reflection about the planning of one’s own life.
- **Affiliation.** Being able to live for and in relation to others, to recognize and show concern for other human beings, and to engage in various forms of social interaction.
- **Other species.** Being able to live with concern for and in relation to animals, plants, and the world of nature.
- **Play.** Being able to laugh, to play, and to enjoy recreational activities.
- **Control over one’s environment.** Being able to participate effectively in political choices that govern one’s life (Adapted from Nussbaum, 1999, p. 41–42).

In the capabilities approach, disadvantage is conceived as a restriction of people’s capabilities. For example, looking at the list above, a disadvantaged community may be one in which a large number of citizens have inadequate standards of health, are subject to physical or sexual assault, have their emotional lives blighted by fear and anxiety, do not have a chance to interact freely with their peers and have little control over their circumstances.

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**Further reading**


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1 It is important to note that the capabilities approach can be theoretically complex, and Nussbaum’s attempt to operationalise the theory is one among a number attempts, albeit a very popular one. This list is not intended to imply that the capabilities approach simply consists of an index of disadvantage, but, rather, is included in the current paper in an effort to demonstrate the broad scope of the theory. Interested readers are urged to consult the further reading section.
Despite not forming a unified theory or approach to disadvantage, the attempts to understand and overcome the marked disadvantage of many Aboriginal and Torres Strait Islander individuals and communities have revealed some very important insights that are relevant to disadvantaged communities in general. These include:

- **The ongoing influence of historical events.** Numerous authors have noted that the negative effects of highly traumatic events can be passed from one generation to the next (e.g., Atkinson, 2002; Human Rights and Equal Opportunity Commission, 1997). This has been called intergenerational (or transgenerational) trauma. For Indigenous Australians, intergenerational trauma often has its roots in historical dispossession, marginalisation, and racism, as well as past policies of forced removal and cultural assimilation.

- **The relevance of culture.** When tackling disadvantage, culture is important in two main ways. Firstly, an understanding of, and connection to, cultural traditions can act as a vital protective factor for Indigenous individuals and communities. Secondly, cultural competence is a necessary prerequisite for those working with disadvantaged individuals or communities; if services do not adapt to the contemporary Indigenous cultural context, they have little chance of efficacy in the long-term (Scougall, 2008).

- **The importance of adopting a “bottom up” approach.** A number of evaluations of service provision in Indigenous communities have demonstrated that services are most effective when the community is heavily involved in both the planning and implementation stages (e.g., Flaxman, Muir, & Oprea, 2009; Scougall, 2008). Community members are often best able to distinguish the most important needs of the community and the most appropriate methods of service implementation. As Yu, Duncan, and Gray (2008) recently argued:

  No matter how good the framework, no matter how much money is available, you cannot drive change into a community and unload it off the back of a truck … Deep seated change—safe healthy families—must be grown up within the community. (p. 58)

For more information on the insights that have emerged from Indigenous community development projects, see Higgins (2005, 2010). For in-depth information on understanding and measuring disadvantage in Aboriginal and Torres Strait Islander communities, see Hunter (2006) and Rowse (2010).

The points raised in Box 2 will likely be particularly relevant to communities with large numbers of culturally and linguistically diverse (CALD) individuals and families. For example, many Somalian and Sudanese Australians fled the horrific civil wars of their birth countries, and the ongoing trauma from these events can still strongly influence their current lives. And many traditional Islamic communities in Australia have cultural traditions and practices that sharply diverge from those of mainstream Australia, and which need to be respected by both policymakers and service providers if interventions with these communities are to be effective.

### Measuring community disadvantage in Australia

Along with recent theoretical advances have come more sophisticated means of measuring community disadvantage and advantage. Many of these measures have been directly influenced by the theories outlined above. For example, Sen’s (1999) work on capabilities provided the conceptual framework for the Human Development Index (HDI), which was developed by the United Nations and is one of the main alternatives to GDP as a measure of national disadvantage and advantage (United Nations Development Programme, 1999). Profiled below are two Australian examples of influential measurement tools that view disadvantage in broader terms than solely economic or employment factors.
Socio-Economic Indexes for Areas (SEIFA)

The Socio-Economic Indexes for Areas (SEIFA) is a widely used measure of geographically concentrated disadvantage. It was created by the Australian Bureau of Statistics (ABS), who “broadly define relative socio-economic advantage and disadvantage in terms of people’s access to material and social resources, and the ability to participate in society” (ABS, 2008). SEIFA is composed of four indexes:

- **The Index of Relative Socio-Economic Disadvantage** uses information such as low income, low education and occupational status as markers of disadvantage.
- **The Index of Relative Socio-Economic Advantage and Disadvantage** is similar to the above Index, but also includes measures of advantage.
- **The Index of Economic Resources** focuses on peoples’ and households’ level of access to economic resources.
- **The Index of Education and Occupation** concentrates on the general level of educational and occupational skills of people within an area.

As an example, Table 1 lists the individual variables that comprise The Index of Relative Socio-Economic Disadvantage.

<table>
<thead>
<tr>
<th>Variables included in the Index of Relative Socio-Economic Disadvantage</th>
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<tbody>
<tr>
<td>% Occupied private dwellings with no Internet connection</td>
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<tr>
<td>% Employed people classified as labourers</td>
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<tr>
<td>% People aged 15 years and over with no post-school qualifications</td>
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<tr>
<td>% People with stated annual household equivalised income between $13,000 and $20,799</td>
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<tr>
<td>% Households renting from Government or community organisation</td>
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<tr>
<td>% People (in the labour force) unemployed</td>
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<tr>
<td>% One parent families with dependent offspring only</td>
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<tr>
<td>% Households paying rent less than $120 per week (excluding $0 per week)</td>
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<tr>
<td>% People aged under 70 who have a long-term health condition or disability and need assistance with core activities</td>
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</tbody>
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Adapted from ABS (2008).

**Tony Vinson’s Approach**

One of the best Australian examples of a multi-dimensional measure of community disadvantage is the method used by Vinson (2007) in his report *Dropping Off The Edge: The Distribution of Disadvantage in Australia*, which was produced for Jesuit Social Services and Catholic Social Services Australia. Vinson measured five main domains of disadvantage—social distress, health, community safety, economic, and education (see Table 2)—and accessed data from a large range of sources, including the ABS, Centrelink, the Health Insurance Commission, as well as state and territory authorities.
Table 2. Indicators included in Vinson’s (2007) study Dropping Off The Edge: The Distribution of Disadvantage in Australia

<table>
<thead>
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<tr>
<td>Low family income</td>
<td>Low birth-weight</td>
<td>Confirmed child maltreatment</td>
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<tr>
<td>Rental stress</td>
<td>Childhood injuries</td>
<td>Criminal convictions</td>
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<tr>
<td>Home purchase stress</td>
<td>Deficient immunisation</td>
<td>Prison admissions</td>
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<tr>
<td>Lone person households</td>
<td>Disability/sickness support</td>
<td>Domestic violence</td>
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<td></td>
<td>Mortality (life expectancy)</td>
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<td></td>
<td>Mental health patients treated in hospitals</td>
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<td></td>
<td>in the community</td>
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<td></td>
<td>Suicide</td>
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<td>4. Economic</td>
<td>5. Education</td>
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<tr>
<td>Unskilled workers</td>
<td>Non-attendance at preschool</td>
<td></td>
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<tr>
<td>Unemployment</td>
<td>Incomplete education (17–24 years)</td>
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<tr>
<td>Long-term unemployment</td>
<td>Early school leaving of local population</td>
<td></td>
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<tr>
<td>Dependency ratio</td>
<td>Post schooling qualifications</td>
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<tr>
<td>Low mean taxable income</td>
<td></td>
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<td>Computer use/access to internet</td>
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Box 3: The ecological fallacy

One potential pitfall that needs to be guarded against when using any measure of area-based advantage/disadvantage is the “ecological fallacy” (Preston, 2010). This fallacy occurs when one makes assumptions about specific individuals, families, or even minority populations based on the characteristics of the overall population of the area in which these individuals or groups live. The ecological fallacy relies on the assumption that communities are homogenous: that everyone in a disadvantaged community suffers the same degree of difficulty, or that all members of an advantaged community enjoy the same degree of affluence. In fact, many communities are highly heterogeneous. That is, the advantaged and the disadvantaged exist side by side. For instance, Kennedy and Firman (2004) demonstrated that many highly disadvantaged Aboriginal and Torres Strait Islander individuals and families living in advantaged inner-city areas were missed, or “glossed over”, by standard measures such as SEIFA. Conversely, some individuals or families can achieve very positive outcomes even when living in disadvantaged areas. Indeed the ABS themselves strongly caution against using SEIFA as a proxy measure for individual or familial advantage/disadvantage (e.g., Adhikari, 2006).

Implications for policy and practice

The theories and different ways of measuring community disadvantage presented in this Resource Sheet highlight the complex, multi-dimensional nature of disadvantage. Although these theories cannot, in themselves, “solve the problem” of disadvantage, there are a number of important implications for policy-makers and practitioners who plan and/or deliver services to children and families.
Firstly, neither policy nor practice will be effective if it fails to recognise the multi-dimensional nature of disadvantage. When policy-makers have an understanding of the dynamics that operate in disadvantaged communities (e.g., social isolation, limited opportunities, lack of trust) they are more likely to produce public policy that meets the needs of the people and issues it is intended to target. Sophisticated methods of identifying community disadvantage (such as those used in Vinson’s [2007] study) also increase the chances of producing policy capable of affecting real and long-lasting change. For practitioners, insight into the scope and complexity of disadvantage engenders effective communication and rapport between service providers and service users—when service users feel that their situation and the difficulties that they face are understood, they are more likely to trust and build successful relationships with service providers (Scougall, 2008).

Service providers could also employ broad, multi-dimensional measures of disadvantage in the evaluation of their own services. Service provision in highly disadvantaged communities can be complex, and progress is often slow and difficult to demonstrate. A multi-dimensional approach would lead to more nuanced and realistic service evaluations, and would allow providers greater flexibility in demonstrating progress.

Finally, theoretical frameworks such as the capabilities approach can lead practitioners to ask important questions that are seldom included in large-scale measures of disadvantage. For instance, Nussbaum’s (1999) list of 10 basic capabilities may prompt practitioners to look around the community with which they are working and ask themselves: “Why are so few children in this community given an opportunity to care for animals or to work towards protecting the environment?” or “Where are the recreational facilities for adults in this area?”

Conclusion

Australia is a country that prides itself on the fact that it gives people a “fair go”. In general, this may be quite a fair assessment. For example, Australia has one of the highest levels of intergenerational social mobility of any OECD country (OECD, 2010). Generalities, however, can mask specifics. The concept of a “fair go” must seem very foreign to children raised in those communities identified by Vinson (2007) as accounting for over seven times their share of the main factors that entrench disadvantage, or for many Indigenous Australians, whose average life expectancy is roughly 10 years less than their non-Indigenous counterparts (ABS, 2009). Marked community disadvantage exists in Australia, and it is at odds with Australians’ sense of their nation’s character.

Although Australia has a long history of combating concentrated disadvantage, it is evident that in some areas or with some groups, traditional strategies (such as economic redistribution) are largely ineffective on their own. The approaches to conceptualising and measuring disadvantage presented in this Resource Sheet are among the most sophisticated and influential to date. If they can be effectively applied across communities by policy-makers, service providers and practitioners, there is every chance that Australia will become a more equitable society and will truly be a country where all children and families are given a “fair go”.

Acknowledgments

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References


