

# DROPPING OFF THE EDGE 2021 - VICTORIA

A report commissioned for VicHealth

## Contents

Jesuit Social Services: who we are and what we do .....	4
Centre for Just Places, Jesuit Social Services .....	4
Vision .....	4
Mission .....	4
Pillars: Research – Action – Advocacy.....	4
Executive Summary .....	5
Introduction.....	6
A short history of Dropping off the Edge.....	6
Aim of Dropping off the Edge .....	6
Scope of this report and limitations .....	7
Methodology - How Dropping off the Edge is undertaken.....	7
Adopting a consistent geography .....	7
Incorporating a domains approach.....	7
Creating the index .....	8
Using the indicators and index together .....	8
More insights from the indicators – multilayered and persistent disadvantage.....	8
Qualitative research: community commentary and insights.....	10
Domains and indicators .....	10
Indicators in each domain .....	12
Disability .....	13
Suicide.....	13
Need for assistance.....	13
Findings from Victoria.....	13
What the indicators show.....	17
Insights into health and wellbeing inequities in Victoria .....	20
Qualitative analysis - what the community is saying.....	24
Case Study Location: Swan Hill .....	24
Case Study Location: Melton .....	24
Conclusion .....	25
Bibliography.....	25

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## Jesuit Social Services: who we are and what we do

Jesuit Social Services has been working for more than 40 years delivering practical support and advocating for improved policies to achieve strong, cohesive and vibrant communities where every individual can play their role and flourish. We are a social change organisation working with some of the most marginalised individuals and communities, often experiencing multiple and complex challenges. Jesuit Social Services works where the need is greatest and where we have the capacity, experience and skills to make the most difference. Our services span Victoria, New South Wales and the Northern Territory where we support more than 57,000 individuals and families annually.

Our service delivery and advocacy focuses on the following key areas:

- **Justice and crime prevention** – people involved with the justice system
- **Mental health and wellbeing** – people with multiple and complex needs including mental illness, trauma, homelessness and complex bereavement
- **Settlement and community building** – recently arrived immigrants and refugees, and disadvantaged communities
- **Education, training and employment** – people with barriers to sustainable employment
- **Gender and culture** – providing leadership on the reduction of violence and other harmful behaviours prevalent among boys and men, and building new approaches to improve their wellbeing and keep families and communities safe.
- **People and place** – leadership, research, action and advocacy on place-based approaches to address disadvantage and build resilient, inclusive, regenerative communities.
- **Ecological justice** - inviting discussion on what practices, policies and actions can be taken by governments, individuals, organisations and the community services sector within Australia, to build an ecologically just society.

## Centre for Just Places, Jesuit Social Services

The Centre for Just Places was established by Jesuit Social Services, with seed funding from the Victorian Government and Gandel Philanthropy, to enable and support place-based approaches nationally through research, collaboration, engagement and knowledge exchange.

### Vision

*Enabling resilient, inclusive and regenerative communities.*

### Mission

*Enable and support place-based approaches nationally through research, collaboration, engagement and knowledge exchange.*

### Pillars: Research – Action – Advocacy

- Demonstrate leadership in research and advocacy on place-based inequities and injustice.
- Focus on addressing the root causes of social, economic and environmental inequity and injustice.
- Promote a social and ecological justice lens in place-based research and action.

- Collaborate and partner with communities and cross-sectoral stakeholders to support and enable effective place-based approaches.

*We acknowledge the Traditional Custodians of all the lands on which Jesuit Social Services operates and pay respect to their Elders past and present. We express our gratitude for their love and care of people, community, land and all life.*

## Executive Summary

This report, commissioned by VicHealth, presents Victoria-specific findings from Dropping off the Edge 2021<sup>1</sup> and has a particular focus on health and wellbeing inequities in Victoria. It includes an overview of the 40 locations experiencing the most disadvantage in Victoria, as well as a more detailed analysis across all indicators. It describes how disadvantage is concentrated in particular locations, how various forms of disadvantage overlap, and how multilayered disadvantage becomes difficult to escape.

Key findings included in this report show:

- Disadvantage is concentrated in a small number of communities within Victoria, with 5% of locations accounting for close to a third of the most disadvantaged rank positions across all indicators measured.
- Communities experience a complex web of disadvantage that make it challenging to improve life opportunities.
- While most disadvantage was found outside Melbourne (25 of the 40 most disadvantaged areas on the index ranking, particularly in the north-west and far east of the state), some of the most extreme disadvantage was found within the capital. Six of the 10 areas of highest disadvantage were in Melbourne, a level of disadvantage not seen in other capital cities.
- The analysis of Victoria-specific findings from Dropping off the Edge 2021 profiled in this report has shown distinct health and wellbeing inequities as shown through the strong relationship between health indicators and overall disadvantage (including the proportion of people needing assistance with core activities; proportion of people receiving a support pension; and rates of intentional self-harm death per 1,000 population).
- The qualitative findings, emerging from focus group interviews, have shed further light on what contributes to positive outcomes in particular communities, existing challenges, and what changes should be priorities for implementation.
- Multilayered and persistent disadvantage go together, whether in Melbourne or outside Melbourne. Once an area is experiencing disadvantage on multiple fronts, the challenges are more difficult to overcome. A significant number of communities have remained disadvantaged for long periods.
- Common challenges in locations experiencing multiple disadvantage in Victoria were jobless parents; low income; youth not in employment, education or training; and leaving school before Year 10.

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<sup>1</sup> 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.

## Introduction

### A short history of Dropping off the Edge

In 1999, Jesuit Social Services produced a report called “Unequal in life”. This report looked at the distribution of social disadvantage in New South Wales and Victoria, using a range of indicators collected at postcode level. There were three innovative aspects of this report. One was that the range of indicators was very broad, with the inclusion of low birthweight; child maltreatment; crime; and psychiatric admissions, as well as more traditional indicators of disadvantage like income; education; and unemployment. The second was that it showed results at postcode-level, so people could see what disadvantage in their neighbourhood looked like. The third was that it used the indicators to form an index, but then analysed the indicators and the index separately. As a result, this report showed maps of an index which combined the indicators; but also undertook analysis of postcodes ranking in the top 30 on each indicator. This was followed in 2004 with a report called Community adversity and resilience. This report again focused on NSW and Victoria, used similar indicators to the 1999 report, and reported the findings at the postcode level. The method was similar to the 1999 report, which also meant comparison of the indicators could be made to the indicators from 1999.

In 2007, Jesuit Social Services partnered with Catholic Social Services Australia and produced a report called Dropping off the Edge. The 2007 report used similar indicators to the previous two reports but, for the first time, used data collected for all states and territories across Australia. The same title was used for the 2015 report, which again used data for all states and territories in Australia, and expanded the indicator set. With the exception of the 2021 report, all previous Dropping off the Edge reports and analyses were led by Professor Tony Vinson. His extensive work in the field is acknowledged as the basis for this 2021 report. The current report extends the analysis by including indicators of intergenerational disadvantage and environment indicators for the first time as well as including qualitative analysis of eight disadvantaged communities to add to the quantitative analysis. The unique aspect of the Dropping off the Edge 2021 report, compared with other reports like the Australian Bureau of Statistics (ABS) Socio-Economic Index for Areas (SEIFA) is that it analyses the indicators separately and over time, and it uses a summary index that includes complex indicators like child maltreatment, intergenerational disadvantage, environment, and community safety. No other Australian analysis uses this breadth of indicators to identify disadvantage as well as examining persistent disadvantage over time. This draws a unique picture of different aspects of disadvantage in diverse communities across the country.

### Aim of Dropping off the Edge

The primary aim of the Dropping off the Edge reports has been to identify concentrations of entrenched disadvantage. Entrenched disadvantage has a number of impacts on people and families in the affected communities, including reducing life opportunities for children in disadvantaged families which then entrench the disadvantage intergenerationally (Darton & Strelitz, 2003; McLachlan, Gilfillan, & Gordon, 2013). Disadvantage refers to a range of difficulties that families might face which can limit their capacity to have a happy and healthy life. These difficulties are in a multitude of areas, from health to housing to incomes, but also cover more complex issues like family violence and crime.

## Scope of this report and limitations

Dropping off the Edge 2021 was released in November 2021 and provides a comprehensive analysis of persistent and entrenched disadvantage across Australia, including a state-by-state analysis using 37 indicators as well as supporting qualitative research<sup>2</sup>. This report, commissioned by VicHealth, presents Victoria specific findings from Dropping off the Edge 2021 and has an added focus on health and wellbeing inequities in Victoria. It includes an overview of the top 40 locations experiencing disadvantage in Victoria, as well as a more detailed analysis across specific health and wellbeing indicators. It describes how disadvantage is concentrated in particular locations, how various forms of disadvantage overlap, and how multilayered disadvantage becomes difficult to escape. Additional commentary and analysis of intergenerational disadvantage and environmental indicators are also provided. Finally, supporting qualitative case study research findings for Victoria are presented that discusses the challenges faced by many communities and serves to ground the indicators presented.

The Dropping off the Edge series of reports have changed in a number of ways over successive editions. And while Dropping off the Edge is not a longitudinal study due to the changes to indicators and geographical boundaries, the consistency of the results gives us confidence to make observations about the general nature of long term disadvantage in a small number of locations.

## Methodology - How Dropping off the Edge is undertaken

### Adopting a consistent geography

For Dropping off the Edge 2021, the Statistical Area Unit 2 (SA2) was used as a geographical unit of measurement. SA2s are used by the Australian Bureau of Statistics (ABS) for the Census and best represent communities consistently across all states and territories. The ABS states that “SA2s are designed to reflect functional areas that represent a community that interacts together socially and economically” (Australian Bureau of Statistics, 2021)<sup>3</sup>. For Dropping off the Edge 2021, some indicators used National Centre for Social and Economic Modelling (NATSEM’s) spatial microsimulation model. This model derives a synthetic population for SA2s across Australia by combining the 2016 Census and the 2017-18 Survey of Income and Housing (SIH) data<sup>4</sup>.

### Incorporating a domains approach

In Dropping off the Edge 2021, the innovations seen in previous reports have continued with a new domains approach to calculating the index. This approach allows indicators to be placed into domains with other similar indicators. These domains are important in measuring disadvantage. A domains approach to index creation is being used internationally and in Australia. For example, the Human Development Index (HDI) uses a domains approach (called dimensions in the HDI) (UNDP, 2020); and

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<sup>2</sup> The COVID-19 pandemic has posed unprecedented challenges to individuals and communities. Because of the time lag in collecting and analysing data, the data used in this report do not reflect impacts of COVID. It is likely that future data for many of the indicators will be affected by the pandemic – in particular, employment and health indicators – and will provide useful information about how disadvantage in this period was shaped. We can also anticipate some of the impacts. A lack of internet access during lockdowns, for example, may have impacted on disadvantage even more heavily than it did pre-pandemic.

<sup>3</sup> In this report when we use the term “location” we are referring to an SA2. Much of the data in the 2021 report were received at the SA2 level. However, much of the crime data came in at postcode level, so a method was used to split or merge the postcodes into SA2s using a population weighted concordance.

<sup>4</sup> More details about this approach appear in Miranti, McNamara, Tanton, & Harding, 2011; Tanton, Vidyattama, Nepal, & McNamara, 2011.

the United Kingdom uses a domains approach for their indexes of deprivation (Noble et al., 2004). At a practical level, the domains approach means the indicators can be grouped, rather than one index being derived from 37 indicators. Where a domains approach is used, each domain index might only be based on four to five indicators, so the individual indicators are more closely aligned with the domain level disadvantage.

### Creating the index

Principal Components Analysis was used first to create domain indexes, and then to create the summary index from these domain indexes. Using Principal Components Analysis to calculate an index for each domain is an accepted technique to summarise a range of indicators and has been used in previous work in Australia (Harding et al., 2009), New Zealand (Fahy, Lee, & Milne, 2017) and the United Kingdom (Noble et al., 2004). As noted, the ABS uses Principal Components Analysis for their Socio-Economic Index for Areas (Australian Bureau of Statistics, 2018c). The technique transforms a large set of indicators into a smaller set of “components” that capture most of the information in the original set of indicators. The method is described in full in a number of peer-reviewed journal articles (Harding, McNamara, Daly, & Tanton, 2009; Tanton, Harding, Daly, McNamara, & Yap, 2010).

Not every indicator contributes to the final summary index, with the Principal Components Analysis excluding certain indicators that provided the weakest representation of the underlying dimension of disadvantage. An important point to note is that just because a location shows as disadvantaged in the index it does not mean that everyone in that location is disadvantaged. Conversely there will also be disadvantaged households in a location that is showing as not disadvantaged. Inner city public housing estates are a classic example of small locations of disadvantage within a larger location (SA2) that might have experienced gentrification and therefore no longer be disadvantaged.

### Using the indicators and index together

As outlined earlier, one of the innovative aspects of Dropping off the Edge is that it uses an index, as well as analysis of the indicators that feed into that index. One set of analyses that sheds light on what is contributing to disadvantage in a state is the average value of indicators in the most disadvantaged 3% of SA2s using the index, compared to the average indicator value in the other 97%. This analysis highlights the drivers of disadvantage in the most severely disadvantaged communities.

Indicators that have a ratio of one means the average value for that indicator in the most disadvantaged 3% (according to the index) of locations in the state is the same as the value for the other 97% of SA2s. A value of five means the average value for that indicator in the most disadvantaged 3% of the state is five times the average for the other 97%. This ratio gives us a good idea of what is driving extreme disadvantage in the state. For some states with fewer SA2s, this analysis could not be conducted as it would have been based on too few SA2s to provide meaningful information.

### More insights from the indicators – multilayered and persistent disadvantage

The next analysis used the indicators only, rather than the index. Multilayered disadvantage exists where a location experiences disadvantage across a number of indicators. This multilayered disadvantage flows partly from the inter-related nature of the indicators –when unemployment is high, incomes tend to be low, for example – but also occurs across domains, indicating the interconnectedness of different types of disadvantage. To identify multiple disadvantage, a similar



method to that used in 2015 has been used. Locations with many indicators in the most disadvantaged 5% of locations across the state are experiencing multiple disadvantage, termed multilayered disadvantage in this report.

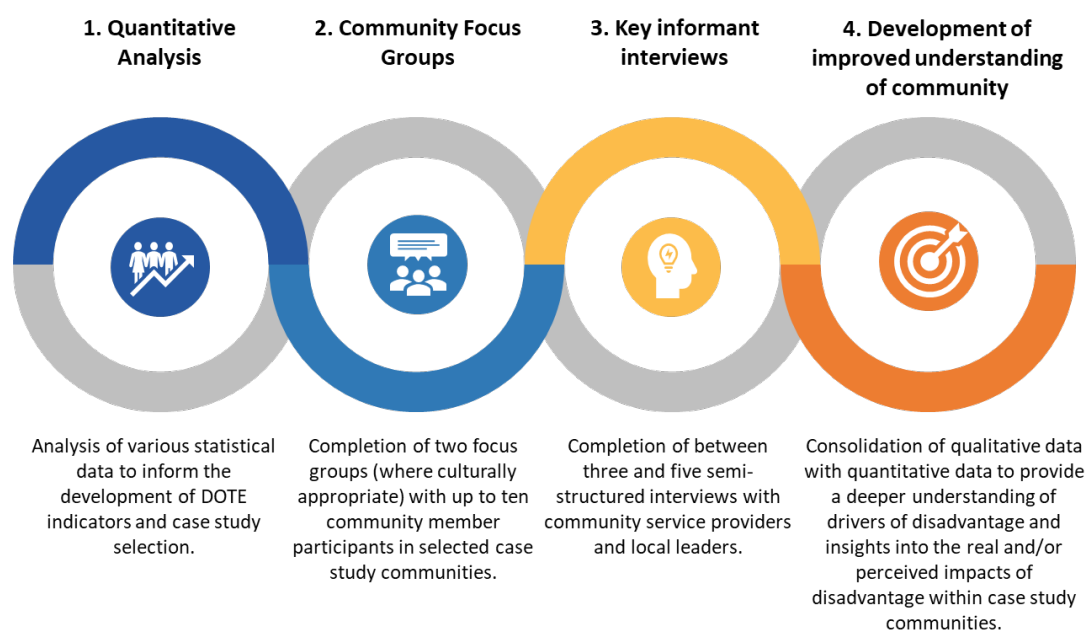
Persistent disadvantage is disadvantage that endures over time. It is measured as the number of locations where comparable indicators are in the most disadvantaged 5% in 2015 and again in 2021. This analysis considers rankings over time on specific indicators that were directly comparable. The research identified situations where locations were disadvantaged against an indicator in both the 2015 and 2021 reports. The list of comparable indicators for Victoria is shown in Table 1.

**Table 1:** List of comparable indicators in Victoria between 2015 and 2021 reports

2015 Indicator	2021 Indicator
Internet access	Internet access
Housing stress	Housing stress
Family income	Low family income
Overall education	Left school before Year 10
Post-school qualifications	No post school qualifications
Unskilled workers	Unskilled workers
Unengaged young adults	Young adults not engaged
School readiness	Young childhood development
Disability support	Receiving disability support pension
Long-term unemployment	Long-term unemployment
Rent assistance	Rent assistance
Year 3 Numeracy	Year 3 NAPLAN Numeracy
Year 3 Reading	Year 3 NAPLAN Literacy
Year 9 Numeracy	Year 9 NAPLAN Numeracy
Year 9 Reading	Year 9 NAPLAN Literacy
Confirmed child maltreatment	Confirmed child maltreatment
Juvenile offending	Juvenile convictions
Domestic violence	Domestic violence
Prison admissions	Prison admissions
Psychiatric admissions	Psychiatric admissions

## Qualitative research: community commentary and insights

While Dropping off the Edge 2021 is focused on the index and indicators, an exploratory qualitative element was added to gain a better understanding of the lived experience of disadvantaged communities. Figure 1 below provides an overview of the qualitative approach taken.



**Figure 1:** Overview of the qualitative approach taken in Dropping off the Edge 2021

Focus groups and individual interviews were conducted with people from two communities within Victoria. The focus groups and interviews were used to help identify what is needed within a community for that community to thrive, and how the quantitative indicators are experienced by the community<sup>5</sup>. The qualitative approach taken is not intended to be representative of the complexities across or within communities, rather the aim is to offer insights, and further detailed work is required in collaboration with communities to better understand the drivers of disadvantage and solutions to addressing them.

## Domains and indicators

For Dropping off the Edge 2021, an expert group and advisory group helped inform the selection of domains and indicators. To ensure consistency, most of the indicators for the 2015 report were maintained, but the 2021 report also includes new sources of information. Specifically, previous Dropping off the Edge reports had domains of social distress; health; community safety (crime);

<sup>5</sup> For further information about the qualitative component of Dropping off the Edge 2021, including case study selection and the use of focus groups in Victoria, see Chapter 3 of the full report:

<https://www.dote.org.au/full-report>

economic; and education. New indicators were added in 2021 to these existing domains, including public housing; overcrowding; volunteering; access to services; suicide; need assistance with core activities; underemployment; young people not in Employment, Education or Training (NEET); and financial stress.

In addition, the 2021 report includes two new domains: lifetime disadvantage and an environment domain. The lifetime disadvantage domain reflects an increasing interest in intergenerational disadvantage, that is, disadvantage that can be passed from one generation to the next. This has been highlighted in previous Dropping Off the Edge reports. The lifetime disadvantage domain comprised indicators of teenage pregnancy and jobless parents. The environmental domain reflects the fact that environmental factors are now recognised as contributing to disadvantage in many communities. The new indicators in this domain were particulate matter; heat stress; green canopy; and nature reserves. The final list of domains and indicators used are listed in Table 2.

**Table 2:** List of domains and indicators used in Dropping off the Edge 2021

Domain	Indicators
<b>Social Distress</b>	<ul style="list-style-type: none"> <li>Proportion of people living in low income households (earning less than \$650 per week or \$33,800 per year)</li> <li>Proportion of people who volunteer</li> <li>Proportion of people in households with internet not accessed from dwelling</li> <li>Number of grocery shops and supermarkets in the location</li> <li>Proportion of location used for recreation and culture—parks, sportsgrounds, camping grounds, swimming pools, museums, places of worship, zoos (including butterfly farms) with a primary purpose of recreation and culture</li> <li>Proportion of households without a suitable number of bedrooms (based on the Canadian National Occupancy Standard)</li> </ul>
<b>Health</b>	<ul style="list-style-type: none"> <li>Proportion of people receiving a disability support pension</li> <li>Overnight admitted mental health-related separations per 10,000 population</li> <li>General Practitioners and Resident Medical Officers who work in the location per 1,000 population</li> <li>Intentional self-harm death per 1,000 population</li> <li>Proportion of people who need assistance with core activities</li> </ul>
<b>Community Safety</b>	<ul style="list-style-type: none"> <li>Number of substantiated child (aged 0 – 14) maltreatment cases per 1,000 children</li> <li>Number of juvenile (age 10 – 17) convictions per 1,000 population aged 10-17</li> <li>Number of prison admission per 1,000 adult population aged 18 and over</li> <li>Number of people covered by a domestic or family violence protection order from either a criminal or civil case per 1,000 adult population aged 18 and over</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Proportion of people working in low skilled occupations to total labour force</li> <li>Proportion of people who are working and would like to work more hours to total labour force</li> <li>Proportion of people who have been unemployed for more than 1 year to total labour force</li> <li>Proportion of young adults (18 – 24) not in employment, education, or training</li> <li>Proportion of households in bottom 2 quintiles of the income distribution (40%) paying more than 30% of their gross income on rent or mortgage (microsimulation data)</li> <li>Proportion of people living in social/public housing</li> <li>Proportion of people receiving rent assistance in location to population aged 18 and over (Centrelink data)</li> <li>Proportion of people who cannot raise \$2,000 in a week for something important (microsimulation data)</li> </ul>

<b>Education</b>	Proportion of Year 3 students not “At or above national minimum standard” on the numeracy assessment scale Proportion of Year 3 students not “At or above national minimum standard” on the reading assessment scale Proportion of Year 9 students not “At or above national minimum standard” on the numeracy assessment scale Proportion of Year 9 students not “At or above national minimum standard” on the reading assessment scale Proportion of full-time students in Years 1-10 whose attendance rate in Semester 1 was below 90% Proportion of people in location who left school before Year 10 Proportion of people in location with no post school qualification Proportion of young children vulnerable on at least one domain of the Australian Early Development Census (AEDC)
<b>Lifetime Disadvantage</b>	Proportion of female youth aged 15-19 who have at least one child Proportion of dependent children aged 0-14 in a family where no parent is working (unemployed or not in the labour force)
<b>Environment</b>	Amount of particulate matter in the location greater than 2.5 microns in width Proportion of location with considerable wood vegetation (tree cover) Proportion of days above 38 degrees Proportion of locations in the SA2 that are declared nature reserve

## Indicators in each domain

Once the domains are decided on, the indicators to measure disadvantage under each of the domains are chosen. A challenge for researchers is that there is a wide gap between what the theory identifies as an indicator of disadvantage, and what indicators are available for communities. As an example, an ideal indicator in the health domain is self-assessed health; but this is only available from health surveys at a national and state level, not a community level. This means that a pragmatic approach was taken in selecting the best indicators from the data available for the communities of interest. The indicators also need to be justified in terms of the impact they have on disadvantage, as shown in the literature. The final indicators that are chosen need to be reasonably accurate; available for a recent time period; and available for the geography being considered. This section identifies the indicators used under each domain, and discusses the literature that contributed to indicator selection.

As previous Dropping off the Edge reports have found, there is a strong interconnectedness between indicators. Using the example of income again, it is an identifier of disadvantage in itself; but it is also associated with low health; is part of the housing stress indicator; is associated with long-term unemployment; and is one of the criteria for receiving rent assistance. This interconnectedness is one of the reasons for using Principal Components Analysis, as it summarises all these associations into one summary index, which can then be used in analysis.

In terms of specific health and wellbeing indicators, the indicators shown in the health domain in Table 2 above reflect aspects of health in the community, and include measures of disability; psychiatric admissions; suicide; and need for assistance. This report for VicHealth focuses on disability, suicide and need for assistance as the most reliable indicators of health and wellbeing drawn from Dropping off the Edge 2021 and these indicators are described in more detail below.

## Disability

The link between people with disabilities, socio-economic disadvantage and poorer health outcomes has been studied extensively. Disability and health outcomes have also been strongly linked to socio-economic disadvantage. In this report, disability that seriously affects a person's ability to work is used. When a person is receiving a disability support pension from the Department of Social Security, the disability is so serious that the person cannot work, and their earning capacity is affected.

## Suicide

The measurement of rates of suicide within Australia is a new indicator in Dropping off the Edge 2021. The measurement of suicide in the literature has evolved over previous decades to not only consider individual determinants that influence suicide rates but also the importance of environmental factors. The neighbourhood or communities that individuals live in are important influences on suicide rates (Exeter & Boyle, 2007; Wray, Colen, & Pescosolido, 2011). The socio-economic characteristics of neighbourhoods and communities have been shown to influence the risk level of suicide (Exeter & Boyle, 2007).

Suicide rates will be an important indicator of social disadvantage following the most recent and ongoing economic impacts of the COVID-19 pandemic for Australia, making the addition of suicide valuable for the Dropping off the Edge report. This indicator uses the rate of intentional self-harm per 1,000 population in the SA2. It comes from the National Coronial Information System.

## Need for assistance

The need for assistance is a new indicator in the 2021 Dropping off the Edge report. It measures an individual's need for assistance with core activities, also known within the literature as activities of daily living. Need for assistance with core activities can result from reduced mobility or disability, and is prevalent within the older population. The need for assistance indicator is the proportion of people who need assistance with core activities. It comes from the 2016 Census at the SA2 level.

## Findings from Victoria

Dropping off the Edge 2021 examines 454 SA2's in Victoria across 37 different indicators of disadvantage. The indicators, based on statistics collected from a number of government agencies, reflect factors that may limit life opportunities in the broad areas of social wellbeing, health, community safety, economic factors and education. In addition, for the first time, the 2021 report also includes environmental indicators and indicators of intergenerational disadvantage. An index was created that lists areas in bands according to their level of disadvantage. For each area we are able to identify the key drivers of disadvantage. Table 3 lists the 40 most disadvantaged postcodes and 10 least disadvantaged locations in Victoria. Figures 2 and 3 show how disadvantage is concentrated geographically in Victoria and Greater Melbourne respectively.

**Table 3:** 40 most disadvantaged postcodes and 10 least disadvantaged locations in Victoria (Note: bands illustrate the severity of disadvantage experienced by a location with Band 1 being most severe – locations listed alphabetically within bands.)

Band	SA2 Name	Population	Location	In list in 2007	In list in 2015
	<b>Most Disadvantaged Locations</b>				
	Broadmeadows	14,512	Greater Melbourne	Y	Y
	Campbellfield - Coolaroo <sup>6</sup>	16,989	Greater Melbourne	Y	Y
	Corio - Norlane	27,622	Rest of Vic.	Y	Y
	Dandenong	34,199	Greater Melbourne		Y
1	Doveton	12,433	Greater Melbourne	Y	Y
	Maryborough (Vic.)	8,006	Rest of Vic.	Y	Y
	Meadow Heights <sup>7</sup>	15,732	Greater Melbourne		Y
	Mildura - North	18,690	Rest of Vic.		Y
	Morwell	14,004	Rest of Vic.		Y
	St Albans - North	21,624	Greater Melbourne		Y
	Bendigo	14,703	Rest of Vic.		
	Cobram	6,426	Rest of Vic.		
	Kings Park (Vic.) <sup>8</sup>	14,550	Greater Melbourne		Y
	Moe - Newborough	16,844	Rest of Vic.		Y
	Mooroopna	8,137	Rest of Vic.		Y
2	Robinvale	3,302	Rest of Vic.	Y	Y

<sup>6</sup> 60% of Broadmeadows and 40% of Campbellfield-Coolaroo are in postcode 3047 – Broadmeadows in the 2015 report

<sup>7</sup> 82% of Meadow Heights SA2 is within postcode 3048 – Coolaroo in the 2015 report

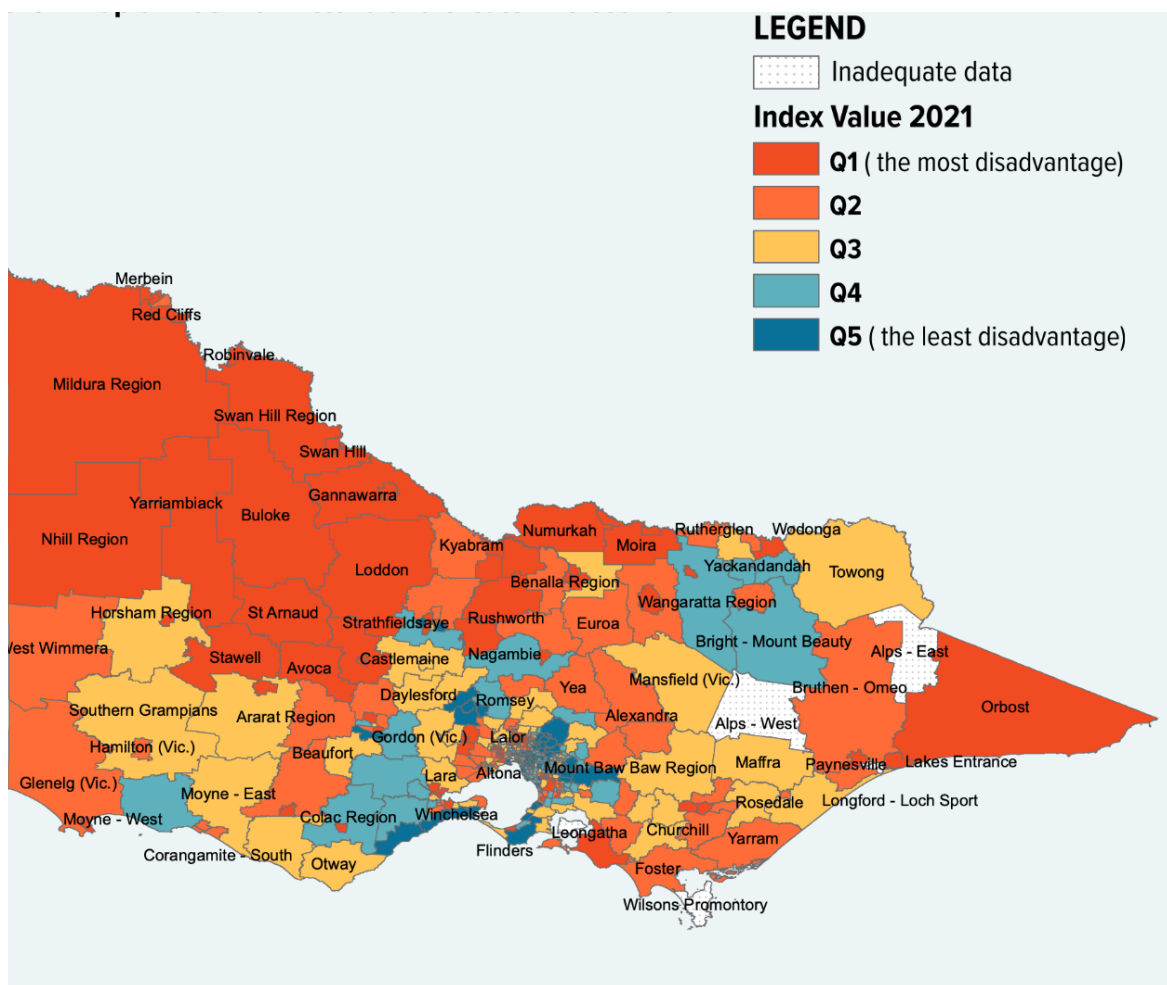
<sup>8</sup> This was part of postcode 3021 – St Albans in the 2015 report

	Seymour	6,439	Rest of Vic.		Y
	Shepparton - South	24,829	Rest of Vic.		Y
	St Albans - South	18,403	Greater Melbourne		Y
	Thomastown	21,510	Greater Melbourne		Y
	Benalla	10,492	Rest of Vic.	Y	Y
	California Gully - Eaglehawk	13,252	Rest of Vic.	Y	Y
	Lalor	25,249	Greater Melbourne		Y
	Mildura - South	15,229	Rest of Vic.		Y
	Red Cliffs	5,991	Rest of Vic.		Y
3	Roxburgh Park - Somerton	25,372	Greater Melbourne		
	Sunshine North <sup>9</sup>	12,525	Greater Melbourne		Y
	Sunshine West	20,207	Greater Melbourne		Y
	Wendouree - Miners Rest	15,173	Rest of Vic.		Y
	Yarriambiack	6,536	Rest of Vic.		
	Frankston North	19,894	Greater Melbourne		Y
	Kerang	3,815	Rest of Vic.		
	Loddon	7,003	Rest of Vic.		Y
	Maryborough Region	5,323	Rest of Vic.	Y	Y
	Merbein	4,854	Rest of Vic.		Y
4	Newcomb - Moolap	15,089	Rest of Vic.		
	Noble Park - West	20,153	Greater Melbourne		
	Orbost	6,461	Rest of Vic.	Y	Y
	Rushworth	4,057	Rest of Vic.		
	Yarrawonga	8,504	Rest of Vic.		
	<b>Least Disadvantaged Locations<sup>10</sup></b>				

<sup>9</sup> Sunshine North and Sunshine West are part of the postcode 3020 – Albion in the 2015 report

<sup>10</sup> Note that as outlined earlier, this is an index of disadvantage. None of our indicators measure advantage, like high income or high occupation. Therefore, it cannot be said that an area of low disadvantage is high advantage.

	Beaumaris	14,927	Greater Melbourne		
	Eltham	24,296	Greater Melbourne		
	Glen Iris - East	17,658	Greater Melbourne		
	Ivanhoe East - Eaglemont	8,202	Greater Melbourne		
	Lysterfield	6,990	Greater Melbourne		
	Macedon	3,639	Greater Melbourne		
	Mount Eliza	19,235	Greater Melbourne		
	Research - North Warrandyte	7,107	Greater Melbourne		
	Surrey Hills (East) - Mont Albert	10,625	Greater Melbourne		
	Warrandyte - Wonga Park	10,547	Greater Melbourne		



**Figure 2:** How disadvantage is concentrated in Victoria





**Figure 3:** How disadvantage is concentrated in Greater Melbourne

Dropping off the Edge 2021 also considers every indicator separately, paying specific attention in Victoria to locations with eight or more single indicators where the area ranked in the top 5% of disadvantage. These areas are grappling with disadvantage on multiple fronts. Comparing the index ranking over the years of the report series, as well as performance against a particular indicator over time, provided insights into where and what type of disadvantage is persistent.

### What the indicators show

#### *Locational disadvantage is concentrated*

A limited number of communities account for a disproportionate number of 'top ranked' (i.e. most disadvantaged) positions across the various indicators:

- Five areas, about 1% of locations, accounted for 9% of the most disadvantaged rank positions across all indicators. This is a nine-fold overrepresentation, mirroring the 2015 result
- 24 SA2s (5% of total) yielded more than 29% of the most disadvantaged rank positions. This is a five-fold overrepresentation.

The disproportionate distribution of disadvantage within the state is seen most clearly when the incidence of particular factors among those living in the 3% most disadvantaged areas (13 communities in Victoria) is compared with the rest of the state. Those living in the 3% most disadvantaged SA2s in the state are:

- 3.1 times more likely to be living in public housing
- 2.9 times more likely to have high levels of prison admissions or families with jobless parents
- 2.7 times more likely to experience child maltreatment
- 2.5 times more likely to experience overcrowding and 2.4 times more likely to be exposed to family violence.

#### *Locational disadvantage is persistent*

The persistent nature of locational disadvantage is demonstrated when we compare findings of this 2021 study with previous studies undertaken between 1999 and 2015. All the locations in the top 10 in 2021 were also in the 2015 list of the 40 most disadvantaged locations.

Of those in the top 40 disadvantaged areas in 2021, most (31 out of the 40) were also in the top 40 disadvantaged areas in 2015. Many of these locations were also in the same band – six of the top ten in 2021 were also in Band 1 in 2015. Five of the top ten were in the most disadvantaged 40 in both 2007 and 2015. Some have been disadvantaged since the early studies were undertaken in 1999 and 2004.

#### *Disadvantage occurs on multiple fronts*

Disadvantage is difficult to shift when it occurs across multiple areas of life, as these challenges combine to create what can seem to be insurmountable hurdles.

In Victoria, 24 areas (5% of the SA2s) had eight indicators or more in the top 5% most disadvantaged. These 24 areas accounted for 29% of all possible indicator positions. This was similar to the results in 2015, which used larger areas (postcodes) and found that 27 postcodes (4% of the total postcodes) accounted for 29% of the top rank positions. The results in 2007 were similar – 44 postcodes (6.6% of the total) accounted for 35.3% of the top positions.

Different areas ranked highly on different indicators, highlighting the diversity of disadvantage between communities and the need to explicitly consider the individual community context when designing programs to address disadvantage and the impacts of disadvantage. Place-based approaches that recognise the multi-faceted nature of disadvantage, and the particular types of disadvantage prevalent in any community, will have better prospects of success<sup>11</sup>. There is immense social and economic cost to the entire community as a result of sustained disadvantage, which perpetuates inequality and constrains life opportunities for significant sections of society.

For Victoria, the majority of disadvantaged locations were in Melbourne and using the index, high disadvantage clusters were found in the northern suburbs. This clustering of disadvantage is typical and

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<sup>11</sup> Jesuit Social Services has a deep understanding of place-based approaches through extensive experience and expertise gleaned over many decades in Victoria. Jesuit Social Services' agency-wide practice framework (Our Way of Working) embeds self-determination and enhanced community participation as the informing principle of all our work, realised through community conversation built on deep-listening and local leadership.

is seen using other indexes of disadvantage (Stimson, 2001). The seven indicators that were most influential in Victoria are shown in Table 4 below<sup>12</sup>.

**Table 4:** Indicators that contributed most to the index in Victoria

Domain	Indicator	Loading
Social Distress	% with low family Income (<\$650 per week)	0.70
Education	% who left school before Year 10	0.66
Community Safety	Family violence per 1,000 population	0.65
Community Safety	Prison admissions per 1,000 population	0.64
Social Distress	% with no Internet at home	0.64
Environmental	Particulate matter	0.64
Education	% adults with no post-school qualification	0.63

The indicator that contributed most to the index in Victoria was low income. Education is also a high contributor to the index in Victoria, particularly those leaving school before Year 10. Some of the community safety indicators were also high on the list of contributors to the index. These results are similar to the results from the ABS Socio-Economic Index for Areas (SEIFA) national index, where low income is the most important indicator. The number of prison admissions had a strong influence on the index in Victoria. This finding is consistent with the results of previous reports - contact with the justice system continues to hamper the life prospects of many Australians. High recidivism rates and the common trajectory of young people to the adult justice system are two areas that deserve particular attention. The increasing imprisonment rate, despite falling offender rates (see Productivity Commission, 2021) is particularly concerning given the heavy burden not only on individuals and families but the entire community.

A lack of access to the internet was also important in the index, ranking as the 5th most important indicator for Victoria. One of the environmental indicators (particulate matter) also contributed significantly to the index and confirming that this domain was an important addition in this report. While environmental factors are often not front of mind when we consider disadvantage, it is clear from the data that there is a strong relationship between poorer quality natural environments (for example, where air pollution is high) and other indicators of disadvantage such as health. In Victoria, the significance of environmental indicators was possibly driven by the closeness of disadvantaged locations to industrial and mining locations, including power stations. For example, Morwell and Moe – Newbrough were in the list of most disadvantaged locations in Victoria, and are close to Yallourn power station and an open cut mine, as well as Loy Yang power station.

An important point to note is that just because a location shows as disadvantaged in the index it does not mean that everyone in that location is disadvantaged. Conversely there will also be disadvantaged

<sup>12</sup> Those indicators with a loading above 0.6 are the ones that contribute most to the index of disadvantage, meaning they provide the strongest representation of the underlying dimension of disadvantage.

households in a location that is showing as not disadvantaged. Inner city public housing estates are a classic example of small locations of disadvantage within a larger location (SA2) that might have experienced gentrification and therefore no longer be disadvantaged. The research also examined indicators of intergenerational disadvantage for the first time. These indicators – teenage pregnancies and families that reported neither parent in employment – frequently coexisted with other forms of disadvantage. While these indicators did not show as strong a relationship to general disadvantage as the indicators in the table above, the principal component analysis did show that they were meaningful to the index across Victoria and all other states.

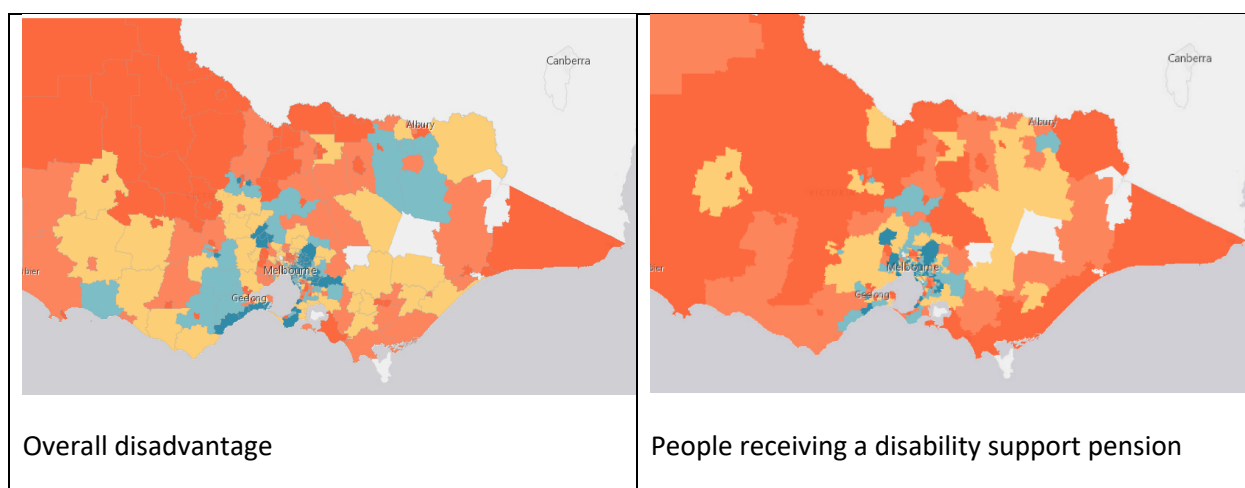
### Insights into health and wellbeing inequities in Victoria

Dropping off the Edge 2021 provides insights into health and wellbeing inequities in Victoria and areas experiencing overlapping forms of disadvantage through a number of key health variables. Table 5 below presents a list of these measures along with a short description and their corresponding data sources. Health data is drawn from a mix of administrative and Census data, which is publicly accessible, and other data sources that are confidentialised, such as data on suicide.

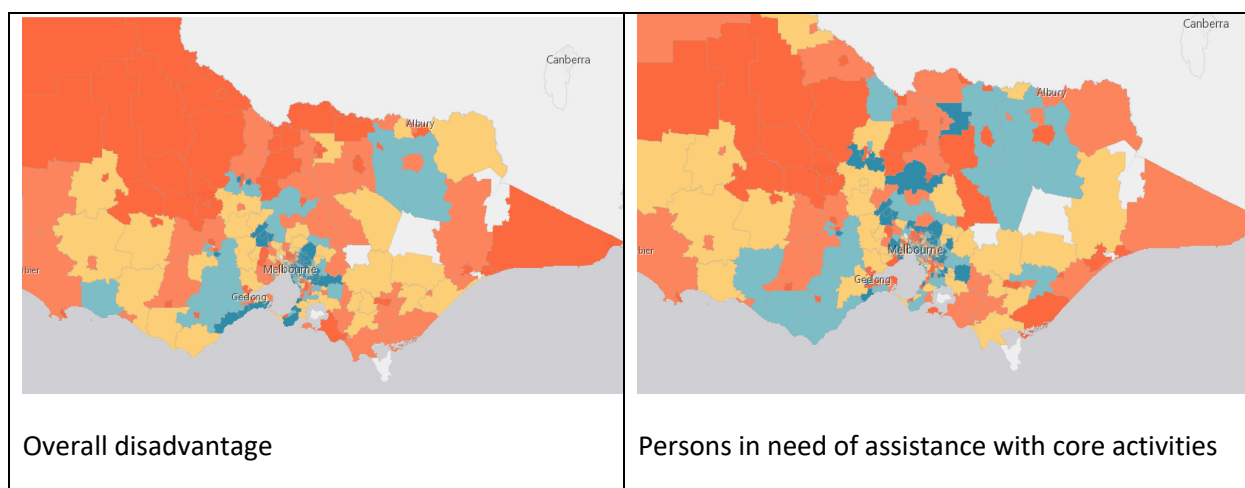
**Table 5:** List of health variables in Dropping off the Edge 2021 and their data sources

Variable Names	Indicators	Source
psy_ad	Overnight admitted mental health-related separations per 10,000 population	AIHW – SA3 level data concorded to SA2
gp2	General Practitioners and Resident Medical Officers per 1,000 population	ABS Census Tablebuilder, Place of Work and Place of residence
suicide	Intentional self-harm death per 1,000 population	Jesuit Social Services
need_assist	Proportion of people who need assistance with core activities	ABS Census Tablebuilder
prop_dsp	Proportion of people receiving a disability support pension	Centrelink

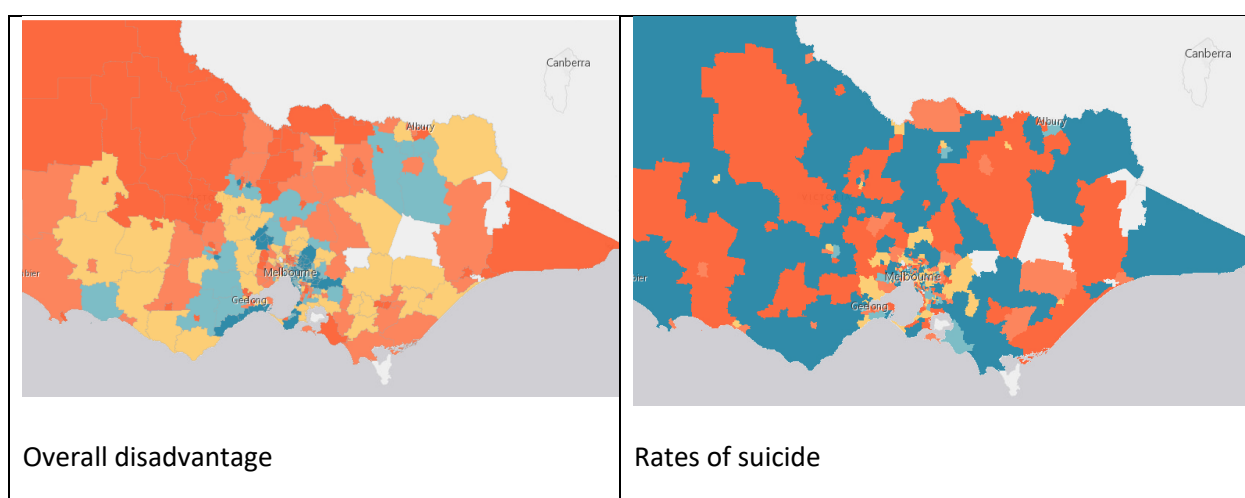
Census and administrative data provide an insight into the physical and mental health status of Victorians in the context of area-level disadvantage. As mentioned earlier, this report for VicHealth focuses on disability, suicide and need for assistance as the most reliable indicators of health and wellbeing drawn from Dropping off the Edge 2021. Figures 4, 5 and 6 below illustrates how these individual indicators relate to overall disadvantage in Victoria.



**Figure 4:** Map showing overall disadvantage in Victoria compared to proportion of people receiving a disability support pension

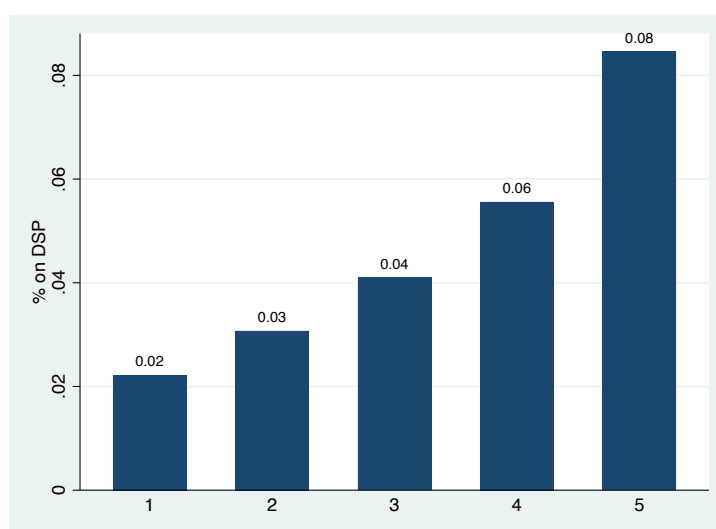


**Figure 5:** Map showing overall disadvantage in Victoria compared to rates of persons in need of assistance with core activities



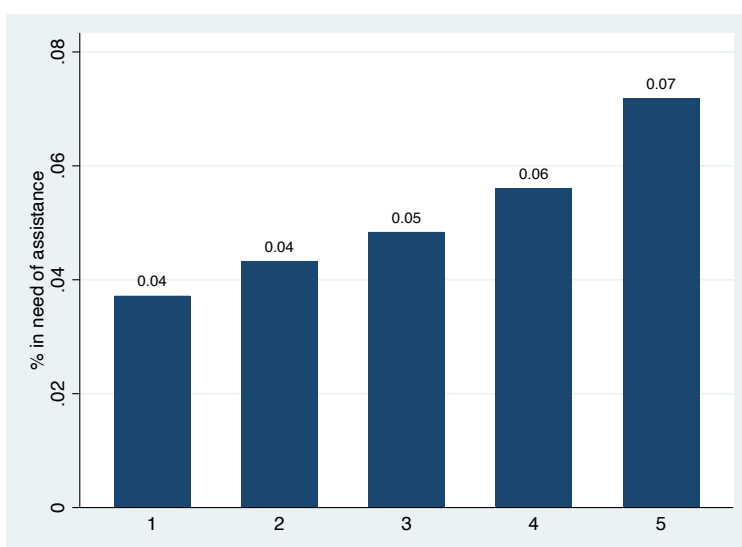
**Figure 6:** Map showing overall disadvantage in Victoria compared to rates of suicide

To explain the relationship between individual health indicators and general disadvantage in more detail, Figure 7 uses SA2-level data to show the mean proportion of persons who are in receipt of Disability Support Pension (DSP) and compares this data with the overall index of disadvantage presented in Dropping off the Edge 2021 (as measured in quintiles). Figure 7 shows that the percentage of DSP recipients in an area is directly proportional with the level of disadvantage in that area. More specifically, in those SA2's with the least amount of overall disadvantage (i.e. those in the bottom 20% of the disadvantage index) an average of 2% of residents receive DSP. However, the share of recipients increases proportionately with each increment in the disadvantage scale and reaches an average high of 8% for those areas in the top 20% of the disadvantage index distribution.



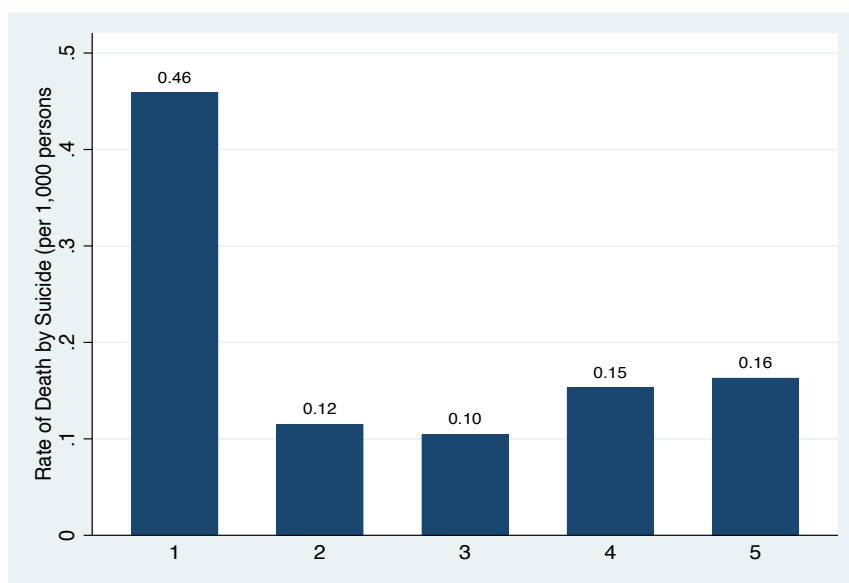
**Figure 7:** Percentage of persons in receipt of DSP by Disadvantage Index (quintiles). Source: Authors' own calculations using Dropping off the Edge data, 2021.

A similar trend is displayed in Figure 8, when comparing the proportion of persons in need of assistance with core activities across different disadvantage quintiles. Of those who need assistance with core activities, an average of 4% live in the least disadvantaged areas while almost twice as many live in the most disadvantaged areas of Victoria.

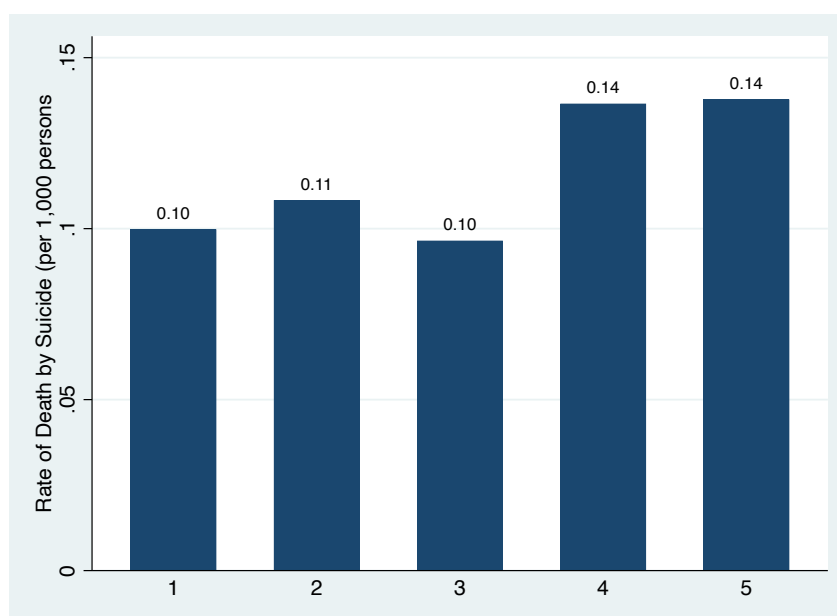


**Figure 8:** Percentage of persons in need of assistance with core activities, by Disadvantage Index (quintiles). Source: Authors' own calculations using Dropping off the Edge data, 2021.

Using a similar analysis for measures of death by suicide at SA2 level, a different narrative emerges. As shown in Figure 9, the mean death by suicide rate at the bottom 20% of least disadvantaged areas is 0.46 per 1,000 persons which is almost three times the suicide rate in the most disadvantaged areas. However this alarming figure falls markedly when we use median values instead of average rates<sup>13</sup>. In Figure 10 it can be seen that median death rates are highest in the most disadvantaged neighbourhoods where it is around 40% higher than the most advantaged areas. These results, together with the earlier set of findings, signal wide and systematic disparities in the health status of residents from different levels of area-level disadvantage and present a worrying portrait of the health inequities in Victoria.



**Figure 9:** Mean Death Rate by Suicide Per 1,000 persons by Disadvantage Index (quintiles)



<sup>13</sup> The disproportionately large mean suicide rates in advantaged areas signal that extreme values in a small number of areas might have been driving the high averages.

**Figure 10:** Median Death Rate by Suicide Per 1,000 persons by Disadvantage Index (quintiles)

### Qualitative analysis - what the community is saying

Qualitative research in Victoria revealed many of the challenges that many communities face and a grounded understanding of disadvantage. The Swan Hill and Melton communities were selected as case studies. While quite different communities – Swan Hill is a regional town with an ageing population while Melton sits in a key growth corridor on the western fringe of Melbourne – these case study locations highlighted the importance of consulting community and taking a long-term place-based approach to addressing disadvantage.

Key themes that emerged in discussions with these communities included the need for good leadership as well as the effective provision of services. High quality and easily accessible shared spaces for locals to come together was identified as being important for building local cohesion. The intergenerational nature of disadvantage, as well as the impact of inadequate technology, were also highlighted,

#### Case Study Location: Swan Hill

Swan Hill was selected as a case study due to its regional location, high level of disadvantage (top quintile) and its ageing population. Swan Hill has a high proportion of houses with no internet at home - more than 1.5 times the national average. The town saw movement against several indicators between the 2015 and 2021 reports, with improvements against some and persistent disadvantage on others. Members of the Swan Hill community stated that:

“[Impacts of poor internet access] got amplified with COVID when we resorted [to] video conferences and telephones, but we couldn't reach a lot of the young people in [regional areas] and places like that as they just don't have internet.”

“... you see these teenagers, then they are just ‘What's the point? What's the point of trying? What's the point because I've been labelled because my dad did this? You hear that all the time. ... that hopelessness, ‘I'm stuck...’”

#### Case Study Location: Melton

Melton has seen considerable change over recent decades and was selected as a case study location due to the mix of indicators staying the same and moving over time. Melton includes three SA2 locations and study participants were recruited from across all of them. The three SA2s - Melton, Melton South and Melton West were all in the most disadvantaged quintile. Residents of Melton were vocal about the nature of disadvantage in the community:

“It's intergenerational, ... and not being able to get the support when they need the support and, due to it being really difficult to navigate.”

“You'd have to wait [at] least four to five months before getting an appointment with family services for Melton Council. But then if you haven't got money to pay, to go to a private provider, just don't go. And if you're waiting on the public system, five to six months.”

“There's lots of services that are working... but I still think a lot of the services are working in silos rather than working together.”

“So rather than providing all these activities for kids that the kids are not going to, because it's just not interesting to them...let's do a focus group ... with the kids to say... what do you guys want?”



Place-based approaches tailored to address particular types of complex and interrelated disadvantage in place will have a better chance of achieving sustained change. The voices from the two case study communities illustrate and reinforce the importance of solutions based in local experiences of both community disadvantage and community strengths. The Centre for Just Places, through its current networks and collaboration with communities, aims to expand on the qualitative component of Dropping off the Edge in future editions to support and enable effective place-based approaches.

## Conclusion

This report has provided Victoria-specific findings from Dropping off the Edge 2021. It has shown how disadvantage is multifaceted, where different domains of disadvantage feed into one another, serving to create a web of disadvantage. The use of an index to rank high level disadvantage has helped to identify those locations in Victoria that are experiencing disadvantage in broad terms, and an analysis at the indicator level gives more information about the persistence and depth of disadvantage across several distinct domains.

The analysis of Victoria-specific findings from Dropping off the Edge 2021 profiled in this report has shown distinct health and wellbeing inequities as shown through the strong relationship between health indicators and overall disadvantage (including the proportion of people needing assistance with core activities; proportion of people receiving a support pension; and rates of intentional self-harm death per 1,000 population). There is scope to expand this analysis further and connect health-specific indicators to other indicators of disadvantage and the environmental determinants of health. The qualitative findings, emerging from focus group interviews, have shed further light on what contributes to positive outcomes in particular communities, existing challenges, and what changes should be priorities for implementation. Further engagement and collaboration is required to deeply explore these challenges and support community-led solutions across areas of disadvantage in Victoria.

Future editions of Dropping off the Edge, including state-level analyses such as those presented in this report for VicHealth, will look to consolidate and build on the extensive work undertaken in the 2021 edition. The potential use of additional resilience, strengths-based, and accessibility to services indicators will be explored to better understand community realities and needs.

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