

Low Socio-Economic Status and Poverty

Executive Summary

Note: This is one of three *Bugmy Bar Book* chapters considering the specific impacts of different forms of economic disadvantage. This chapter should be read in conjunction with '[Homelessness](#)' and '[Unemployment](#)'.

Socio-economic status ('SES') refers to the relative social and economic position of a given individual, or group of individuals, within the larger society.¹ Common measures of SES are associated with material markers such as income, consumption, wealth, education and employment. Poverty is another measure of economic and social position in society.²

Economic factors such as interest rates, inflation and the rising cost of living, the labour market, insecure, inappropriate or unaffordable housing, an inadequate social security system and social factors such as domestic and family violence and intergenerational disadvantage have all been identified as drivers of poverty.³ It is estimated that one in seven people live below the poverty line, but some groups are more vulnerable than others.⁴ Poverty is intergenerational and causes significant lifelong harm.⁵ Poverty and low SES may have impacts on:

- childhood development, education and employment;⁶
- health and disability;⁷
- social exclusion;⁸
- homelessness and housing instability;⁹ and
- increased risk of contact with the criminal justice system.¹⁰

The 2013 Senate Inquiry into the Value of a Justice Reinvestment Approach to Criminal Justice in Australia found that

as criminal behaviour is closely associated with disadvantage in living standards, health, education, housing and employment, the 'failure to adequately address these issues in many urban and rural communities in Australia has ensured that people in these communities are more likely to offend and be put in prison'.¹¹

Serious disadvantage associated with low SES is caused by a number of factors, beyond income alone, that are outside the control of individuals.¹² This indicates that a 'social determinants' approach to health and justice – implementing measures that address the structural drivers and criminalisation of poverty along with strengths-based, person-centred, and place-based approaches – will be integral to improved outcomes.¹³

Evidence of low SES and poverty in sentencing proceedings has potential relevance to: assessment of moral culpability; moderating the weight to be given to general deterrence; determining the weight to be given to specific deterrence and protection of the community; and shaping of conditions to enhance prospects of rehabilitation. It may also be relevant to other sentencing issues and principles including a finding of special circumstances.

Notes

- ¹ Australian Bureau of Statistics, [Measures of Socioeconomic Status](#) (Catalogue No 1244.0.55.001, 22 June 2011) 1.
- ² *Ibid* 2.
- ³ Senate Community Affairs References Committee, Parliament of Australia, [The Extent and Nature of Poverty in Australia](#) (Final Report, February 2024) 1 [1.1] ('Poverty Final Report') 7.
- ⁴ Productivity Commission, *Fairly Equal? Economic Mobility in Australia* (Report, July 2024), 55; Senate Inquiry, Community Affairs Reference Committee, [The Extent and Nature of Poverty in Australia](#) (Interim Report, May 2023) ('Poverty Interim Report') 5–6.
- ⁵ Productivity Commission (n 4) 9.
- ⁶ Meredith O'Connor et al, 'Developmental Relationships between Socio-Economic Disadvantage and Mental Health Across the First 30 Years of Life' (2022) 13(3) *Longitudinal and Life Course Studies* 432.
- ⁷ Australian Institute of Health and Welfare ('AIHW'), 'Social Determinants of Health', in *Australia's Health 2024* (Topic Summary, 2 July 2024).
- ⁸ *Poverty Final Report* (n 3) 41, 82, 135.
- ⁹ *Poverty Interim Report* (n 4) 21–4.
- ¹⁰ Productivity Commission, [Australia's Prison Dilemma](#) (Research Paper, 29 October 2021) 20, 31.
- ¹¹ Senate Legal and Constitutional Affairs References Committee, Parliament of Australia, *Value of a Justice Reinvestment Approach to Criminal Justice in Australia* (Report, 20 June 2013) 14 [2.52], quoting the National Association of Community Legal Centres.
- ¹² *Poverty Final Report* (n 3), [Submission No 244](#), Australian Human Rights Commission ('AHRC Submission') 6.
- ¹³ Ruth McCausland and Eileen Baldry, 'Who Does Australia Lock Up? The Social Determinants of Justice' (2023) 12(3) *International Journal for Crime, Justice and Social Democracy* 37, 38–9; AHRC Submission (n 12) 6, 39–40, 71–2.